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PIPING SERVICES

| Client Name:  | Derrick Nel                      | Email: | derrick.nel@Swartland.co.za |
|---------------|----------------------------------|--------|-----------------------------|
| Company:      | Swartland Investment ( PTY ) Ltd | Ref:   | GPS/SRT/002                 |
| Phone number: | +27 82 854 0778                  | Date:  | 20 May 2019                 |

Dear Sir.

## RE: GAS & FUELS PLANT CONSULTING SERVICES: RATES AND DISBURSEMENTS

We thank you for your enquiry. Our current hourly rates and disbursement costs are set out below.

Prof. Gas piping Services specializes on the design , supply and construction of Fuel and Gas infrastructure for industry. Our 50 years combined experience in these fields requires specific knowledge of the SANS standards and the local as well as the national regulations and legislation.

We particularly design around the SANS 347, 827, 10087 Range, 089 and 1080 standards. Our drafting office specialize in the lates CAD drawing program and submission of applications to the local authority.

# Phase 1 - Infrastructure Design, Draw and BOQ:

The design of a Fuel or Gas related plant will require various production details and planned future expansion/ production rates.

Our BOQ's will not allow for civils, sundries or breakages. This must be allowed for by the tenderer. The design will be based on the services reticulation drawing and must be in consultation with the services consultant to ensure minimum additional civils.

With previous experience we suggest a design meeting to agree on the best design which will ensure efficient installation and minimize losses and damages and maximize production rates.

- The design of the storage and mains piping reticulation system and the design of the system according the local standard and RSA legislation.
  - This will be done in consultation with the preferred Architect and QS, to allow for their particular equipment and installation preferences.
- Drawings in CAD and pdf of each system and each type.
- Drawing for each building phases that will be submitted to the local authority for approval
- Issue tender requests to at least 3 gas installation companies. Assist with contract submissions with supplier to ensure best supply agreement.

- Submission of the storage and main piping design and drawing to the local fire prevention office.
- Submission of the piping system and drawings to the clients architect for their submissions.
- Supply of a full set of Bill of Quantities for the infrastructure piping for each phases of the project
- Supply of a full set of Bill of Quantities for the mains reticulation system allowing for phased development.
- Negotiation with the gas and fuel supplier to ensure best supply agreement for the customer.

### **Conditions**

- The price is Net and excludes VAT.
- Any item not mentioned above.
- The price is valid for 30 days.
- No work will be carried out prior to receipt of official order (Please see payment terms).
- The design, drawings and documentation remains the property of Gas Piping Services until payment has been received in full or for the section in question.

## **Payment Rates**

| Engineering Design: | R 690.00 / hour |
|---------------------|-----------------|
| Drafting rate:      | R 480.00 / hour |
| Project Manager:    | R 580.00/ hour  |

Travel: R 6.50 per km

CAD Plot Paper A1: R 98.80 Each

A2: R 74.20 Each A3: R 54.50 Each

A4: R35.70 Each

## Estimated cost for Gas or Fuel projects:

5.5% of project value

#### **Delivery:**

Delivery of the services listed are subject to successful meeting with the relevant stakeholders and drawing submitted to GPS as design basis

- Design draft 2 week from date of order.
- Final submission 2 week after final draft
- BoQ for all 4 days after final drawings

The approval is subject to the timeline of the local authority approval process

### Warranty

All designs will be compliant to the local SANS standards

All designs will be compliant to the local legislation related to the requirement for such infrastructure.

# Phase 2 - Infrastructure Project Management

In addition to the design proposal we offer project management to the project various phases. This will ensure a safe working storage and reticulation system for the XPS foaming agent that will be certified and documented in full as listed below.

### Scope of work :-

The project management require a detailed liaison with the main contractor on site and must cover aspects related to the following:-

- Planning and project programming
- Sequence of the mechanical and infrastructure
- Methods and installation procedures
- Resource statement and sourcing assistance
- Reporting structure
  Bi- weekly progress meeting feedback
- Weekly record
- Quality control records
- Installations C.O.C's and sign-off. Compile a sign-off & handover document with all relevant information. Including any maintenance/operations manuals.
- De-snag gas installations if required.

As specialist we will be inspecting the work process and verify the System as it is installed. Gas Piping Services c.c. will verify the installations and ensure that the CoC's is issued after installation and pressure testing the pressurized system with a suitable AIA.

The Project consultant shall attend the following meetings:

- Project meetings with sub contractor and main contractor shall be held at least fortnightly so that the progress of the storage and Supply System on Site and other issues may be reviewed.
- Any other urgent meeting required by the Client to ensure continuation and satisfactory storage and distribution system.
- Liaison with the supplier and their bulk supply transfer point.

Detailed records kept by Contractor for every aspect of the construction, including the following:

- Verification of equipment and stock supplier as per approved BoQ
- Certification of the project stages for payment purposes.
- Installation processes and interface with other disciplines
- Regular Welds inspections and certifications with co-ordinates.
- Design modifications
- Extras and damages
- Pressure testing and commissioning of sections of plant.
- Logbook on the infrastructure.

## Documentation

The relevant documentation will be assembled supplied on completion of each phase of works:-

- Approved site plans
- Bulk services Installation Certificate of Compliance
- Valve and equipment certificates
- Supply Line Pressure Test Certificates
- AIA Inspection Certifications
- GAS Certificate of Compliance per sections
- Application for flammable liquids permit (to be submitted to the Fire Department) (This will be the Clients responsibility)

- Critical spares list
- Maintenance and operating manual

Charge rate:

6.5% of Gas project

Invoices will be submitted according to the project % progress - monthly before the 25<sup>th</sup> and payable before the 7<sup>th</sup> of the month following.

Should Swartland Investment (PTY) Ltd opt to use our services for both phases the fee will be reduced to 9% of the total gas project cost as stipulated in phase 1 and 2.

### **Additions** and Alterations

New work requested by CLIENT and performed by GPS after a design or BoQ has been approved is considered an addition or alteration. If the job changes to an extent that substantially alters the specifications described in this original proposal, we will submit a project addendum to you, and both parties must agree to the revised or additional fee before further work proceeds. These additional rates will apply:

Design rate: R 650.00 / hour Drafting rate: R 450.00 / hour A1 Printing: R 95.00 / drawing

#### **Errors & Omissions**

It is the CLIENT'S responsibility to check proofs, comps, and other deliverables carefully for accuracy in all respects, ranging from spelling to technical illustrations. GPS is not liable for errors or omissions other than legal compliance. Your signature or that of your authorized representative is required on all drawings, BoQs and installation notes prior to release for printing, digital publication, or submissions.

#### **Payment Terms**

- Monthly invoice signed by the site QS for work completed
- Certificate on compliance and all legal documentation to be handed to the client once the account has been settled in full.

#### **Breach of Agreement**

Upon CLIENT's breach of contract, GPS may terminate the project upon written notice and will deliver all originally-CLIENT-owned intellectual property in GPS's possession. In such case, CLIENT will be granted no right or license to the work. Upon GPS's breach of contract, CLIENT may choose to terminate the project. In such case, GPS will deliver to CLIENT all property and project materials in GPS's possession for which CLIENT has paid, as well as all originally-CLIENT-owned intellectual property in GPS's possession. Thereupon, CLIENT has the contractually described right or license to the paid-for work. In such case, if CLIENT has paid for work not yet performed, GPS will refund the outstanding difference.

# **Out-of-Pocket Expenses**

Fees for professional services do not include outside purchases such as, but not limited to, printing, photography, stock images, colour printouts, laminating, illustrations, separations, shipping and handling or courier service. Note that all such expenses will only be charged if CLIENT has approved them prior to purchase.

Assuring you of our best at all times. Should you have any further queries please do not hesitate to contact me directly

Yours faithfully,

AJ DE WET DIRECTOR 082 326 8682

