



RUWASA

Rural Water Supply and Sanitation Agency

CONTRACT NO. AE/102/2021-2022/HQ-C/W/31

FOR

**CONSTRUCTION OF WATER SUPPLY PROJECT AND ASSOCIATED CIVIL
WORKS AT SANZATE VILLAGE-MARA REGION.**

BETWEEN

RURAL WATER SUPPLY AND SANITATION AGENCY (RUWASA)

(The Employer)

AND

M/S MAKE ENGINEERING AND WATER WORKS LTD

(The Contractor)

JAN, 2022

RUWASA REGIONAL MANAGER

MARA

FORM OF CONTRACT

This Contract is made the 2nd day of February 2022.

Between

The Rural Water Supply and Sanitation Agency (RUWASA), having its physical address at NBC Bank, Mazengo Branch, Kuu Road, P.O. Box 412, 40473 **DODOMA**, Tanzania (hereinafter called "**the Employer**") of the one part;

And

M/S MAKE ENGINEERING AND WATER WORKS LTD, having its business address at P. O. Box 12240 **DAR ES SALAAM**, (hereinafter called "**the Contractor**") of the other part.

Both the Employer and the Contractor shall collectively and jointly be known as "**Parties**".

WHEREAS:

- (a) The Employer is a Government Agency established under the Water Supply and Sanitation Act No. 5 of 2019 which is responsible for development and sustainable management of rural water supply and sanitation projects and the provision of water supply and sanitation services in rural areas;
- (b) The Contractor is a class five Company registered under the Laws of Tanzania which is responsible for Civil works;
- (c) The Employer invited Tenders for construction of water supply project at Sanzate village, Tender **NO. AE/102/2021-2022/HQ-C/W/31** under the terms and conditions set forth in this Contract; and
- (d) The Contractor having represented to the Employer that it has the required professional skills, expertise and technical resources, the Procuring Entity through the Letter of Notification of Award of Tender with **Ref. No. RUW/MAR/FA.21/25/05/111 dated 25th JAN, 2022** awarded a Tender to the Contractor at the Contract sum of **Tanzania Shillings Four Hundred Fifty Seven Million, Five Hundred Eighteen Thousand, Five Hundred Sixty one and Forty One Cents (Tshs. 457,518,561.41)** VAT inclusive. (Hereinafter referred to as "**the Contract Price**"); and

(e) The execution of works shall be performed and completed for the period within **One Hundred and Eighty (180) days** (hereinafter called "Contract Period").

NOW THEREFORE the Parties hereby agree as follows:

1. In this contract, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as an integral part to this contract, and shall be taken as complementary and mutually explanatory of one another but in the event of ambiguities, inconsistency or discrepancies within the Contract, the documents shall take precedence/prevail in the order set out below:
 - (a) Form of Contract;
 - (b) Special Conditions of Contract;
 - (c) General Conditions of Contract;
 - (d) Notification of Award of Tender;
 - (e) Letter of Acceptance;
 - (f) Price Schedule (BOQ);
 - (g) Anti – bribery Memorandum;
 - (h) Technical Specifications;
 - (i) Drawings; and
 - (j) APPENDICES
 - (i.) Forms of Securities;
 - (ii.) Registered Power of Attorney; and
 - (iii.) Minutes of Negotiation Meeting.
3. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute the **construction of Water Supply projects and associated civil works** at Sanzate Village in Bunda District - Mara Region (hereinafter called "**the Works**") and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the works, the sum of **Tanzania Shillings Four Hundred Fifty Seven Million, Five Hundred Eighteen Thousand, Five Hundred Sixty one and Forty One Cents (Tshs. 457,518,561.41)** VAT inclusive, at the times and in the manner prescribed in this Contract.

5. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein the Contract Price in the following manner:

(a) **15%** Advance Payment; upon submission of an acceptable and unconditional Bank Guarantee from a reputable Bank and

(b) **85%** of the payments shall be made upon submission and acceptance of certificate and it shall be paid to the Contractor within twenty-eight (28) days after the date of the acceptance of certificate by the Employer.

6. The Contract price shall be paid in **Tanzanian Shillings** as stipulated under Clause 20 of the SCC.

7. The contract shall be executed for the period of **One Hundred and Eighty (180) days** which shall immediately commence from the date of site handing over to the Contractor.

IN WITNESS whereof, the parties hereto have caused this Contract to be executed in accordance with their respective laws the day and year first above written.

FOR AND ON BEHALF OF THE EMPLOYER:

Signature: *DM*

Name: *Eng. Tulunampoki A. Mwakalukwa*

Title: *REGIONAL MANAGER*

Date: *02/02/2022*

Seal:



In the presence of:

Signature: *Boniface*

Name: *Eng. William Boniface*

Title: *DM*

Date: *02/02/2022*

FOR AND ON BEHALF OF THE CONTRACTOR:

Signature: 

Name: TIMOTH HENRY MAKERELE

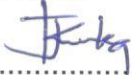
Title: MANAGING DIRECTOR

Date:

Seal:



In the presence of:

Signature: 

Name: JULIUS KAZIMOTO

Title: PROJECT ENGINEER

Date:

Seal:

SPECIAL CONDITIONS OF CONTRACT

SPECIAL CONDITIONS OF CONTRACT (SCC)

The following Special Conditions of Contract shall supplement the General editions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract.

SCC Clause	GCC Clause	Description
1	1.1	<p>General</p> <p>The Employer is RURAL WATER SUPPLY AND SANITATION AGENCY (RUWASA).</p> <p>The Adjudicator is National Construction Council of Tanzania.</p> <p>The Contractor is M/S MAKE ENGINEERING AND WATER WORKS LTD</p> <p>The Defects Liability Period shall be 365 days</p> <p>The Project Manager shall be RUWASA District Manager</p> <p>The name and identification number of the Contract is TENDER NO. AE/102/2021-2022/HQ-C/W/31 For</p> <p>The works consist of:</p> <ol style="list-style-type: none"> i. Construction of water storage tank cubic meter 100 on ground. ii. Construction of power house. iii. Construction of Intake (spring intake). iv. Construction of sump 75m³. v. Construction of 10 Water Points and one Kiosk vi. Construction of Raising main network 4.5 km vii. Construction of Distribution pipe network 27.12km viii. Construction of National Grid electric power line ix. Environmental issues. <p>The Start Date shall be Seven (7) days after site possession.</p>

		<p>The Intended Completion Date for the whole of the works shall be One Hundred and Eighty (180) days after the commencement Date.</p> <p>The Site is located at SANZATE VILLAGE IN BUNDA DISTRICT - MARA REGION as defined in drawings.</p>
2.	2.3	<p>The following documents shall form part of the Contract:</p> <ul style="list-style-type: none"> (a) Form of Contract; (b) Special Conditions of Contract; (c) General Conditions of Contract; (d) Notification of Award of Tender; (e) Letter of Acceptance; (f) Price Schedule (BOQ); (g) Anti – bribery Memorandum; (h) Technical Specifications; (i) Drawings; and (j) APPENDICES (k) Forms of Securities; (l) Registered Power of Attorney; and (m) Minutes of Negotiation Meeting.
3.	2.3(xi)	<p>List other documents that form part of the contract:</p> <ul style="list-style-type: none"> (n) A valid Business License; (o) A valid VAT and TIN certificate; (p) A copy of certificate of Board Registration; and (q) CRB Registration.
4.	3.1	<ul style="list-style-type: none"> (a) The language of the Contract documents shall be "English". (b) The laws that apply to the Contract shall be the "Laws of Tanzania".
5.	9.1	<p>Include the Schedule of Other Subcontractors, if any. N/A.</p>

6.	10.1	<p>Include the Schedule and availability of Key Personnel.</p> <p>(a) Site Engineer;</p> <p>(b) Plumbing technician;</p> <p>(c) Land Surveyor; and</p> <p>(d) Foreman.</p> <p>(e) Mansory Technician-storage tanks construction.</p>
7.	14.1	<p>The minimum insurance covers shall be:</p> <p>(a) loss of or damage to the Works, Plant, and Materials TShs. 3,000,000.00;</p> <p>(b) loss of or damage to Equipment TShs. 3,000,000.00;</p> <p>(c) loss of or damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract TShs. 5,000,000.00 and</p> <p>(d) personal injury or death is TShs. 5,000,000.00</p> <p>The evidence of the insurance and relevant policies shall be provided within Fourteen (14) days before commencement date.</p>
8.	15.1	<p>Site Investigation Reports available to the Bidder are: N/A.</p>
9.	22.4	<p>The other measures shall include:</p> <p>(a) Minimizing the number of migrant workers employed on the project and household in the site camp;</p> <p>(b) Providing access to voluntary counseling and testing (VCT);</p> <p>(c) Providing psychological support and health care including prevention and treatment of opportunistic infections for workers infected and affected, as well as their families; and</p> <p>(d) Providing condoms (male and female) to workers.</p>
10.	24.1 & 47.1	<p>The Site Possession Date shall be: seven (7) days after signing the Contract.</p>

11.	28.2	(a) Hourly rate of Fees payable to the Adjudicator shall be in accordance with the National Construction Council Rules and Regulations. (b) Types of reimbursable expenses to be paid to the Adjudicator shall be in accordance with the National Construction Council Rules and Regulations.
12.	28.3	Arbitration will take place in Dar es Salaam in accordance with Rules and Regulations published by National Construction Council of Tanzania.
13.	29.1	Appointing Authority for the Adjudicator shall be the National Construction Council of Tanzania.
Time Control		
14.	30.1	The Contractor shall Submit a Programme for the works within Seven (7) days after signing the Contract.
15.	30.3	The period between Programme updates shall be Twenty (28) days.
16.	30.3	The amount to be withheld by the Project Manager in the case the Contractor does not submit an updated programme shall be Tshs. 2,000,000.
Quality Control		
17.	38.1	The Defects Liability Period is 365 days.
Cost Control		
18.	45.7	The minimum amount of interim payment certificate shall be Twenty percent (20%) of contract price.

19.	46.1	(a) Rate to be used for paying the Contractor's interest on the late payment made by PE shall be 0.5% for Local Currency . (b) The interest shall be the rate of the Bank of Tanzania (BOT) prevailing on the date of Contract signing.
20.	47.1(a)	The Site Possession Date shall be Seven (7) days after signing the Contract.
21.	50	The contract " is not " subject to price adjustment in accordance with Clause 50 of the General Conditions of Contract.
22.	51.1	The amount of retention is Ten percent (10%) of value of works of Interim Payment Certificate'.
		Limit of retention will be Five percent (5%) of Contract price.

23.	52.1	The amount of liquidated damages is 0.1 percent of contract price per day.
	52.1	The maximum amount of liquidated damages shall be equivalent to the amount of the performance security Ten percent (10%) .
24.	53.1	The bonus for early completion shall N/A .
25.	54.1	The amount of advance payment shall be fifteen percent (15%) of the Contract price upon submission of Unconditional Advance Payment Bank Guarantee.
		Monthly Recovery of Advance Payment shall be Twenty percent (20%) of Interim Payments Certificate.
26.	55.1	The Performance Security shall be Ten percent (10%) of the Contract price and it will be submitted to the Employer immediately after signing the Contract in Certified Cheque, Bank Guarantee .
Finishing the Contract		
27.	61.1	(a) As built drawings shall be provided by the Contractor within

		<p>Twenty-Eight (28) days after practical completion date.</p> <p>(b) Operating manual shall be provided by the Contractor within 14 days after practical completion date.</p>
28.	61.2	<p>(a) The amount to be withheld by the Project Manager in case the Contractor does not submit as built drawings shall be Tshs.2,000,000.</p> <p>(b) The amount to be withheld by the Project Manager in case the contractor does not submit operating manual shall be 0.1% of the Contract Sum.</p>
29.	62.2 (g)	Number of days for which the maximum amount of liquidated damages can be paid shall be One Hundred (100) days.
30.	63.1	The percentage to apply to the value of the work not completed, representing the Employer's additional cost for completing the Works shall be 10% of the balance works.