



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF WATER
ARUSHA URBAN WATER SUPPLY AND SANITATION
AUTHORITY



Local Purchase Order for Procurement of Non-Consultancy Services

QUOTATION No: AE/029/2021-22/NC/05

Provision of *Local Fundi* for Construction of UVIKO 19 Projects for ARUSHA
WSSA and KARATU WSSA

Service Provider:- Manvir Jaswant Sandhu

To: Manvir Jaswant Sandhu
Arusha

Your quotation reference AE.029/2021-22/NC/05 dated 11.03.2022 is accepted and you are required to provide services as detailed on the attached Schedule of Requirements and Prices against the terms and conditions contained in this Local Purchase Order (LPO). This order is placed subject to the attached Special Conditions of Contract (SCC) and General Conditions of Contract (GCC) for LPO, except where modified by the terms stated below.

TERMS AND CONDITIONS OF THIS LOCAL PURCHASE ORDER:


1. **Contract Sum:** The Contract Sum is TZS. 278,562,500.00
2. **Delivery Period:** The services are to be delivered within *Twelve (12)* weeks from the date of this LPO.
3. **Delivery point:** The services are to be delivered to *Arusha and Karatu*
Contact Person: Notices, enquiries and documentation should be addressed to *Managing Director (Att. Eng. Justine G. Rujomba)*
AUWSA
Box 13600
Arusha
4. **Payment to Supplier:**
Payment will be made within [7] days [*or state alternative agreed payment terms*] on completion of satisfactory performance of the contract. The following documentation must be supplied for payments to be made:
 - An original and two copies of an Invoice;
 - Acceptance certificate signed by a responsible person or committee for certifying satisfactory completion of the order/service];
 - Electronic Fiscal Device (EFD) receipt.
5. The following documents form part of this Contract (LPO):
 - Local Purchase Order (LPO)
 - Letter of Acceptance
 - Quotation Submission Form
 - Special Conditions of Contract for LPO
 - General Conditions of Contract for LPO
 - Drawings and specifications of works

Schedule of Requirements and Prices

A: UVIKO 19 - AUWSA					
SN	Description	Unit of measure	Quantity	Unit price (TZS)	Total (TZS)
1	Trench excavation and backfilling - width 60cm, depth 1m; HDPE, DN 160	M	4,300	2,000.00	8,600,000.00
2	Trench excavation and backfilling - width 60cm, depth 1m; HDPE, DN 110	M	7,000	2,000.00	14,000,000.00
3	Trench excavation and backfilling - width 60cm, depth 1m; HDPE, DN 90	M	10,000	2,000.00	20,000,000.00
4	Trench excavation and backfilling - width 60cm, depth 90cm; HDPE, DN 63	M	10,000	1,500.00	15,000,000.00
5	Trench excavation and backfilling - width 60cm, depth 90cm; HDPE, DN 50	M	10,000	1,500.00	15,000,000.00
6	Trench excavation and backfilling - width 60cm, depth 90cm; HDPE, DN 32	M	32,615	1,500.00	48,922,500.00
					121,522,500.00
B: UVIKO 19 - KARATU					
SN	Description	Unit of measure	Quantity	Unit price (TZS)	Total (TZS)
1	Trench excavation width 60cm, depth 1m; HDPE, DN 110	M	2,520	2,000.00	5,040,000.00
2	Trench excavation - width 60cm, depth 1m; HDPE, DN 90	M	7,500	2,000.00	15,000,000.00
3	Trench excavation - width 60cm, depth 90cm; HDPE, DN 63	M	14,100	2,000.00	28,200,000.00
4	Trench excavation - width 60cm, depth 90cm; HDPE, DN 50	M	13,050	2,000.00	26,100,000.00


SN	Description	Unit of measure	Quantity	Unit price (TZS)	Total (TZS)
5	Trench excavation - width 60cm, depth 90cm; HDPE, DN 32	M	8,550	2,000.00	17,100,000.00
6	Trench backfilling	M	45,720	500.00	22,860,000.00
7	Trench excavation and backfilling- width 40cm, depth 70cm; HDPE, DN 25	M	21,370	2,000.00	42,740,000.00
					157,040,000.00
	GRAND TOTAL				278,562,500.00

For Purchaser:

Signature: 

Name: Justine G. Rujomba

For Supplier:

Signature: 

Name: Manvir Jaswant Sandhu

MANAGING DIRECTOR
URBAN WATER SUPPLY & SANITATION AUTHORITY
P. O. BOX 13600
ARUSHA

SECTION V: GENERAL CONDITIONS OF CONTRACT FOR LPO

Sec.IV-1

GCC 1: Contract Documents

The Conditions of Contract and the Specifications form an integral part of the Contract Documents and they are to be read in conjunction with all other documents forming the Contract. In cases where there appears a conflict the priority of the documents shall be as stated in GCC 6.

GCC 2: Definitions

In these Conditions of Contract the following expressions shall have the meanings assigned to them as hereunder:

The Client means the Government Entity procuring the services as named in the Contract.

Service Provider means the person or persons or firm whose quotation has been accepted by the Client.

Service means the Service to be provided in accordance with the contract.

GCC 3: Instructions

Instructions given by the Client shall be in writing or in electronic forms that provide record of the content of communication. If for any reason such instruction is given orally the SP shall comply with such instruction. Within a period of seven (7) days, the orally given instructions shall be confirmed in writing or in electronic forms that provide record of the content of communication.

GCC 4: Language

All notices, instructions, correspondence or any other written documentation concerning the contract shall be specified in the Special Conditions of Contract (SCC).

GCC 5: Applicable Law



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GCC 5: Applicable Law



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The contract, its meaning, interpretation and execution shall be governed by the laws of the United Republic of Tanzania.

GCC 6: Priority of Contract Documents

The several documents forming the contract are to be taken as mutually explanatory of one another but in case of discrepancy the priority of the documents shall be as follows:

- i) Local Purchase Order;
- ii) Letter of Acceptance;
- iii) Quotation Submission Form;
- iv) Special Conditions of Contract;
- v) General Conditions of Contract;
- vi) Drawings if any;
- vii) Statement of Requirements and Schedule of Prices; and
- viii) Any other document forming part of the contract (ie. Negotiation minutes, Minutes of clarifications, anti-bribery memorandum).

GCC 7: Execution of the Contract.

The Service Provider (SP) shall provide all labour, tools, transport, materials and whatever is required for the provision of the services. The SP shall carry out the services in accordance with the requirements of the contract documents, and such additional instructions as may be issued from time to time.

GCC 8: Sub-contracting

The SP shall not sub-contract the whole or part of the work under this contract without prior written approval of the Client. Such approval shall not relieve the SP from any liability or obligation under the contract and the SP shall be responsible for default or negligence of any of the sub-contractor(s).

GCC 9: Supervision of Services by Service Provider



The SP shall execute the services with due diligence and comply with the standard of performance required by the Client so as to meet the specific requirements of quality, quantity and time frame. If at any time the Client observes laxity or serious departures from set norms, appropriate action(s) shall be taken by the SP to correct the situation.

GCC 10: Inspection

The Client or his authorized representative has the right to inspect the services and the SP shall provide reasonable assistance for the same as and when required by the Client.

GCC 11: Rejected Services

Services not in compliance with the requirements of the contract will be rejected. On the instruction of the Client, the SP shall at his own cost correct or re-execute such rejected Services to the full satisfaction of the Client.

GCC 12: Insurances

The SP shall provide, in the joint names of the Client and the SP, insurance cover for loss, or damage, theft and other related situation to Client's office, equipment, plant, and materials that may be caused by negligence of the staff of the SP. The SP shall also provide insurance cover for compensation of personal injury or death of the employee of the SP while they are at work.

GCC 13: Liabilities of the Service Provider

The SP shall keep the Client harmless against all claims arising from loss or damage to third parties. He shall fully indemnify the Client against any liability arising under the Employment and Workmen's Compensation ordinances or similar laws.

GCC 14: Force Majeure

14.1 Neither Party shall have any liability or be deemed to be in breach of the Contract for any delay or other failure in



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performance of its obligations under the Contract, if such delay or failure is a result of an event of Force Majeure.

- 14.2 Notwithstanding the provisions of GCC 22 and 23, the SP shall not be liable for liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.
- 14.3 For purpose of this clause, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of a Party, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood, epidemics, or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent.
- 14.4 If a Party (hereinafter referred to as "the Affected Party") is or will be prevented from performing its substantial obligation under the contract by Force Majeure, it shall give a Notice to the other Party giving full particulars of the event and circumstance of Force Majeure and the reasons for the event of Force Majeure preventing the Affected Party from, or delay the Affected Party from performing its obligations under the Contract. The Notice shall be given within fourteen (14) days after the Affected Party becomes aware, or should have become aware, of the relevant event or circumstances constituting Force Majeure;
- 14.5 Upon completion of the event of Force Majeure and issuance Notice pursuant to GCC 14.4, the Affected Party must, as soon as reasonably practicable recommends the performance of its obligations under the contract. Where the Affected Party is the SP, the SP must provide a revised Program rescheduling the service to minimise the effect of the prevention or delay caused by the event of Force Majeure.



14.6 In the event of any loss or damage happening from any operation of the forces of nature against which the parties to the contract could not reasonably have foreseen, such a loss or damage shall be born by both the Client and the SP.

GCC 15: Quality of Service and Workmanship

All services and workmanship shall be of the respective kind and quality as provided for in the contract and in accordance with the Clients instructions and subjected to such tests as the Client may require.

GCC 16: Access to Materials

The SP shall identify all sources of materials required for works prior to the commencement of the services. The Client shall where required facilitate access to such sources. The SP shall not use materials designed under this contract without prior written authorization of the Client.

GCC 17: Exit of Site

Upon completion of the services the SP shall remove from the site all equipment, tools, surplus materials, and rubbish and shall have the site clean and in a condition satisfactory to the Client.

GCC 18: Health and Safety and Protection of the Environment.

The SP shall through the contract period have full regard for the health and safety of the working zone and all persons entitled to be on the site and to keep the site in an orderly state to avoid any danger to such persons.

The SP shall comply with all the existing environmental requirements and regulations as stipulated by the Government of Tanzania.

GCC 19: Commencement and Completion of Service.



The SP shall commence and complete the services within the time specified in the SCC or within an extended contract period if such extended time is allowed by the Client.

GCC 20: Variation

The Client may make any variation of the form, quality or quantity of the services and he shall have the authority to instruct the SP accordingly. Such variation(s) shall be through a Variation Order to the Contract. The Client shall determine the amount (if any) which in his opinion should be added to or deducted from the sum named in the contract in respect of any extra or additional work done or work omitted by such order. The amount so determined shall be based on the quotation unit rates or in case no unit rate is applicable, such other rate as will be determined by the Client and agreed by the SP.

GCC 21: Payments

21.1 Advance Payment

An advance payment of the percentage specified in the SCC of contract value may be provided upon submission of acceptable collateral as specified in the SCC. This advance payment will be deducted in equal installments against each bill submitted by the SP, and shall be wholly recovered.

21.2 Interim Payments

Payments will be made to the SP monthly after submission of an Invoice if the service provided is in compliance with the terms of the contract. With each Invoice, retention money of amount stated in the SCC will be withheld up to a maximum of 10% of contract price. Such retention money will be released within the period specified in the SCC.

The amount due to the SP under any Invoice shall be paid by the Client to the Services Provider within the time specified in the SCC after submission of Invoice by the SP.

21.3 Final Payment



The Final Invoice shall be effected within twenty eight (28) working days after the date of submission to Client, provided that all services, corrections and repairs, if any, have been executed to the satisfaction of the Client.

21.4 Delayed Payments

If the Client fails to make payment within the time stated, the Client shall pay to the SP interest at the rate stated in the SCC.

21.5 Deductions to Payments

The Client shall be entitled to deduct any sums, advances or debts recoverable from the SP to the Client from any sums payable by the Client to the SP under this contract provided that this provision shall not affect any other remedy by action at law or otherwise by which the Client may be entitled to the recovery of any such moneys.

21.6 Payment to Workmen

In case of failure of payment of wages or any other compensation due to the workmen and/or rental fees for equipment/ vehicle hire and material under this contract the Client shall be entitled to withhold payments from the SP. The Client shall make use of such withheld payments to pay the SP's workmen, their wages or other compensation and/or outstanding rental fees and such payments shall be treated as the payment received from the Client by the SP under this contract.

GCC 22: Liquidated Damages

If the SP fails to perform the services within the time stated in the contract or within any extended time allowed for by the Client the SP shall pay to the Client as Liquidated Damages at a rate of 0.1% of the Contract price per day to a maximum of 10% of contract price.

GCC 23: Settlement of Disputes

23.1 In the event of any dispute arising out of this contract, either party shall issue a notice of dispute to settle the dispute amicably. The parties hereto shall, within twenty eight (28) days from the notice date, use their best efforts to settle the



dispute amicably through mutual consultations and negotiation. Any unsolved dispute may be referred by either party to an adjudicator nominated by the appointing Authority specified in SCC.

- 23.2 The Adjudicator stated in the SCC shall give a decision in writing or in electronic forms that provide record of the content of communication within twenty eight (28) days of receipt of a notification of a dispute.
- 23.3 If either Party is dissatisfied with the Adjudicator's decision may, within days specified in the SCC refer the dispute for arbitration. If either party within the period mentioned in the SCC has not referred the matter for arbitration the decision shall become final and binding to the Parties.
- 23.4 Any dispute or difference in respect of which a notice of intention to commence arbitration has been given, in accordance with this GCC, shall be finally settled by arbitration. Arbitration may be commenced prior to or after rendering the services under the Contract.
- 23.5 The arbitration shall be conducted in accordance with the arbitration procedure published by the institution named and in the place shown in the SCC.
- 23.6 Notwithstanding any reference to arbitration herein,
- (a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and
 - (b) the Client shall pay the SP any monies due the SP.
- 23.7 The rate of the Adjudicator's fee and administrative costs of adjudication shall be borne equally by the Parties. The rates and costs shall be in accordance with the rules of the Appointing Authority. In conducting adjudication to its finality each party shall bear its costs and expenses incurred.
- 23.8 Should the Adjudicator resign or die, or should the Client and the SP agree that the Adjudicator is not functioning in accordance with the provisions of the Contract, a new Adjudicator will be appointed by the Appointing Authority.

GCC 24: Termination of Contract

- 24.1 If the SP fails to commence the services within the specified time or there are reasons to believe that he may not complete the services within the specified time or there are delays beyond the completion date or he fails to comply with any one of the contract conditions or he pays no attention to the instructions issued by the Client or he becomes bankrupt, the Client shall be entitled to terminate the contract and engage a new SP to provide the Service.
- 24.2 If the Client fails to pay the SP within 60 days of the date of the submission of claim by the SP may terminate the contract
- 24.3 If the Client determines, based on the reasonable evidence that the Contractor has engaged in corrupt, coercive, collusive, obstructive or fraudulent practices in competing for or in executing the Contract shall terminate the contract.
- 24.4 Notwithstanding the above, the Client may terminate the Contract for convenience.
- 24.5 If the Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.

GCC 25: Payment if Contract Terminated

If the contract is terminated, the SP shall be paid by the Client, in so far as such amounts or items shall not have already been covered by payments on account made to the SP, for all service provided prior to the date of termination at the rates and prices provided in the contract. Provided always that against any payments due from the Client under this GCC the Client shall be entitled to be credited with any outstanding balances due from the SP for advances in respect of plant/equipment/vehicles and materials and any sum previously paid by the Client to the SP in respect of the provision of the services.

GCC 25: Assignment



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The SP shall not assign, in whole or in part, its obligations to perform under this Contract, except with the prior written consent of the Client.

GCC 26: Notices

31.1 Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing or in electronic forms that provide record of the content of communication and confirmed in writing or in electronic forms that provide record of the content of communication to the other party's address specified in the Local Purchase Order (LPO).

31.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

GCC 27: Change of Laws and Regulations

If after the date invitation to quotations, any law or regulation changed in United Republic of Tanzania (which shall be deemed to include any change in interpretation or application by competent authorities) that subsequently affects the duration of the contract and/or the contract price, then such duration and/or contract price shall be correspondingly increased or decreased, to the extent that the Contractor has thereby been affected in the performance of any of its obligations under the contract.



SECTION V: SPECIAL CONDITIONS OF CONTRACT FOR LPO

The following specific data for the Non-Consultant Services to be procured shall complement, supplement, or amend the provisions in the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions in the Special Conditions of Contract (SCC) shall prevail over those in the GCC.

SCC No.	GCC No.	Amendments of, and Supplement to, Clauses in the General Conditions of Contract
1	4.0	Language of the Contract: <i>English</i>
2	19.0	Contract start date: Seven (7) days after date of signing the contract
3	19.0	Time for completion is Three Months from the contract start date.
4	21.1	Advance payment Maximum to 20 percent of contract price. Acceptable collateral shall be in the form of irrevocable bank guarantee from a reputable Bank of the same amount.
5	21.2	Percentage of retention money 10 percent of value of claim for that month. Such retention money will be released within 28 days after the completion of the contract. The amount due to the SP under any Invoice shall be paid by the Client to the Services Provider within 30 days after submission of Invoice by the SP.
6	21.4	If the Client fails to make payment within 60 days from the date of receiving interim certificate the Client shall pay to the SP interest at the rate 0.1 percent above the SP Leander rate.
7	23.1	Appointing Authority for the Adjudicator Tanzania Institute of Arbitrators
8	23.5	Arbitration institution shall be Tanzania Institute of Arbitrators Place for carrying out Arbitration Arusha - Tanzania



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