FRAMEWORK AGREEMENT FOR SUPPLY OF FUEL AND LUBRICANTS FOR DRILLING RIG AND ASSOCIATED EQUIPMENT

TENDER NO: CGM/ONT/170/2016-2017

DATE 3RD JAN 2017
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I. **TENDER NOTICE**


Tenders are invited for the **framework agreement for supply of fuel and lubricants for drilling rig and associated equipment**

Tender documents may be obtained from The County Government of Meru downloaded free of charge from the County Government website [www.Meru.go.ke](http://www.Meru.go.ke).

Complete tender documents marked with the Tender No enclosed in a plain, sealed envelope clearly marked “Tender No. CGM/ONT/170/2016-2017 “framework agreement for supply of fuel and lubricants for drilling rig and associated equipment” should be addressed and sent to:

**The Head of Procurement,**
**County Government of Meru,**
**P.O Box 121-60200,**
**Meru.**

Or be deposited in the tender box located at the Procurement Office Tender Box, County Government of Meru, County headquarters, Meru so as to be received on or before 3RD JANUARY 2017 at 10.00 a.m. Tender documents shall be opened immediately thereafter in the presence of bidders’ who may wish to witness the opening.

Tenderers must submit Copies of **VAT certificate and bid security worth KES 200,000** in the form of **a Bank guarantee or from a reputable insurance institution.** Prices quoted must be net (inclusive of all Government taxes.) and should remain valid for 365 days from the closing date of the tender.

The County Government reserves the right to reject any tender wholly or in part and does not bind itself to accept the lowest nor give reasons for its decision.
II. INVITATION TO TENDERS

Date: .................

To: ....................... 
........................ 
........................ 
........................ 

Dear Sir / Madam:

Reference: framework agreement for supply of fuel and lubricants for drilling rig and associated equipment.

Tenders are invited for the framework agreement for supply of fuel and lubricants for drilling rig and associated equipment

A complete set of tender documents may be obtained from Supplies office at the County Government of Meru offices, Meru by interested candidates downloaded free of charge from the County Government website www.Meru.go.ke.

All Tenders must be valid for 365 days after the date of opening and must be accompanied by all mandatory documents and a bid security of KES200,000 in form of bank guarantee valid for 120 days from date of tender closing.

Completed tender document clearly marked Tender No. CGM/ONT/170/2016-2017 for framework agreement for supply of fuel and lubricants for drilling rig and associated equipment

to:-

The Head of procurement,  
County Government of Meru,  
P.O Box 121-60200,  
Meru

Tenders should be delivered to Tender Box No. ....... situated next to ......................... on or before ................. at 10.00 a.m. and will be opened immediately thereafter in the presence of tenderers or their representatives who choose to attend.

The County Government reserves the right to accept or reject any tender in whole or in part and does not bind itself to accept the lowest bidder or give reason thereto.

Yours faithfully,

The Head of procurement,  
County Government of Meru,
III. GENERAL INFORMATION

Introduction

1. Eligible Tenderers

1.1 This Invitation for Tender is open to all tenderers eligible as described in the tender documents. Successful tenderers shall complete the supply of goods by the intended completion date specified in the tender documents.

1.2 Tenderers shall provide the qualification information statement that the tenderer (including all members of a joint venture and subcontractors) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by County Government of Meru to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods under this Invitation for tenders.

1.3 Tenderers shall not be under a declaration of ineligibility for corrupt and fraudulent practices.

1.4 Tenderers must be VAT – Registered and must provide evidence of fulfilling their tax obligations.

2. Eligible Goods

2.1 All goods to be supplied under the contract shall have their origin in eligible source countries.

2.2 For purpose of this clause, “origin” means the place where the goods are mined, grown, or produced. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognized product result that is substantially different in basic characteristics or in purpose or utility from its components.

2.3 The origin of goods is distinct from the nationality of the tenderer.

3. Cost of Tendering

3.1 The Tenderer shall bear all cost associated with the; preparation and submission of its tender, and County Government of Meru, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tendering process.

The Tender Documents

4. Contents

4.1 The tender documents comprises the documents listed below and addenda issued in accordance with clause 6 of these instructions to tenders.
4.2 The Tenderer is expected to examine all instructions, forms, terms, and specifications in
the tender documents. Failure to furnish all information required by the tender
documents or to submit a tender not substantially responsive to the tender documents in
every respect will be at the tenderers risk and may result in the rejection of its tender.

5. Clarification of Documents

5.1 A prospective tenderer requiring any clarification of the tender documents may notify
County Government of Meru in writing or by cable (hereinafter, the term cable is
deemed to include telex and facsimile) at the entity’s address indicated in the Invitation
for tenders. County Government of Meru will respond in writing to any request for
clarification of the tender documents, which it receives no later than ten (10) days prior
to the deadline for the submission of tenders, prescribed by County Government of
Meru. Written copies of the Procuring entities response (including an explanation of the
query but without identifying the source of inquiry) will be sent to all prospective
tenderers that have received the tender documents

6. Amendment of Documents

6.1 At the time prior to the deadline for submission of tenders, County Government of Meru for
any reason, whether at its own initiative or in response to a clarification requested by a
prospective tenderer, may modify the tender documents by amendment.

6.2 All prospective candidates that have received the tender documents will be notified of the
amendment in writing or by e-mail, and will be binding on them.

6.3 In order to allow prospective tenderers reasonable time in which to take the amendment into
account in preparing their tenders, County Government of Meru, at its discretion, may
extend the deadline for the submission of tenders.

Preparation of tenders

7. Language of Tender

7.1 The tender prepared by the tenderer, as well as all correspondence and documents relating
to the tender exchanged by the tenderer and County Government of Meru, shall be written
in English language. Any printed literature furnished by the tenderer may be written in any
other language provided they are accompanied by an accurate English translation of the
relevant passage(s) in which case, for purpose of interpretation of the tender, the English translation shall govern.

8. **Documents Comprising the Tender**

8.1 The tender prepared by the tenderer shall comprise the following components:

(a) A Tender Form and a Price schedule completed in accordance with paragraph 9, 10 and 11 below.

(b) Documentary evidence established in accordance with paragraph 12 that the tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted;

(c) Documentary evidence established in accordance with paragraph 13 that the goods and ancillary services to be supplied by the tenderer are eligible goods and services and conform to the tender documents; and

(d) Tender security furnished in accordance with paragraph 14

9. **Tender Form**

9.1 The tenderer shall complete the Tender Form and the appropriate Price Schedule furnished in the tender documents, indicating the goods to be supplied, a brief description of the goods, their country of origin, quantity, and prices.

10. **Tender Prices**

10.1 The tender shall indicate on the appropriate Price Schedule the unit prices and total tender price of the goods it proposes to supply under the contract.

10.2 Prices indicated on the Price Schedule shall be entered separately in the following manner:

   (i) The price of the goods quoted should be **NET** inclusive of all customs duties and sales and other taxes paid or payable.

   (ii) Charges for inland transportation, insurance, and other local costs incidental to delivery of the goods to their final destination.

10.3 Prices quoted by the tenderer shall be fixed during the Tender’s performance of the contract and not subject to variation on any account. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected, pursuant to paragraph 22.

11. **Tender Currencies**

11.1 All goods shall be quoted in Kenya Shillings.

12. **Tender Eligibility and Qualifications.**

12.1 Pursuant to paragraph 1 of section III, the tender shall furnish, as per its tender, documents established the tenderers eligibility to tender and its qualifications to perform the contract if its tender is accepted.
12.2 The documentary evidence of the tenderers eligibility to tender shall establish to County Government of Meru’s satisfaction that the tenderer, at the time of submission of its tender, is from an eligible source country as defined under paragraph I of section III

12.3 The documentary evidence of the tenderers qualification to perform the contract if its tender is accepted shall establish to County Government of Meru’s satisfaction:

(a) That, in the case of a tenderer offering to supply goods under the contract which the tenderer did not manufacture or otherwise produce, the tenderer has been duly authorized by the goods’ Manufacturer or producer to supply the goods;

(b) That the tenderer has the financial, technical, and production capability necessary to perform the contract;

13. **Goods’ Eligibility and Conformity to tender Document.**

13.1 Pursuant paragraph 2 of this section, the tenderer shall furnish, as part of its tender, documents establishing the eligibility and conformity to the tender documents of all goods, which the tenderer proposes to supply under the contract.

13.2 The documentary evidence of the eligibility of the goods shall consist of a statement in the Price Schedule of the Country of origin issued at the time of shipment.

13.3 The documentary evidence of conformity of the goods to the tender documents may be in the form of literature, drawings, and data, and shall consist of:

(a) a detailed description of the essential technical and performance characteristics of the goods;

(b) a clause – by – clause commentary on The County Government’s Technical Specifications demonstrating substantial responsiveness of the goods and services to those specifications, or a statement of deviations and exceptions to the provisions of the Technical Specifications.

13.4 For purpose of the commentary to be furnished pursuant to paragraph 13.3 (c) above, the tenderer shall note that standards for workmanship, material, and equipment, as well as references to brand names or catalogue numbers designated by the Procurement entity in its technical specifications, are intended to be descriptive only and not restrictive. The tenderer may substitute alternative standards, brand names, and /or catalogue numbers in its tender, provided that it demonstrates to The County Government’s satisfaction that the substitutions ensure substantial equivalence to those designated in the technical Specifications.

14. **Tender security**

14.1 The tenderer shall furnish, as part of its tender, a tender security for the amount of KES200,000 as specified in the Invitation to tender valid for 120 days from date of tender closing.

14.2 The tender security is required to protect County Government of Meru against the risk of Tenderer’s conduct which would warrant the security’s forfeiture, pursuant to paragraph 14.7
14.3 The tender security shall be denominated in Kenya shillings or in another freely convertible currency, and shall be in the form of a bank guarantee or a bank draft issued by a reputable bank.

14.4 Any tender not secured in accordance with 14.1 and 14.3 will be rejected by the Procurement entity as non responsive, pursuant to paragraph 22.

14.5 Unsuccessful Tenderer’s tender security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiring of the period of tender validity prescribed by County Government of Meru.

14.6 The successful tenderer’s tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 30, and furnishing the performance, pursuant to paragraph 32.

14.7 The tender security may be forfeited:

(a) If a tenderer withdraws its tender during the period of tender validity specified by the Meru County Government on the tender Form; or

(b) In the case of a successful tenderer, if the tenderer fails:

(i) To sign the contract in accordance with paragraph 30
   Or
(ii) To furnish performance security in accordance with paragraph 31

15. **Validity of Tenders**

15.1 Tenders shall remain valid for 120 days as specified in the tender documents after date of tender opening prescribed by County Government of Meru, pursuant to paragraph 18. A tender valid for a shorter period shall be rejected as non-responsive.

15.2 In exceptional circumstances, County Government of Meru may solicit the tenderer’s consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The tender security provided under paragraph 14 shall also be suitably extended. A tenderer may refuse granting the request without forfeiting its tender security. A tenderer granting the request will not be required nor permitted to modify its tender.

16. **Format and Assigning of tender**

16.1 The Tenderer shall prepare three copies of the tender, clearly marking each “ORIGINAL TENDER” and “COPY OF TENDER,” as appropriate. In the event of any discrepancy between them, the original shall govern.

16.2 The original and all copies of the tender shall be typed or written in indelible ink and shall be signed by the tenderer or a person or persons duly authorized to bind the tenderer to the contract. The latter authorization shall be indicated by written power – of – attorney accompanying the tender. All pages of the tender, except for un-amended printed literature, shall be initialed by the person signing the tender.
Submission of Tenders

17. **Sealing and Marking of tenders**

17.1 The tenderer shall seal the original and each copy of the tender in separate envelopes, duly marking the envelopes as “ORIGINAL” and “COPY.” The envelopes shall then be sealed in an outer envelope.

17.2 The inner and outer envelopes shall:

(a) be addressed to County Government of Meru at the following address:

   The Head of procurement,
   County Government of Meru,
   P.O Box 11-30500,
   Meru

   bear, framework agreement for supply of fuel and lubricants for drilling rig and associated equipment the Invitation for tenders (IFT), and the words: “DO NOT OPEN BEFORE,” 3RD JANUARY 2017 at 10.00 a.m.

(b) Or deposited in the Tender Box No. ……… situated next to The County Governments Reception Desk on or before 3RD JANUARY 2017 at 10.00 a.m. Tenders will be opened immediately thereafter in the presence of candidates’ representatives who wish to attend.

17.3 The inner envelopes shall also indicate the name and address of the tenderer to enable the tender to be returned unopened in case it is declared “Late.”

17.4 If the outer envelope is not sealed and marked as required by paragraph 17.2, the County Government of Meru will assume no responsibility for the tender’s misplacement or premature opening.

18. **Deadline for submission of tenders**

18.1 TENDER MUST BE RECEIVED BY The County Government at the address specified under paragraph 17.2 not later than 3RD JANUARY 2017 at 10.00 a.m.

18.2 County Government of Meru may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 6, in which case all rights and obligations of the deadline will thereafter be subject to the deadline as extended.

19. **Modification and withdrawal of Tenders**

19.1 The tenderer may modify or withdraw its tender after the tender’s submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by the Procuring prior to the deadline prescribed for submission of tenders.

19.2 The Tenderer’s modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provision of paragraph 17 (a) withdrawal notice may also be sent by cable, but followed by a signed confirmation copy, postmarked not later than the deadline for submission of tenders.

19.3 No tender may be modified after the deadline for submission of tenders.
19.4 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified by the tenderer on the Tender Form. Withdrawal of a tender during this interval may result in the Tenderer’s forfeiture of its tender security, pursuant to paragraph 14.7

Opening and Evaluation of tenders

20. Opening of tenders

20.1 County Government of Meru will open all tenders in the presence of tenderer’s representatives who choose to attend on 3RD JANUARY 2017 at 10.00 a.m. in the Conference room. The tenderer’s representatives who are present shall sign a register evidencing their attendance.

20.2 The tenderer’s names, tender modifications or withdrawals, tender prices, discounts, and the presence and absence of requisite tender security and such other details as the County Government of Meru, at its discretion, may consider appropriate will be announced at the opening.

20.3 County Government of Meru will prepare minutes of the tender opening.

21. Clarification of Tenders

21.1 To assist in the examination, evaluation and comparison of tenders County Government of Meru may, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the price or substance of the tender shall be sought, offered, or permitted.

21.2 Any effort by the tenderer to influence County Government of Meru’s tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderers’ tender.

22. Preliminary Examination

22.1 County Government of Meru will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed and whether the tender are generally in order.

22.2 Arithmetical errors will be corrected on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected. If the candidate does not accept the correction of the errors, its tender will be rejected, and its tender security may be forfeited. If there is a discrepancy between words and figures, the amount in words will prevail.

22.3 County Government of Meru may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any tenderer.

22.4 Prior to the detailed evaluation, pursuant to paragraph 23, County Government of Meru will determine the substantial responsiveness of each tender to the tender documents. For
purpose of these paragraphs, a substantially responsive tender is one, which conforms to all
the terms and conditions of the tender documents without material deviations. County
Government of Meru’s determination of a tender’s responsiveness is to be based on the
contents of the tender itself without recourse to extrinsic evidence.

22.5 If a tender is not substantially responsive, it will be rejected by County Government of
Meru and may not subsequently be made responsive by the tenderer by correction of the
nonconformity.

23. Evaluation and Comparison of tenders

23.1 County Government of Meru will evaluate and compare the tenders, which have been
determined to be substantially responsive, pursuant to paragraph 22.

23.2 Evaluation of tenders will be based on the conformity of the submissions to each attribute of
the specifications. Basic equipment characteristics must be implicitly supported by the
manufacturers’ technical information.

23.3 The comparison shall be of the ex- factory / ex – warehouse / off – the – shelf price of the
goods offered from within Kenya, such price to include all costs, as well as duties and taxes
paid or payable on components and raw material incorporated or to be incorporated in the
goods.

23.4 County Government of Meru’s evaluation of a tender will take into account, in addition to
the tender price and the price of incidental services, following factors, in the manner and to
the extent indicated in paragraph 23.5 and in the technical specifications:

(a) Delivery schedule offered in the tender;
(b) The supplier should be located within igembe north or south sub county
(c) The after sales services for the supplier and in specific,
    ➢ Availability of Service station and service bay at the Supplier
      premises

23.5Pursuant to paragraph 23.4 the following evaluation methods will be applied:

In addition the bidders must meet the following requirements in order to be considered
responsive.

a. Submit copies of the following mandatory documents:-
   • Valid VAT compliance certificate
   • PIN Certificate
   • Certificate of Incorporation
   • Valid Business License
   • Company Profile

b. Submit a bid bond worth KES 200,000 in form of the bank guarantee valid for
   120 days from date of tender closing.
c. Provide evidence of (a). Service station and service bay

   (a) Delivery schedule.
(i) County Government of Meru requires that the goods under the Invitation for Tender shall be delivered at the time specified in the Schedule of Requirement. Tenders offering deliveries longer than the County Government of Meru’s required delivery time will be treated as non-responsive and rejected.

(b) Deviations in payment schedule

Tenderers shall state their tender price for the payment of schedule outline in the special conditions of contract. Tenders will be evaluated on the basis of this base price. Tenderers are, however, permitted to state an alternative payment schedule and indicate the reduction in tender price they wish to offer for such alternative payment schedule. County Government of Meru may consider the alternative payment schedule offered by the selected tenderer.

24. Contacting County Government of Meru

24.1 Subject to paragraph 21, no tenderer shall contact County Government of Meru on any matter relating to its tender, from the time of the tender opening to the time the contact is awarded.

24.2 Any effort by a tenderer to influence County Government of Meru in its decision on tender evaluation, tender comparison, or contract award may result in the rejection of the Tenderer’s tender.

Award of contract

25. Award criteria

25.1 Subject to paragraph 10, 23 and 28 The County Government will award the contract to the successful tenderer(s) whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the tenderer is determined to be qualified to perform the contract satisfactorily.

26. County Government of Meru’s Right to Vary Quantities

26.1 County Government of Meru reserves the right at the time of contract award to increase or decrease the quantity of goods originally specified in the schedule of requirements without any change in unit price or other terms and conditions.

27. County Government of Meru’s Right to Accept or Reject Any or all Tenders

27.1 County Government of Meru reserves the right to accept or reject any tender, and to annul the tendering process and reject all tender at any time prior to contract award, without thereby incurring any liability to the affected tenderer or tenderers of the grounds for the County Government of Meru’s action.

28. Notification of Award

28.1 Prior to the expiry period of the tender validity, County Government of Meru will notify the successful tenderer in writing that its tender has been accepted and shall simultaneously notify the other tenderer of the fact.
28.2 The Notification of award to the successful tenderer shall specify the time, not being less than 21 days within which the contract must be signed.

29. **Signing of Contract**

29.1 At the same time as County Government of Meru notifies the successful tenderer that its tender has been accepted, The County Government will send the tenderer the Contract Form provided in the tender documents, incorporating all agreements between the parties.

30. **Performance Security**

30.1 Within thirty (30) days of the receipt of notification of award from County Government of Meru, the successful tenderer shall furnish performance security in accordance with the conditions of Contract, in the Performance security form provided in the tender documents, or in another form acceptable to County Government of Meru.

30.2 Failure of the successful tenderer to comply with the requirement of paragraph 29 or paragraph 30 shall constitute sufficient grounds for the annulment of the award and forfeit of the tender security, in which event the Meru County Government may notify to the next lowest evaluated Candidate that its tender has been accepted.

31. **Corrupt Fraudulent Practices**

31.1 County Government of Meru requires that tenderers observe the highest standard of ethics during the procuring process and execution of contracts. In pursuance of this policy, County Government of Meru: -

(a) defines, for the purpose of this provision the terms set forth below as follows:

(i) “Corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution; and

(ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the County Government of Meru, and includes collusive practice among tenderer (prior to or after tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive County Government of Meru of the benefits of free and open competition;

(b) Will reject a proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;

(c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded any contract if it at any time determines that the firm has engaged in corrupt or fraudulent practice in competing for, or in executing, a contract.

31.2 Furthermore, tenderers shall be aware of the provision stated in the General Condition of contract.
IV. **GENERAL CONDITIONS OF CONTRACTS**

1. **Definitions**

1.1 In this Contract, the following terms shall be interpreted as indicated:

(a) “The Contract” means the agreement entered into between County Government of Meru and the tenderer, as recorded in the contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

(b) “The Contract Price” Means the price payable to the tenderer under the Contract for the full and proper performance of its contractual obligations.

(c) “The Goods” means all of the equipment, machinery, and/or other materials, which the tenderer is required to supply to County Government of Meru under the contract.

(d) “County Government of Meru” means the organization purchasing the Goods under this contract.

2. **Application**

2.1 These General Conditions shall apply in all Contracts made by County Government of Meru for the procurement of goods.

3. **Country of Origin**

3.1 For purpose of this Clause, “Origin” means the place where the Goods were mined, grown, or produced.

3.2 The origin of Goods and services is distinct from the nationality of the tenderer.

4. **Standards**

4.1 The Goods supplied under this contract shall conform to the standards mentioned in the technical Specifications.

5. **Use of Contract Documents and Information**

5.1 The candidate shall not, without County Government of Meru’s prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Meru County Government in connection therewith, to any person other than a person employed by tenderer in the performance of the contract.

5.2 The tenderer shall not, without County Government of Meru’s prior written consent, make use of any document or information enumerated in paragraph 5.1 above.

5.3 Any document other than the Contract itself, enumerated in paragraph 5.1 shall remain the property of County Government of Meru on completion of the Tenderer’s performance under the contract if so required by County Government of Meru.
6. **Patent Rights**

6.1 The tenderer shall indemnify County Government of Meru against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof in the Meru County Government.

7. **Performance Security**

7.1 Within thirty (30) days of receipt of the notification of Contract award, the successful tenderer shall furnish to The County Government the performance security in the amount specified in special Conditions of contract.

7.2 The proceeds of the performance security shall be payable to County Government of Meru as compensation for any loss resulting from the Tender’s failure to complete its obligations under the Contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to County Government of Meru and shall be in the form of a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in Kenya or abroad, acceptable to County Government of Meru, in the form provided in the tender documents.

7.4 The performance security will be discharged by County Government of Meru and returned to the Candidate not later than thirty (30) days following the date of completion of the Tender’s performance obligations under the Contract including any warranty obligations, under the Contract.

8. **Inspection and Tests**

8.1 The Procurement entity or its representative shall have the right to inspect and / or to test the goods to confirm their conformity to the contract specifications. County Government of Meru shall notify the tenderer in writing, in a timely manner, of the identity of any representatives retained for these purpose.

8.2 The inspections and tests may be conducted on the premises of the tenderer or its subcontractor (s), at point of delivery, and / or at the Goods’ final destination. If conducted on the premises of the tenderer or its subcontractor (s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to County Government of Meru.

8.3 Should any inspection or tested Goods fail to conform to the Specifications, County Government of Meru may reject the Goods or make alterations necessary to meet specification requirements free of cost to County Government of Meru.

8.4 County Government of Meru’s right to inspect, test and, where necessary, reject the goods after the Goods’ arrival shall in no way be limited or waived by reason of the Goods having previously been inspected, tested, and passed by County Government of Meru or its representative prior to the Good’s delivery.

8.5 Nothing in paragraph 8 shall in any way release the tenderer from any warranty or other obligations under this Contract.
9. **Packing**

9.1 The tenderer shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirement as shall be expressly provided for in the Contract.

10. **Delivery and Documents**

10.1 Delivery of the Goods shall be by the tenderer in accordance with the terms specified by County Government of Meru in its Schedule of requirements and the special Conditions of Contract.

11. **Insurance**

11.1 The Goods supplied under the contract shall be fully insured against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery in the manner specified in the Special conditions of Contract.

12. **Payment**

12.1 The Method and conditions of payment to be made to the tenderer under this Contract shall be specified in special Conditions of Contract.

12.2 County Government of Meru shall make payment promptly as specified in the contract.

13. **Prices**

13.1 Prices charged by the tender for Goods delivered and services performed under the Contract shall not, with the exception of any price adjustments authorized in Special Conditions of Contract, vary from the prices by the tenderer in its tender.

14. **Assignment**

14.1 The tenderer shall not assign, in whole or in part, its obligations to perform under this contract, except with County Government of Meru's prior written consent.

15. **Subcontracts**

15.1 The tenderer shall notify the procuring in writing of all subcontracts awarded under this contract if not already specified in the tender. Such notification, in the original tender or later, shall not relieve the tenderer from any liability or obligation under the Contract.

16. **Termination for Default**

16.1 County Government of Meru may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the tenderer, terminate this Contract in whole or in part:

(a) if the tenderer fails to deliver any or all of the Goods within the period(s) specified in the Contract, or within any extension thereof granted by County Government of Meru.
(b) If the tenderer fail to perform any other obligation(s) under the Contract.

(c) If the tenderer, in the judgment of County Government of Meru has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

16.2 In the event County Government of Meru terminates the Contract in whole or in part, it may procure, upon such terms and in such manner, as it deems appropriate, Goods similar to those undelivered, and the tenderer shall be liable to The County Government for any excess costs for such similar Goods.

17. **Liquidated Damages**

17.1 If the tenderer fails to deliver any or all of the goods within the period (s) specified in the contract, County Government of Meru shall, without prejudice to its other remedies under contract, deduct from the contract prices liquidated damages sum equivalent to 0.5% of the delivered price of the delayed goods per week up to a maximum deduction of 10% of the delayed goods. After this the tenderer may consider termination of the contract.

18. **Resolution of Disputes**

18.1 The client and the tenderer shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the contract.

18.2 If, after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute, either party may require adjudication in an agreed national or international forum, and/or international arbitration.

19. **Language and Law**

19.1 The language of the contract and the law governing the contract shall be English language and the Laws of Kenya respectively unless otherwise stated.

20. **Force Majeure**

20.1 The tenderer shall not be liable for forfeiture of its performance security, or termination for default if and to the extent that it’s delay in performance or other failure to perform its obligation under the Contract is the result of an event of Force Majeure.
V. SPECIAL CONDITIONS OF CONTRACT

The fuel and lubricants should meet the international standards of which the equipment are recommended for use.
### VI. BILL OF QUANTITIES

<table>
<thead>
<tr>
<th>item</th>
<th>description</th>
<th>unit</th>
<th>MIN QTY</th>
<th>MAX QTY</th>
<th>RATE</th>
<th>MIN AMT</th>
<th>MAX AMT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Supply of fuel and lubricants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Thread grease,</td>
<td>kgs</td>
<td>100.00</td>
<td>500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Gear oil 140 grade</td>
<td>litres</td>
<td>400.00</td>
<td>1000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>diesel</td>
<td>litres</td>
<td>10,000.00</td>
<td>45000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TERMS:**
- Validity must be up to 120 days from the Tender closing date.
- At least 50% of the items offered must be readily available ex-stock.
- Warranty Period: 2year.

**SUPPLIER**

(Address) ........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

Name .............................................................. Position .................................

Signature .......................................................... Date .................................
I: **Submersible Pumps**

Make:-----------------------------  Origin:---------------------  Local Agent:---------------------  

Impeller Material:-----------------------------  Standards:---------------------

---

Suppliers Address  Name:-----------------------------

-----------------------------

-----------------------------  Position:-----------------------------

-----------------------------

-----------------------------  Signature:-----------------------------

-----------------------------

-----------------------------

Note: In case of discrepancy between **unit price** and total, the unit price shall prevail.
VII. **TENDER FORM**

**Form of Tender**

To: ........................................

........................................

[Name and address of County Government of Meru]

Gentlemen and / or Ladies:

1. Having examined the tender documents including Addenda Nos………..[Insert numbers], the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply and deliver………………………………………….....[description of goods] in conformity with the said tender documents for the sum of

……………………………………………………[total tender amount in words and figures] or such other as may be ascertained in accordance with the schedule or Prices attached herewith and made part of this Tender.

2. We undertake, if our tender is accepted, to deliver the goods in accordance with the delivery schedule specified in the schedule of requirements.

3. If our Tender is accepted, we will obtain the guarantee of a bank in a sum equivalent to _______percent of the Contract Price for the due performance of the Contract, in the form prescribed by………………..County Government of Meru)

4. We agree to abide by this Tender for a period………[number] days from the date fixed for tender opening of the Instructions to tenderers, and it shall remain binding upon us and nay be accepted ay any time before the expiring of that period.

5. Until a formal contract is prepared and executed, this Tender, together with your written acceptance thereof and your notification of award, shall constitute a binding contract between us.

6. We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this________________________ day of ______________ 20...

________________________   _________________

[Signature]     in the capacity of

Duly authorized to sign tender for and on behalf of_______________
VIII. TENDER SECURITY FORM

Whereas………………………………..[Name of the tenderer] (hereinafter called “the tenderer ”) has submitted its tender dated…………………………[date of submission of tender] for the supply of…………………………………………………………(hereinafter called “the Tender”)

KNOW ALL PEOPLE by these present that
We…………………………………………………………having our registered office at …………………(hereinafter called “the Bank”), are bound unto……………………

[ County Government of Meru] (hereinafter called “County Government of Meru”) in sum of ……………………………for which payment well and truly to be made to the said County Government of Meru, the Bank binds itself, its successors, and assigns by these presents. Sealed with the common seal of the said Bank this ______day of________2007

THE CONDITIONS of this Obligation are:

1. If the tenderer withdraws its Tender during the period of tender validity specified by the tenderer on the Tender Form; or

2. If the tenderer, having been notified of the acceptance of its Tender by County Government of Meru during the period of tender validity:

   (a) Fails or refuses to execute the Contract Form, if required; or

   (b) Fails or refuses to furnish the performance security, in accordance with the Instructions to tenderers;

We undertake to pay to County Government of Meru up to the above amount upon receipt of its first written demand, without County Government of Meru having to substantiate its demand, provided that in its demand County Government of Meru will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions

This guarantee will remain in force up to and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Bank not later than the above date.

[Signature of the bank]
IX. CONTRACT FORM

THIS AGREEMENT made the ___ day of ____________20 ________ between..[name of procurement entity] of ……………[Country of Procurement entity] (hereinafter called “the County Government of Meru”) of the one part and………………………[name of tenderer] of………….[city and country of tenderer] (hereinafter called “the tenderer”) of the other part:

WHEREAS THE County Government of Meru invited tenders for certain goods, Viz,……………[brief description of goods] and has accepted a tender by the tenderer for the supply of those goods in the sum Of ………………………………………………….[contract price in words and figures] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement 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 part of this Agreement, viz.:
   (a) The Tender Form and the Price Schedule submitted by the tenderer;
   (b) The Schedule of Requirement;
   (c) The Technical Specifications;
   (d) The General Conditions of Contract; and
   (e) County Government of Meru’s Notification of Award.

3. In consideration of the payments to be made by County Government of Meru to the tenderer as hereinafter mentioned, the tenderer hereby covenants with County Government of Meru to provide the goods and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. County Government of Meru hereby covenants to pay the tenderer in consideration of the provision of the goods and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

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

Signed, sealed, delivered by____________ the ____________ (for County Government of Meru)

Signed, sealed, delivered by____________ the ___________________(for the tenderer)

In the presence of ______________________
X. PERFORMANCE SECURITY FORM

TO: ........................................
   [County Government of Meru]

AND WHEREAS ..........................[name of tenderer][hereinafter called “the tenderer”) has
undertaken, in pursuance of Contract No..........................[reference number of the contract]
dated ......................to supply......................................[description of goods] (hereafter
called “the Contract”).

AND WHEREAS it has been stipulated by you in the said contract that the tenderer shall furnish
you with a bank guarantee by a reputable bank for the sum specified therein as security for
compliance with the Tenderer’s performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the tenderer a guarantee:

THEREFORE we hereby affirm that we are Guarantors and responsible to you, on behalf of the
tenderer, up to a total of..............................................................
[Amount of the guarantee in words and figures], and we undertake to pay you, upon your first
written demand declaring the tenderer to be in default under the Contract and without cavil or
argument, any sum or sums within the limits of..............................[amount of guarantee] as
aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum
specified therein.

This guarantee is valid until the. day of............., 20...

Signature and seal of the Guarantors

[Name of bank or financial institution]

[Address]

[Date]
XI. PUBLIC PROCUREMENT REGULATIONS

CONFIDENTIAL BUSINESS QUESTIONNAIRE
You are requested to give the particulars indicated in Part I and either Part 2(a), 2(b) or 2(c) whichever applies in your type of business.

You are advised that it is a serious offence to give false information on this Form.

CONFIDENTIAL BUSINESS QUESTIONNAIRE
You are requested to give the particulars indicated in Part 1 and either Part 2(a), 2(b) or 2(c) and 2(d) whichever applies to your type of business.

You are advised that it is a serious offence to give false information on this Form.

Part 1 – General

Business Name ……………………………………………………………………………………………

Location of business premises ………………………………………………………………………

Plot No. ............................Street/Road ………………………………………………………

Postal Address ........................ Tel No. ………………………………………………………

Nature of Business ………………………………………………………………………………………

Current Trade Licence No. ………………… Expiring date …………………………………

Maximum value of business which you can handle at any time K£ ……………………………

Name of your bankers …………………….. Branch …………………………………

Are you an agent of the Kenya Nation Trading Corporation? YES/NO. ………

Part 2 (a) – Sole Proprietor

Your name in full ……………………………………………..….. Age …………………

Nationality ………………………………………………….. Country of Origin ……………

* Citizenship details………………………………………………………………………………

Part 2 (b) – Partnership

Give details of partners as follows:

<table>
<thead>
<tr>
<th>Name in full</th>
<th>Nationality</th>
<th>Citizenship Details</th>
<th>Shares</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
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<td>2.</td>
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<td>3.</td>
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<tr>
<td>4.</td>
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</tr>
</tbody>
</table>
**Part 2 (c) – Registered Company:**

Private or public

State the nominal and issued capital of the company:

Nominal K£. ......................................................................................................................

Issued K£. ......................................................................................................................

Give details of all the directors as follows:

<table>
<thead>
<tr>
<th>Name in full</th>
<th>Nationality</th>
<th>Citizen Details</th>
<th>Shares</th>
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</thead>
<tbody>
<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
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<td>5</td>
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</tbody>
</table>

Date ........................... Signature of Tenderer .................................

* If Kenya Citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or Registration.