



# THE CONTRACT AGREEMENT

BETWEEN

ZOMBA CITY COUNCIL

AND

CAS CIVIL CONTRACTORS LIMITED

FOR UPGRADING OF CHINAMWALI-NDELEMANI ROAD  
CONTRACT NO.: ZCC/GOV/RD/ENG/2021-22/03

DATE: 25<sup>TH</sup> JANUARY, 2023

*Contract Agreement Between Zomba City Council and CAS Civil Contractors Ltd for Upgrading of  
Chinamwali - Ndeleman Road, 25<sup>th</sup> January, 2023*

6

## AGREEMENT

THIS AGREEMENT made the day of **Wednesday, 25<sup>th</sup> January, 2023**, between **Zomba City Council of Box 43, Zomba** (hereinafter called "the Procuring Entity") the one part, and **CAS Civil Contractors Limited of P.O Box 30580 Blantyre** (hereinafter called "the Supplier"), of the other part:

WHEREAS the Procuring Entity invited bids for certain works and Related Services, viz., **Upgrading of Chinamwali-Ndeleman Road**, and has accepted a Bid by the Contractor for the construction those works and Related Services in the sum of **Mk 980,904,125.00** (hereinafter "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 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 General Conditions of Contract;
  - b) the Special Conditions of Contract;
  - c) The Schedule of Requirements;
  - d) the Bid Submission Sheet and the Priced Bill of Quantities submitted by the Contractor;
  - e) the Procuring Entity's Notification to the Supplier of award of Contract; and
  - f) Negotiation Minutes
  - g) Letter of acceptance
3. In consideration of the payments to be made by the Procuring Entity to the Supplier as indicated in this Agreement, the Supplier hereby covenants with the Purchaser to provide the Goods and Related Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Procuring Entity hereby covenants to pay the Supplier in consideration of the provision of the Goods and Related Services 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.

*Contract Agreement Between Zomba City Council and CAS Civil Contractors Ltd for Upgrading of Chinamwali - Ndeleman Road, 25<sup>th</sup> January, 2023*

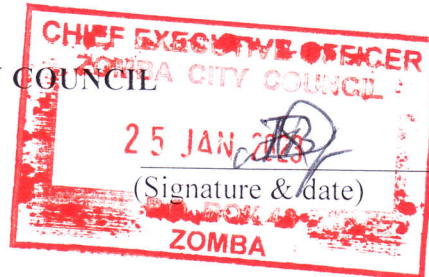
6

IN WITNESS whereof the parties thereto have caused this Agreement to be executed in accordance with the law specified in the Special Conditions of Contract on the day, month and year indicated above.

FOR AND ON BEHALF OF ZOMBA CITY COUNCIL

Name: Fred Nankuyu


Position: Ag. Chief Executive Officer  
(in that behalf duly authorised)



25/01/23

In the presence of:  
Witness No. 1

Name: Martin Kumbani  
Position (Director of Engineering Services)

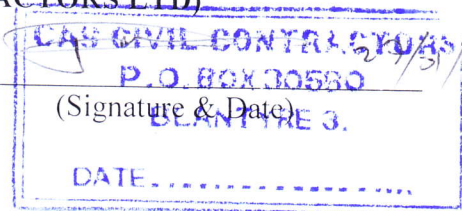
 25/01/2023  
(Signature & date)

Address: P.O Box 43, Zomba

FOR AND ON BEHALF OF (CAS CIVIL CONTRACTORS LTD)

Name: Muzee Mubumba

Position: Director  
(In that behalf duly authorised)



In the presence of:  
Witness No. 1

Name: STEVEN LUWEMBA

Position: Site Agent

Address: P.O Box 30580, Blantyre

  
(Signature & Date)



# **CAS CIVIL CONTRACTORS**

P.O. BOX 30580  
BLANTYRE  
TEL: 01 880010 / 0888871508

24<sup>th</sup> January, 2023

The acting Chief Executive Officer

Zomba City Council

P.O Box 43

Zomba

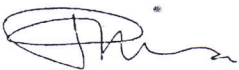
## **UPGRADING OF CHINAMWALI -MDELEMANI ROAD**

### **RE: ACCEPTANCE LETTER**

We write to notify you that we have accepted your offer for upgrading of Chinamwali-Mdeleman road at a contract sum of MK 980,904,125.00 (nine hundred eighty million nine hundred and four thousand one hundred twenty-five Malawi Kwacha).

We hope this is in order

Yours truly



Tutule Msukwa



PRE- AWARD DISCUSSION MEETING HELD ON FRIDAY, 23 DECEMBER, 2022  
AT 11:00 HR IN THE CIVIC CHAMBER WITH CAS CIVIL CONTRACTORS FOR  
UPGRADING OF

**Members Present**

**For the Procuring and Disposing Entity**

Fred Nankuyu	Ag. C.E.O
Philemon Maseko	IPDC Chair
Mayamiko Kabango,	Chief Engineer
Yamikani Chinjala,	Principal Procurement Officer (PPO), Secretary

**For the Contractor**

Tutule Msukwa	CAS Civil Contractors
Steven Luwemba	

**1.0 Opening Remarks**

The Chairperson called the meeting to order at around 11:00 hours and welcomed all members present to the negotiation meeting. He asked for self-introduction of all the IPDC members and the representative of CAS Civil Contractors. The Chairperson informed members that the meeting was called for contract discussion between Zomba City Council as the Client and CAS Civil Contractors as a Contractor for the upgrading of Chinamwali - Ndeleman Road. The opening prayer was offered by IPDC Chair, Mr. Philmon Maseko.

**2.0 Confirmation of Contract Price of Mk 980,904,125.00**

The Chairperson asked the Contractor to confirm the contract price of Mk 980, 904, 125.00 to which they did. But the Contractor indicated that there would be a need for price adjustment due to price escalation. The response was that the adjustment of contract price would be done according to the formula stated in the bidding document.

**3.0 Scope including Duration of the Contract**

The Chief Engineer informed the members that the scope of work would be as indicated in the bidding document, that the road would be class 2 road, 8 meters

h

wide with masonry drainage because Chinamwali is a built up area. Further, it was stated that supporting activity like healthy and safety would be required.

#### **4.0 Contract Start Date**

The Engineer informed the members that the contract start date would be 1<sup>st</sup> April 2023 – after signing the contract. The Contractor agreed to the same.

#### **5.0 Method of Payment**

The Engineer informed the Contractor that the contract would be admeasurement contract and they would be paid according to the work done. The contractor agreed to the same. The Engineer also informed the members that the following would be required:


- Performance Bond, 21 days after signing the contract,
- Contractor's All Risk Insurance,
- The Engineer informed the contractor that Advance Bond- Bank Guarantee of 20 % of the contract sum is optional, The Contractor indicated that the advance bond would be required for the contract to start smoothly.

#### **6.0 Confirmation of Key Personnel**

The Chairperson asked the Contractor to confirm on the key personnel as per the bid document submitted to Zomba City Council, the Contractor confirmed that the key personnel would be maintained as indicated in the bid document submitted to Zomba City Council. If there would be a change, it would be equal or better than the first one. It was also agreed that the Contractor to submit all works programme to the Project Manager through the Consultant.

#### **7.0 Closing Remarks**

The Contractor thanked ZCC management for the award of the contract, the Contractor also thanked ZCC for the credible procurement process. The Chairperson then, thanked all members for their participation. The Chairperson then declared the meeting closed at around 11:40 hours.



Signed:

For the Procuring and Disposing Entity:

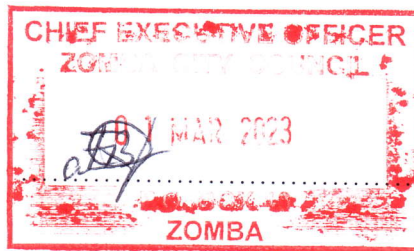
Fred Nankuyu

Philemon Maseko

Martin Kumbani

Mayamiko Kabango

Yamikani Chinjala



*[Handwritten signatures and dates in blue ink]*  
23/01/2023  
23/01/2023  
23/01/2023

For the Contractor

Tutule Msukwa

Steven Luwemba

*[Handwritten signature in blue ink]*

*[Handwritten mark]*

ZOMBA CITY COUNCIL



Your Ref:.....

P.O BOX 43  
ZOMBA  
MALAWI

Our Ref: ZCC/MGT/NEGO/CHINA-NDELEMANI/RD/2022

Tel: (265) 01 525039

Fax: (265) 01 525362

E-mail: [info@zombacitycouncil.org](mailto:info@zombacitycouncil.org)

23<sup>rd</sup> January , 2023

The Managing Director  
CAS Civil Contractors  
P.O Box  
Blantyre

Dear Sir,

**NOTIFICATION OF CONTRACT AWARD: FOR THE UPGRADING OF  
CHINAMWALI-NDELEMANI ROAD LOT 5**

The above subject refers.

Following the negotiation meeting held on Friday 23<sup>rd</sup> December, 2022 for the procurement captioned above, Zomba City Council through IPDC has granted an approval to enter into the contract with you (CAS CIVIL CONTRACTORS) as follows:

UPGRADING OF CHINAMWALI-NDELEMANI ROAD				
LOT	SITE	CONTRACT (MK)	AMOUNT	COMPLETION PERIOD
5	Zomba City	980,904,125.00		180 Days

h



This notification serves as a formal agreement between CAS Civil Contractors and Zomba City Council. However, the standard contract documents with detailed information are being processed for onward submission to you for your review and signature.

Meanwhile, you are required to respond to this offer either by accepting or rejecting it within 2 working days.

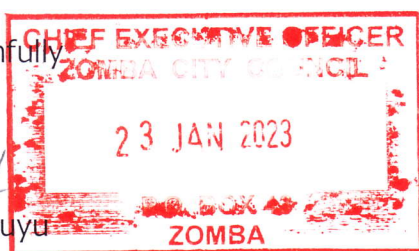
Zomba City Council congratulates you and hope for your full participation and commitment in any of the upcoming proceedings.

Your Statutory and prompt response on these matters is always appreciated.

Yours faithfully,

  
Fred Nankuyu

**Ag. Chief Executive Officer**



h