

#IKUWEIKUWE



NZOIA WATER SERVICES COMPANY LIMITED

Head Office:
P.O Box 1010- 50205
WEBUYE-KENYA

"Water Service Provider"

Tel: 055 41005
Fax: 055-41006
Email: nzowasco@yahoo.com
PIN: P0551173201E

No. 1589

LOCAL PURCHASE ORDER(LPO)

TO: WILMA AGENCIES LTD
P.O. Box 55031-0202
NHARB

TENDER/QUOTATION NO. 103/2016/2017
CONTRACT REF NO.
DATE: 10/5/2017
REQUISITION NO:
DATE: 2016-2017

Please deliver the underlisted Goods to the following address:-

Managing Director
Nzoia Water Services Co. Ltd
P.O Box 1010-50205
NHARB

At Webuye head office water supply Treatment works
on or before send the invoices immediately to our office

ITEM NO	DESCRIPTION OF GOODS	QTY	UNIT COST		COST	
			Shs.	Cts.	Shs.	Cts.
1	SUPPLY AND DELIVERY OF SUBMERSIBLE WATER PUMP	1	390000	=	390000	=
	TENDER NO. NZOWASCO P.O.C - 103-2016-2017 AS PER SPECIFICATIONS					
TOTAL					390000	=

Prepared by: [Signature]

Designation: S.P.C

Date: 10/5/2017

Approved by: [Signature]
Managing Director

Recommended/Not recommended

[Signature]

Head of department

Date: 10/5/2017

Date: 10/5/2017

KITALE: Box 2248, KITALE Tel: 05431579, Fax 05430074

BUNGOMA: Box BUNGOMA Tel. 05520472

WEBUYE: Box 1010, WEBUYE Tel.

KIMILILI: Box KIMILILI Tel.

Original - Duplicate - To be attached on invoice for payment Triplicate - Book copy/Stores



INVOICE

GELMA AGENCIES LTD.

Exporters, Importers and General Suppliers
P.O. Box 55031 NAIROBI, Tel: 0722-526403

M/s NZOIA WATER SERVICES
LTD. BOX 1010-50205
WEBUHE

DATE 18/04/2018
D/NOTE NO. 757
ORDER NO. 1589

Qty.	Particulars	@	Shs	Cts
ONE	SUBMERSIBLE RAW WATER PUMP TENDER NO. NZOWASCO PRO-T.03-2016-2017	3,900,000	3,900,000	=
	LESS DOWN PAYMENT		780,000	=
			3,120,000	=

KES: 3,120,000/-

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E.&O.E No. **303** TOTAL: **3,120,000** ±
Accounts are due on demand
18/5/2018

GEUNA AGENCIES LTD

Engineering, Installation, Operation & Maintenance

George H. H. H.
P.O. Box 1010
Webuye

P.O. Box 1010
Webuye

The Managing Director
Nzoia Water Company
P.O. Box 1010
Webuye

14/05/2018

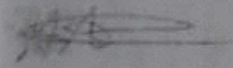
RE: DELIVERY OF SUBMERSIBLE RAW WATER PUMP-TENDER NO. NZOWASCO-PROC-103-20162017

In reference to your letter dated on 23rd April 2018 in regards to the above subject and as per the agreement between our organizations at the subsequent meeting held on Friday 11th May 2018 at your company boardroom (minutes attached), we hereby:

1. Attach the technical Manual for the Depon Submersible Pump supplied to you as per our agreement.
2. Issue a 12 months Warranty on the aforementioned pump
3. Commit to dispatching our technical team to your premises at a date and time of your convenience to install and commission the said pump at no extra charge.

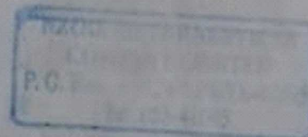
Your favorable response and continued support on the above matter will be highly appreciated.

Thank You


Dr. Anthony Luvanda
Director

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PPRA
Kisumu office
Box 2916
Kisumu





FORMER
**NZOIA WATER SERVICES
COMPANY LIMITED**

HEAD OFFICE Phone: 0773122814
P.O. BOX 55031-00200
WEBUYE Fax: 095-41000
Kenya Mobile: 0727-495567, 0735-977766
Email: nzowasco@swftkisumu.com

Maji Sani, Mwanana Pona

Ref: No. NWSC/HO/MD/P/T(03-2)/2016-2017

18th April, 2017

The Director
Gelma Agencies Ltd.
P.O. BOX -55031-00200
NAIROBI.

Dear Sir;

**REF:NEGOTIATION AGREEMENT HELD ON 3RD APRIL,2017 ON
TENDER NO.NZOWASCO-PROC-2016-2017 FOR SUPPLY OF Submersible
PUMP.**

This refers to the negotiation meeting we had in our office on 3rd April,2017 on the above tender. The negotiation was based under Section 131(d) and 132(c) of the Public Procurement and Asset Disposal Act,2015.

The tenderers were identified through national open tender.

We confirm the following as agreed in the negotiation meeting;

1. A negotiated price of Kes.3.9million (Kenya Shillings Three Million Nine Hundred Thousand Only).
2. Payment of a deposit of 20% an equivalent Kes.780,000(Kenya Shillings Seven Hundred and Eighty Thousand Only) upon submission of a bank guarantee security as provided under section 141 of the Public Procurement and Asset Disposal,Act,2015.

3. Payment of the balance of 80% upon delivery of the equipment.

Kindly confirm the same before signing the contract within 14days from the date of this letter.

Thank you.

Yours faithfully,

**Engineer Patrick Muniolo
MANAGING DIRECTOR.**

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The Regional manager
Ethics and Anti Corruption commission
P.O Box 438-40100
Kisumu
Tel: 0715408512

18/07/2018

Dear sir/Madam

REPORTING NZOIA WATER COMPANY MANAGEMENT FOR IRREGULARLY PROCURING TWO WATER PUMPS

I hereby wish to report Nzoi Water Company for irregularly procuring two water pumps: the first one delivered on the 17th of April 2017 and the second one delivered on the 12th of July 2018.

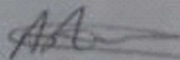
The company paid the first supplier, Gelma Agencies Ltd, only 20% of the principal amount and has evaded paying the balance which is a breach of contract. The company has further gone ahead and without following the laid down procurement procedures and regulations, single sourced and purchased another pump with similar specifications.

It is in this regards that I hereby request the Ethics and Anti Corruption Commission to investigate the matter.

Thank you for your attention.

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Sincerely yours



Dr. Anthony Luvanda
luvanda@gmail.com





WANDABWA & ASSOCIATES

ACK Garden House, 1st Ngong Avenue, Ground Floor, Wing C, P.O. Box 12201-00100, Nairobi. Tel: 2731744/5 Email: info@wandabwawater.co.ke

Our Ref: WA/AW/1086

Your Ref: TBA

2nd August, 2018

Nzoia Water Services Co. Ltd
P. O. Box 1010 - 50205
WEBUYE.

Dear Sirs,

 #iKUWEiKUWE COPY

RE: DEMAND FOR KES 3,120,000 DUE AND OWING TO GELMA AGENCIES LTD (OUR CLIENT) FOR SUPPLY OF SUBMERSIBLE RAW WATER PUMP.

We act for Gelma Agencies Ltd (Our Client) on whose instructions we address you as hereunder.

Our client was the successful bidder in Tender No. NZOWASCO PROC-103-2016-2017 for the supply of a submersible raw water pump at a negotiated cost of Kes3,900,000 of which a 20% deposit being Kes. 780,000 has already been received by our client.

A Local Purchase Order dated 10th May, 2017 was presented to our client for the submersible raw water pump and our client proceeded to supply and deliver the water pump on 17th April, 2018 and a delivery note duly signed to confirm receipt.

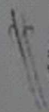
Despite having received the water pump, you are yet to clear the outstanding sums of Kes 3,120,000.

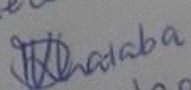
Our instructions are to demand, which we hereby do, that you immediately pay to our client Kes 3,120,000 within 7 days of receipt of this demand failing which we shall commence recovery proceedings to your detriment as to costs and other risks.

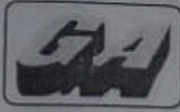
Stand advised.

Yours faithfully,
ANDREW WANDABWA & ASSOCIATES

A. Kani

 ANDREW WANDABWA
Wk/mw

Received by

6/08/2018



GELMA AGENCIES LTD

Exporters, Importers, General Suppliers & Contractors

Kenda House
Tom Mboya Street
1st Floor room - A2 Nairobi

P.O Box 55031
Tel: 555573
Mobile: 0722526403

Our Ref: PPRA/01/18

Your Ref:

In-Charge
Public procurement Regulation Authority
Kisumu office
P.O Box 2916
Kisumu



Date: 17/07/2018

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Dear Sir:

RE: REQUEST FOR YOUR INTERVENTION IN BREACH OF SUPPLY CONTRACT BY NZOIA WATER COMPANY

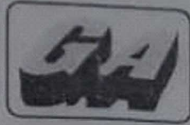
In April of 2017 our organization (Gelma Agencies Limited) won a tender to supply a submersible water pump to Nzoia Water Company where a price negotiation was entered and an LPO issued thereafter as per the attached documents.

The aforementioned pump was supplied and delivered on the 17th of April 2018 and a delivery note (attached) signed to that effect. However the management of Nzoia sugar flatly refused to make payments for the same pump under the pretext that the pump was not up to their required specifications.

Our management has made a number of efforts to try and meet the Ag. Managing Director on the matter without much success most notably on the 3rd of May 2018 at a hotel in Nairobi where it was agreed they were having challenges installing the pump and the Ag. MD requested that we provide engineer to install the pump on their behalf, and on the 11th of May 2018 in a meeting that took place at the Nzoia water company board room and whose deliberations and agreements are indicated to our letter to them dated 14th May 2018, copy attached.

It has however come to our notice that the Nzoia water has gone ahead to breach procurement procedures by purchasing through single sourcing a similar pump if not a slightly inferior pump (comparisons tabulated below) in a process that took less than two weeks.





GELMA AGENCIES LTD

Exporters, Importers, General Suppliers & Contractors

Kenda House
Tom Mboya Street
1st Floor room - A2 Nairobi

P.O Box 55031
Tel: 555573
Mobile:0722526403

Comparison between the pump supplied by Gelma Agencies and Pump single sourced by Nzoia water company management

S.No	Specifications of pump supplied by Gelma Agencies		Specifications of pump irregularly single sourced by Nzoia water company management	
1.	Number of Power cables	4	Number of power cables	4
2.	Overhead	39 Meters	overheard	30 meters
3.	Electric power requirements	55 Motor power	Electric power requirements	56 motor power
4.	Water discharge	480 cubic meters per hour	Water discharge	300 cubic meters per hour
5.	Weight	800kgs	Weight	730kgs
6.	Modification before installation	Required	Modification before installation	Required

It is based on this analysis which leaves us with the opinion that the management of Nzoia Water Company is acting irrationally, maliciously and in bad faith in regards to honoring our payments and in so doing they are not only contravening procurement procedures but are also breaking the law. .

Gelma Agencies is therefore seeking your intervention in the matter so as to compel Nzoia Water Company to honor the payment for the pump that we have already delivered and were willing to install, test and commission at no additional cost.

Please find attached all necessary documentation relating to the aforementioned subject matter.

Your favorable response to the above matter will be highly appreciated.

Thank You

Dr. Anthony Luvanda
Director

cc: Ethics and Anti Corruption Commission Western Region Office



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