

43. Variation Orders

- 43.1. Variation Orders may be issued by the Procuring Entity to cover any increase/decrease in quantities, including the introduction of new work items that are not included in the original contract or reclassification of work items that are either due to change of plans, design or alignment to suit actual field conditions resulting in disparity between the preconstruction plans used for purposes of bidding and the "as staked plans" or construction drawings prepared after a joint survey by the Contractor and the Procuring Entity after award of the contract, provided that the cumulative amount of the Variation Order does not exceed ten percent (10%) of the original project cost. The addition/deletion of Works should be within the general scope of the project as bid and awarded. The scope of works shall not be reduced so as to accommodate a positive Variation Order. A Variation Order may either be in the form of a Change Order or Extra Work Order.
- 43.2. A Change Order may be issued by the Procuring Entity to cover any increase/decrease in quantities of original Work items in the contract.
- 43.3. An Extra Work Order may be issued by the Procuring Entity to cover the introduction of new work necessary for the completion, improvement or protection of the project which were not included as items of Work in the original contract, such as, where there are subsurface or latent physical conditions at the site differing materially from those indicated in the contract, or where there are duly unknown physical conditions at the site of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in the Work or character provided for in the contract.
- 43.4. Any cumulative Variation Order beyond ten percent (10%) shall be subject of another contract to be bid out if the works are separable from the original contract. In exceptional cases where it is urgently necessary to complete the original scope of work, the HoPE may authorize a positive Variation Order go beyond ten percent (10%) but not more than twenty percent (20%) of the original contract price, subject to the guidelines to be determined by the GPPB: *Provided, however, That appropriate sanctions shall be imposed on the designer, consultant or official responsible for the original detailed engineering design which failed to consider the Variation Order beyond ten percent (10%).*
- 43.5. In claiming for any Variation Order, the Contractor shall, within seven (7) calendar days after such work has been commenced or after the circumstances leading to such condition(s) leading to the extra cost, and within twenty-eight (28) calendar days deliver a written communication giving full and detailed particulars of any extra cost in order that it may be investigated at that time. Failure to provide either of such notices in the time stipulated shall constitute a waiver by the contractor for any claim. The preparation and submission of Variation Orders are as follows:
 - (a) If the Procuring Entity's representative/Project Engineer believes that a Change Order or Extra Work Order should be issued, he shall prepare the proposed Order accompanied with the notices submitted by the Contractor, the plans therefore, his computations as to the quantities of the additional works involved per item indicating the specific stations where such works are needed, the date of his inspections and investigations thereon, and the log book thereof, and a detailed estimate of the unit cost of such items of work, together with his justifications for the need of such Change Order or Extra Work Order, and shall submit the same to the HoPE for approval.

- (b) The HoPE or his duly authorized representative, upon receipt of the proposed Change Order or Extra Work Order shall immediately instruct the appropriate technical staff or office of the Procuring Entity to conduct an on-the-spot investigation to verify the need for the Work to be prosecuted and to review the proposed plan, and prices of the work involved.
- (c) The technical staff or appropriate office of the Procuring Entity shall submit a report of their findings and recommendations, together with the supporting documents, to the Head of Procuring Entity or his duly authorized representative for consideration.
- (d) The HoPE or his duly authorized representative, acting upon the recommendation of the technical staff or appropriate office, shall approve the Change Order or Extra Work Order after being satisfied that the same is justified, necessary, and in order.
- (e) The timeframe for the processing of Variation Orders from the preparation up to the approval by the Procuring Entity concerned shall not exceed thirty (30) calendar days.

44. Contract Completion

Once the project reaches an accomplishment of ninety five (95%) of the total contract amount, the Procuring Entity may create an inspectorate team to make preliminary inspection and submit a punch-list to the Contractor in preparation for the final turnover of the project. Said punch-list will contain, among others, the remaining Works, Work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time. This, however, shall not preclude the claim of the Procuring Entity for liquidated damages.

45. Suspension of Work

- 45.1. The Procuring Entity shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to *force majeure* or any fortuitous events or for failure on the part of the Contractor to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the Procuring Entity or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The Contractor shall immediately comply with such order to suspend the work wholly or partly.
- 45.2. The Contractor or its duly authorized representative shall have the right to suspend work operation on any or all projects/activities along the critical path of activities after fifteen (15) calendar days from date of receipt of written notice from the Contractor to the district engineer/regional director/consultant or equivalent official, as the case may be, due to the following:
 - (a) There exist right-of-way problems which prohibit the Contractor from performing work in accordance with the approved construction schedule.
 - (b) Requisite construction plans which must be owner-furnished are not issued to the contractor precluding any work called for by such plans.

- (c) Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PNP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.
 - (d) There is failure on the part of the Procuring Entity to deliver government-furnished materials and equipment as stipulated in the contract.
 - (e) Delay in the payment of Contractor's claim for progress billing beyond forty-five (45) calendar days from the time the Contractor's claim has been certified to by the procuring entity's authorized representative that the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the Contractor.
- 45.3. In case of total suspension, or suspension of activities along the critical path, which is not due to any fault of the Contractor, the elapsed time between the effectivity of the order suspending operation and the order to resume work shall be allowed the Contractor by adjusting the contract time accordingly.

46. Payment on Termination

- 46.1. If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Procuring Entity's Representative shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed, as indicated in the SCC. Additional Liquidated Damages shall not apply. If the total amount due to the Procuring Entity exceeds any payment due to the Contractor, the difference shall be a debt payable to the Procuring Entity.
- 46.2. If the Contract is terminated for the Procuring Entity's convenience or because of a fundamental breach of Contract by the Procuring Entity, the Procuring Entity's Representative shall issue a certificate for the value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works, and less advance payments received up to the date of the certificate.
- 46.3. The net balance due shall be paid or repaid within twenty eight (28) days from the notice of termination.
- 46.4. If the Contractor has terminated the Contract under GCC Clauses 17 or 18, the Procuring Entity shall promptly return the Performance Security to the Contractor.

47. Extension of Contract Time

- 47.1. Should the amount of additional work of any kind or other special circumstances of any kind whatsoever occur such as to fairly entitle the contractor to an extension of contract time, the Procuring Entity shall determine the amount of such extension; provided that the Procuring Entity is not bound to take into account any claim for an extension of time unless the Contractor has, prior to the expiration of the contract time and within thirty (30) calendar days after such work has been commenced or after the circumstances leading to such claim have arisen, delivered to the Procuring Entity notices in order that it could have investigated them at that time. Failure to provide such notice shall constitute a waiver by the Contractor of any claim. Upon receipt of

full and detailed particulars, the Procuring Entity shall examine the facts and extent of the delay and shall extend the contract time completing the contract work when, in the Procuring Entity's opinion, the findings of facts justify an extension.

- 47.2. No extension of contract time shall be granted the Contractor due to (a) ordinary unfavorable weather conditions and (b) inexcusable failure or negligence of Contractor to provide the required equipment, supplies or materials.
- 47.3. Extension of contract time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.
- 47.4. No extension of contract time shall be granted when the reason given to support the request for extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection.
- 47.5. Extension of contract time shall be granted for rainy/unworkable days considered unfavorable for the prosecution of the works at the site, based on the actual conditions obtained at the site, in excess of the number of rainy/unworkable days pre-determined by the Procuring Entity in relation to the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection, and/or for equivalent period of delay due to major calamities such as exceptionally destructive typhoons, floods and earthquakes, and epidemics, and for causes such as non-delivery on time of materials, working drawings, or written information to be furnished by the Procuring Entity, non-acquisition of permit to enter private properties or non-execution of deed of sale or donation within the right-of-way resulting in complete paralyzation of construction activities, and other meritorious causes as determined by the Procuring Entity's Representative and approved by the HoPE. Shortage of construction materials, general labor strikes, and peace and order problems that disrupt construction operations through no fault of the Contractor may be considered as additional grounds for extension of contract time provided they are publicly felt and certified by appropriate government agencies such as DTI, DOLE, DILG, and DND, among others. The written consent of bondsmen must be attached to any request of the Contractor for extension of contract time and submitted to the Procuring Entity for consideration and the validity of the Performance Security shall be correspondingly extended.

48. Price Adjustment

Except for extraordinary circumstances as determined by NEDA and approved by the GPPB, no price escalation shall be allowed. Nevertheless, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GoP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

49. Completion

The Contractor shall request the Procuring Entity's Representative to issue a certificate of Completion of the Works, and the Procuring Entity's Representative will do so upon deciding that the work is completed.

50. Taking Over

The Procuring Entity shall take over the Site and the Works within seven (7) days from the date the Procuring Entity's Representative issues a certificate of Completion.

51. Operating and Maintenance Manuals

- 51.1. If "as built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the **SCC**.
- 51.2. If the Contractor does not supply the Drawings and/or manuals by the dates stated in the **SCC**, or they do not receive the Procuring Entity's Representative's approval, the Procuring Entity's Representative shall withhold the amount stated in the **SCC** from payments due to the Contractor.

SECTION V

**SPECIAL CONDITIONS
OF CONTRACT**

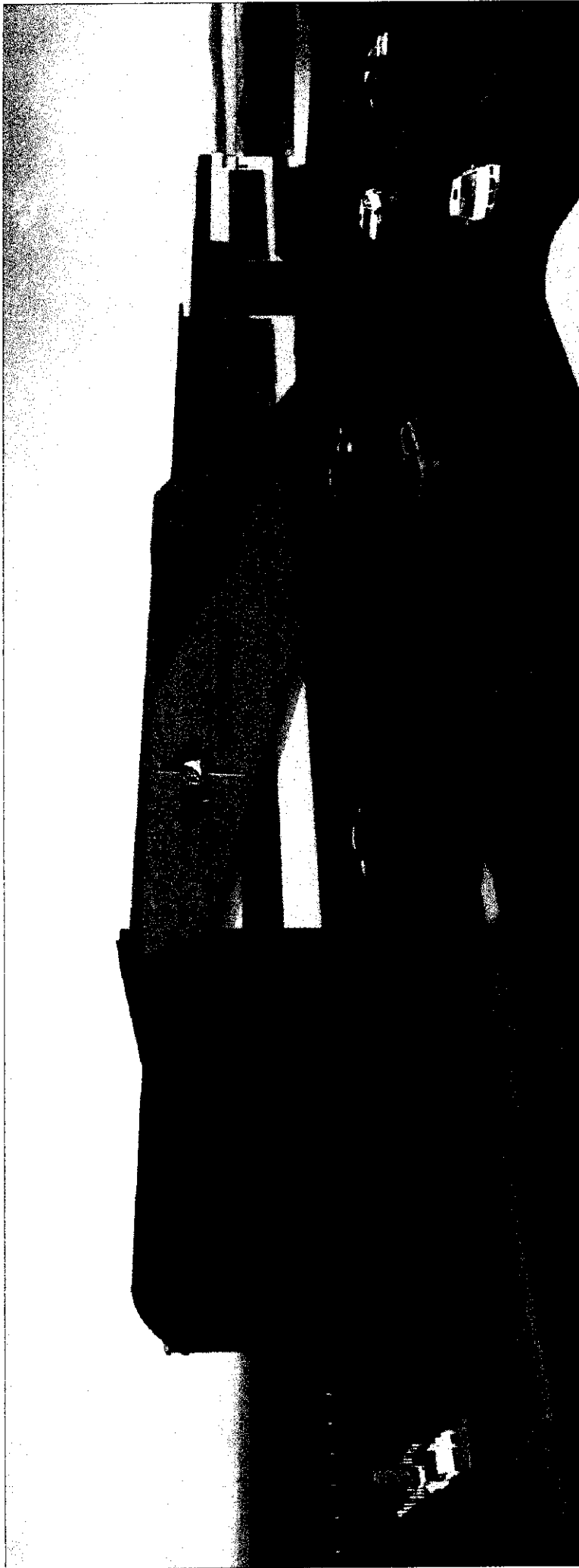
Special Conditions of Contract

GCC Clause	
1.17	<p>The Intended Completion Date is 120 calendar days from commencement of work, inclusive of the estimated zero (0) calendar days considered unfavorable to the prosecution of the works at site.</p> <p>NOTE: The contract duration shall be reckoned from the start date and not from contract effectivity date.</p>
1.22	<p>The Procuring Entity is PHILIPPINE PORTS AUTHORITY, PPA Building A. Bonifacio Drive, South Harbor, Port Area, Manila</p>
1.23	<p>The Procuring Entity's Representative is:</p> <p style="text-align: center;">MARK JON S. PALOMAR Chairperson Head Office Bids and Awards Committee for Engineering Project 3rd Floor PPA Building Bonifacio Drive, South Harbor, Port Area, Manila</p>
1.24	<p>The Site is located at Cagayan De Oro City, Misamis Oriental and is defined in drawing Nos.</p>
1.28	<p>The Start Date is the time of receipt by the successful bidder of all notices called for the term of the contract.</p>
1.31	<p>The Works consists of:</p> <p style="text-align: center;">A. HVAC-VRF SYSTEM AND GENERATOR SETS</p> <ol style="list-style-type: none"> 1. Design, Supply and install VRF-HVAC System 2. Design, Supply and install Generator Units
2.2	<p>None.</p>
5.1	<p>The Procuring Entity shall give possession of all parts of the Site to the Contractor upon commencement of the project.</p>
6.5	<p>The Contractor shall employ the following Key Personnel:</p> <ol style="list-style-type: none"> a. Designer (PME) b. Project Manager c. Project Engineer (PME) d. Construction Safety and Health Officer e. Foreman f. Others
7.4 (c)	<p>No further instructions.</p>

7.7	No further instructions.
8.1	No further instructions.
10	None
12.3	No further instructions.
12.5	All design and build projects shall have a minimum Defects Liability Period of one (1) year after contract completion or as provided for in the contract documents. This is without prejudice, however to the liabilities imposed upon the engineer/architect who drew up the plans and specifications for a building sanctioned under Article 1723 the New Civil Code the Philippines.
13	If Contractor is a Joint Venture, "All partners to the joint ventures shall be jointly and severally liable to the Procuring Entity".
18.3(h)(i)	No further instructions.
21.2	The Arbiter is: (To be appointed)
29.1	No dayworks are applicable to the contract.
31.1	The Contractor shall submit the Program of Work to the Procuring Entity's Representative within _____ days of delivery of the Notice of Award.
31.3	The period between Program of Work updates is _____ days. The amount to be withheld for late submission of an updated Program of Work is _____ .
34.3	The Funding Source is the Corporate Budget of the Authority for CY 2018.
39.1	The provision on advance payments or mobilization fees in the terms and conditions of all contracts/ purchase orders/ job orders for goods, services and infrastructure projects that will be signed or executed shall henceforth be excluded.
39.5	Refer to 39.1
40.1	No further instructions.
51.1	No further instructions.
51.2	The date by which operating and maintenance manuals are required is _____ . The date by which "as built" drawings are required is _____ .

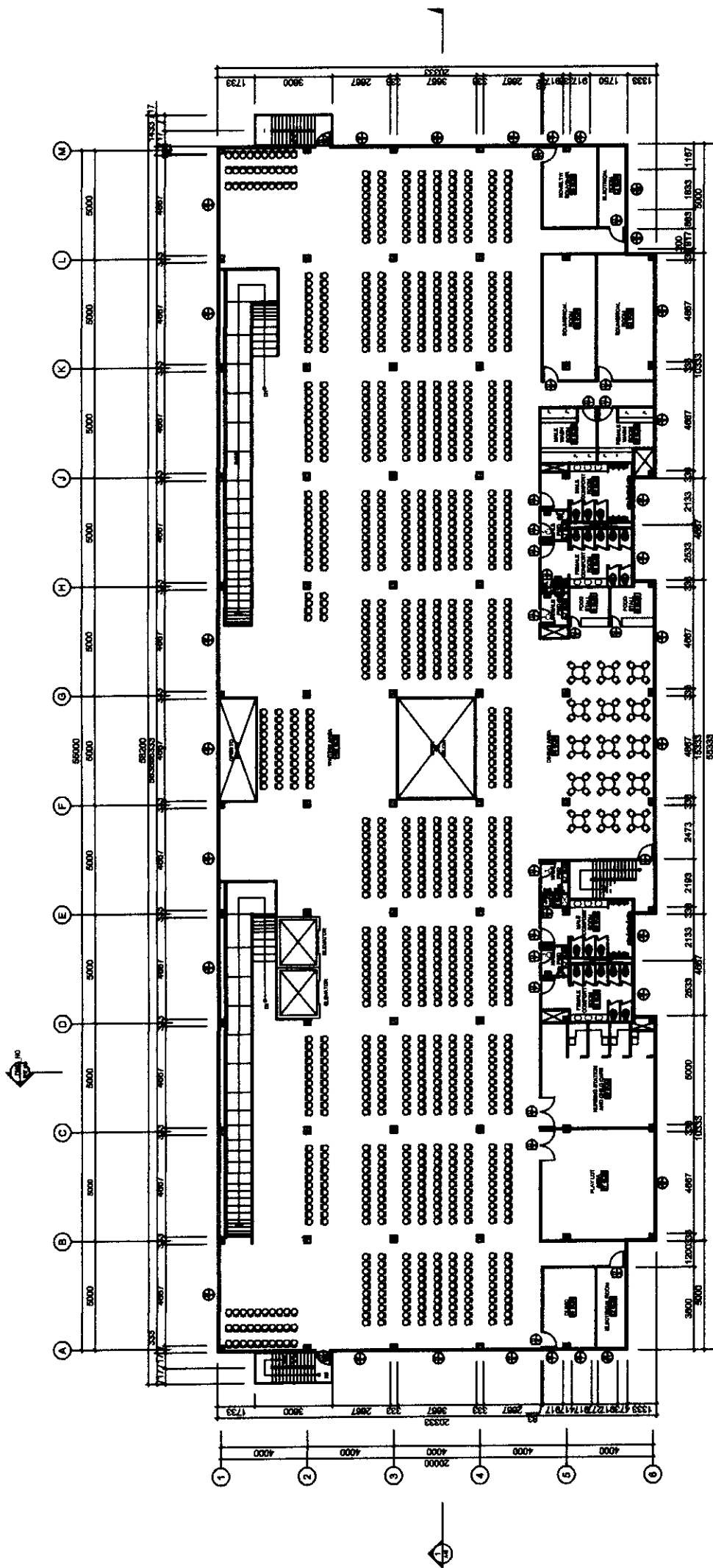
SECTION VI

PROJECT DRAWINGS



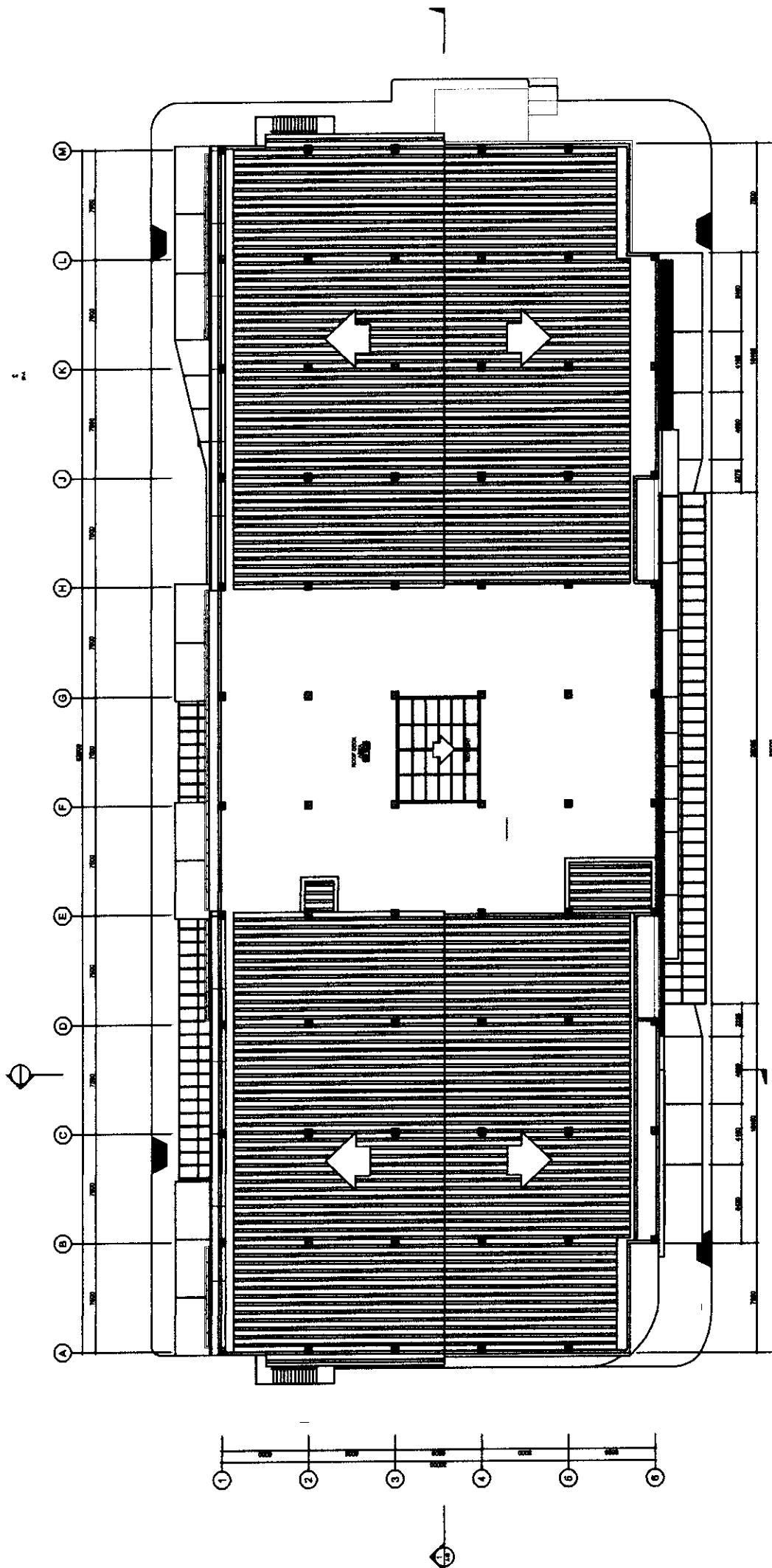
1 PERSPECTIVE
A-05 NTS

DESIGN, SUPPLY AND INSTALLATION OF VRF - HVAC SYSTEM
AND GENERATOR UNITS FOR THE PASSENGER TERMINAL BUILDING
PORT OF CAGAYAN DE ORO
CAGAYAN DE ORO CITY, MISAMIS ORIENTAL



1 SECOND FLOOR PLAN
A-02 SCALE 1:100 MTS

DESIGN, SUPPLY AND INSTALLATION OF VRF - HVAC SYSTEM
and GENERATOR UNITS FOR THE PASSENGER TERMINAL BUILDING
CAGAYAN DE ORO CITY, MISAMIS ORIENTAL
PORT OF CAGAYAN DE ORO



1 ROOF PLAN
A-05 SCALE 1:150 MTS

DESIGN, SUPPLY AND INSTALLATION OF VRF - HVAC SYSTEM
and GENERATOR UNITS FOR THE PASSENGER TERMINAL BUILDING
CAGAYAN DE ORO CITY, MISAMIS ORIENTAL
PORT OF CAGAYAN DE ORO

SECTION VII

BILL OF QUANTITIES
and
ATTACHMENTS

DESIGN, SUPPLY AND INSTALLATION OF VRF-HVAC SYSTEM AND GENERATOR UNITS FOR THE PASSENGER TERMINAL BUILDING

Page 1 of 1

FACILITIES TO BE PROVIDED FOR THE ENGINEER & HIS STAFF

TEMPORARY FACILITIES OF THE CONTRACTOR

The Contractor shall provide and maintain such temporary offices, stores, workshops, latrines, housing and messing accommodations as are necessary. The location, dimension and layout of such buildings and places shall be subject to the approval in writing of the Engineer. By the end of the contract, the Contractor shall remove all buildings and the area shall be cleared and graded as required by the Engineer.

SITE OFFICE AND RESIDENCE FOR THE ENGINEER & STAFF

The Contractor shall provide (**Rental**) and maintain a temporary site office and residence with an area of at least 48 square meters for use of the Engineer and staff, including all the necessary electricity, water, communication services and consumables.

MINIMUM EQUIPMENT REQUIREMENTS

1	unit	Boom Truck (2T capacity, minimum), owned/leased
1	unit	Forklift (1.36T, minimum), owned/leased
2	units	Welding Machine (400 amp., minimum), owned
2	units	Oxy/Acetylene cutting outfit, owned
1	unit	Air Compressor (250 cfm, minimum), owned

CONSTRUCTION SAFETY AND HEALTH REQUIREMENTS

The Contractor shall implement the construction safety and health program in accordance with the applicable provisions of the Occupational Safety and Health Standards (OSHS) of the Department of Labor and Employment (DOLE).

The Contractor, subject to the approval of the Engineer shall provide and maintain throughout the duration of the contract a medical room with at least 15 square meters together with all necessary supplies to be sited in the Contractor's main area.

The Contractor shall provide the following minimum requirements:

LABOR

1	no.	Safety Engineer / Officer
1	no.	Nurse / Health Officer

EQUIPMENT / MATERIALS

Personnel Protective Equipment

20	pcs.	Hard Hats
20	pcs.	Gloves
10	pcs.	Goggles
5	pcs.	Aprons
1	pc.	Safety Belts
20	pairs	Safety Shoes
1	pc.	Life Lines

Safety Devices

1	lot	Barricades
1	lot	Warning signs
2	units	Fire extinguisher

Medical and First Aid System - For four (4) mos.

NOTE:

The Contractor shall provide the above-cited minimum construction safety and health requirements or as required by the Engineer.

SECTION VIII

BIDDING FORMS

Bid Form

Date: _____

ITB No: _____

To: **Philippine Ports Authority**
Bonifacio Drive, South Harbor,
Port Area, Manila

We, the undersigned, declare that:

- (a) We have examined and have no reservation to the Bidding Documents, including Addenda, for the Contract **Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental**;
- (b) We offer to execute the Works for this Contract in accordance with the Bid and Bid Data Sheet, General and Special Conditions of Contract accompanying this Bid;

The total price of our Bid, excluding any discounts offered below is:

BILL NO	DESCRIPTION	TOTAL AMOUNT
1	General Expenses	₱
2	VRF-HVAC System and Generator Units	₱
3	Reimbursable Items	₱
	TOTAL AMOUNT OF BID (including VAT)	₱

The discounts offered and the methodology for their application are: insert information;

- (c) Our Bid shall be valid for a period of 120 days from the date fixed for the Bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (d) If our Bid is accepted, we commit to obtain a Performance Security in the amount of insert percentage amount percent of the Contract Price for the due performance of the Contract;
- (e) Our firm, including any subcontractors or suppliers for any part of the Contract, have nationalities from the following eligible countries: insert information;

- (f) We are not participating, as Bidders, in more than one Bid in this bidding process, other than alternative offers in accordance with the Bidding Documents;
- (g) Our firm, its affiliates or subsidiaries, including any subcontractors or suppliers for any part of the Contract, has not been declared ineligible by the Funding Source;
- (h) We understand that this Bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal Contract is prepared and executed; and
- (i) We understand that you are not bound to accept the Lowest Calculated Bid or any other Bid that you may receive.
- (j) We likewise certify/confirm that the undersigned, is the duly authorized representative of the bidder, and granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for the **Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental** of the **Philippine Ports Authority**.
- (k) We acknowledge that failure to sign each and every page of this Bid Form, including the Bill of Quantities, shall be a ground for the rejection of our bid.

Name: _____

In the capacity of: _____

Signed: _____

Duly authorized to sign the Bid for and on behalf of: _____

Date: _____

**STATEMENT OF ALL ON-GOING GOVERNMENT AND PRIVATE CONTRACTS,
INCLUDING CONTRACTS AWARDED BUT NOT YET STARTED, WHETHER SIMILAR OR NOT SIMILAR IN NATURE**

Name of the Contract or Title Of the Project 1]	Owner's Name and Address	Nature/ Scope of Work 2]	Contractor's Role (in percentage) 3]	Total Contract Value At			Date of Award 5]	Value of Outstanding Works	Estimated Time of Completion	% of Accomplishment		Contract Duration 5]	
				Award	Project Completion Date	Escalated Value to Present Prices 4]				Planned	Actual	Start	Completed
A) Government Contracts i. On-going ii. Awarded but not yet started B) Private Contracts i. On-going ii. Awarded but not yet started													

NOTE :

- 1] As appearing or defined in the contract entered/executed by the parties
- 2] With special reference to the Scope of Works as described/enumerated in the advertised Invitation To Bid.
- 3] Indicate whether as Sole Contractor, Sub-Contractor or Member in a Joint Venture / Consortium
- 4] Indicate the FOREX used if Contract Value is expressed in a currency other than the Philippine Peso. Specify the "Escalation Factor" used to escalate the Contract Value from completion date to the advertisement date of the Invitation to Bid per section 23.11.2 (3) of R.A. 9184.
- 5] State Month and Year.

This Statement shall be supported by:

- a) Notice of Award and/or Contract
- b) Notice to Proceed

Name of Firm/Applicant

Authorized Signing Official

Date

STATEMENT OF THE BIDDER'S SINGLE LARGEST COMPLETED CONTRACT (SLCC) SIMILAR TO THE CONTRACT TO BE BID

Name of the Contract or Title Of the Project	Owner's Name and Address	Nature/Scope of Work	Contractor's Role and Percentage Of Participation	Total Contract Value At			Date of Award	Value of Outstanding Works	Contract Duration	
				Award	Completion	Escalated Value to Present Prices			Start	Completed

NOTE :

1. The prospective bidder must have completed an SLCC that is similar to the contract to be bid, and whose value, adjusted to current prices using the PSA consumer price indices, must be at least fifty percent (50%) of the ABC to be bid.
2. This Statement shall be supported by:
 - a. Notice of Award and / or Notice to Proceed.
 - b. Project Owner's Certificate of Final acceptance issued by the owner other than the Contractor or Constructors Performance Evaluation System (CPES) Final Rating, which must be at least satisfactory.

Name of Firm/Applicant

Authorized Signing Official

Date

EXPERIENCE RECORD ON SIMILARLY COMPLETED PROJECTS

Similar Major Operations of Work 1]	Unit of Measure	Quantity	Title of the Project				Unit of Measure	Quantity
			Title of the Project	Title of the Project	Title of the Project	Title of the Project		
1. Design, Supply and installation of HVAC System - Area of building	sq. m.	2,475						
2. Supply and installation of Generator Sets - Quantity of Generator set	sets	2						

NOTE: 1] Submit the Certificate of Completion/Certificate of Acceptance by the project owner, Final Recapitulation/Bill of Quantities and/or Constructor Performance Evaluation System (CPES) ratings, 1st, 2nd & Final visit (if applicable). Projects with no Certificate of Completion/Acceptance and Recapitulation/Bill of Quantities shall not be considered.

2] The Owner's Certificate of Final Acceptance; or the Constructors Performance Evaluation Summary (CPES) Final Rating and/or the Certificate of Completion, must be satisfactory.

Name of Firm/Applicant

Authorized Signing Official

Date

(Revised Form : September 2012)

FINANCIAL DATA

- A. The prospective bidder's audited Financial Statements, showing, among others, the prospective bidder's total and current assets and liabilities, stamped "RECEIVED" by the Bureau of Internal Revenue (BIR), or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.

	Year
1. Total Assets	
2. Current Assets	
3. Total Liabilities	
4. Current Liabilities	
5. Net worth (1-3)	
6. Net Working Capital (2-4)	

- B. The computation of the bidders Net Financial Contracting Capacity (NFCC) must be at least equal to the ABC to be bid, as follows:

NFCC = [(Current assets minus current liabilities) (15)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started coinciding with the contract to be bid.

NFCC = _____

Attached herewith are certified true copies of the audited financial statements stamped received by the BIR or BIR authorized collecting agent for the latest/immediately preceding calendar year.

Name of Firm/Applicant

Authorized Signing Official

Date: _____

NOTES:

If Partnership or Joint Venture, each Partner or Member Firm of Joint venture shall submit separate financial statements.

LIST OF CONTRACTOR'S PERSONNEL

I hereby declare that the following key personnel enumerated below, with attached resume/bio-data, including valid PRC License, for the various positions / functions, are available for the project applied for:

Position of Key Personnel	Name	No. of Key Personnel	Similar Experience in the Position (Years) ¹⁾	Total Experience in the Position (Years)	Attachment(s)	Annex(es)
Designer (PME)					PRC License Complete Qualification and Experience Data Certificate of Commitment	Annex " " _
Project Manager					PRC License Complete Qualification and Experience Data Certificate of Commitment	Annex " " _
Project Engineer (PME)					PRC License Complete Qualification and Experience Data Certificate of Commitment	Annex " " _
Construction Safety and Health Officer					Certificate of Safety and Health Construction Related Course issued by DOLE Accredited Trainings Complete Qualification and Experience Data Certificate of Commitment	Annex " " _
Foreman					Complete Qualification and Experience Data Certificate of Commitment	Annex " " _
Other Position(s)					Complete Qualification and Experience Data Certificate of Commitment	Annex " " _

NOTE: 1. Minimum qualification requirements: (work experience is similar in nature and complexity to the project to be bid with regard to Registration Particulars of the Contractor's License)

Designer - Five (5) years
Project Manager - Five (5) years
Project Engineer - Three (3) years
Foreman - Five (5) years

Name of Firm/Applicant

Authorized Signing Official

Date

REVISED FORM (September 2012)

LIST OF CONTRACTOR'S EQUIPMENT UNITS

I hereby declare that the following equipment listed below which are owned, leased or under purchase agreement are in good operating condition and are available for the duration of the project:

DESCRIPTION (Type, Model, Make)	No. of Unit(s)	Capacity Output 2]	Owned, Leased and/or under purchase agreement 1]	Submitted Proof of Ownership/Leased/ Purchase Agreement (Mark as Annex "A.....Z")	OTHER INFORMATION (As Applicable)				
					Manufacturer	Engine Serial No.	Chassis No./ Name of Vessel	Location	Status

1] Indicate if owned or leased as listed in the Checklist/Bidding Documents. For owned equipment, as required, submit proof of ownership (i.e. deed of sale, sales invoice, official receipt). For Water Truck, Dump Truck and Transit Mixer submit LTO Certificate of Registration and valid Official Receipt. For owned barge/tugboat, submit Marina Certificate of Ownership and valid Cargo Ship Safety Certificate. For newly purchased barge/tugboat, submit Deed of Sale together with an application for Marina Certificate of Ownership duly received/authenticated by Marina with corresponding valid Cargo Ship Safety Certificate. For leased equipment, submit duly notarized copy of lease contract together with a copy of the Marina Owner's (Lessor's) Certificate and valid Cargo Ship Safety Certificate.

2] The unit of each equipment shall be as indicated in the Checklist/Bidding Documents, i.e GW (for crane barge), DWT (for deck barge and hopper barge), TON (for crane, road roller and drop hammer), kg.-m/blow (for diesel hammer), cu.m (for dump truck), hp. (for tugboat, road grader, bulldozer and concrete vibrator), cfm (for compressor), gal. (for water truck with pump), amp. (for welding machine), bagger (for concrete mixer).

Name of Firm/Applicant

Authorized Signing Official

Date

REVISED FORM (January 2011)

OMNIBUS SWORN STATEMENT FOR SOLE PROPRIETORSHIP

REPUBLIC OF THE PHILIPPINES)
CITY OF _____)SS

A F F I D A V I T

I (Name), of legal age, (Civil Status), (Nationality), and residing at (Address), after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the sole proprietor or authorized representative of (Name of Bidder) with office address at _____:
2. As the owner and sole proprietor or authorized representative of (Name of Bidder), I have full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for (Name of Project) of the Philippine Ports Authority, (as shown in the attached duly notarized "Special Power of Attorney" for the authorized representative);
3. (Name of Bidder) is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government / foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. (Name of Bidder) is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;
6. The owner or sole proprietor is not related to the Head of Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management office or the end – user unit, and the project consultants by consanguinity or affinity up to the third civil degree;
7. (Name of Bidder) complies with existing labor laws and standards; and
8. (Name of Bidder) is aware of and has undertaken the following responsibilities as a Bidder:
 - a) Carefully examine all of the Bidding Document:
 - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the contract;
 - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - d) Inquire or secure Supplemental / Bid Bulletin(s) issued for the *Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental*.

9. (Name of Bidder) did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of ____ 20__ at _____, Philippines.

Bidder's Representative / Authorized Signatory

SUBSCRIBED AND SWORN to before me this ____ day of [month] [year] at [place of execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on ____ at _____.

Witness my hand and seal this ____ day of [month] [year].

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. _____ [date issued], [place issued]

IBP No. _____ [date issued], [place issued]

Doc. No. _____

Page No. _____

Book No. _____

Series of _____

OMNIBUS SWORN STATEMENT FOR PARTNERSHIP OR COOPERATIVE

REPUBLIC OF THE PHILIPPINES)
CITY OF _____)SS

A F F I D A V I T

I (Name), of legal age, (Civil Status), (Nationality), and residing at (Address), after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the duly authorized and designated representative of (Name of Bidder) with office address at (Address);
2. I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for (Name of Project) of the Philippine Ports Authority, accompanied by the duly notarized Special Power of Attorney, Board/Partnership Resolution or Secretary's Certificate (whichever is applicable);
3. (Name of Bidder) is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government / foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. (Name of Bidder) is authorizing the PPA General Manager or its duly authorized representative(s) to verify all the documents submitted;
6. None of the officers and members of (Name of Bidder) is related to the PPA General Manager, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management office or the end- user unit, and the project consultants by consanguinity or affinity up to the third civil degree;
7. (Name of Bidder) complies with existing labor laws and standards; and
8. (Name of Bidder) is aware of and has undertaken the following responsibilities as a Bidder:
 - a) Carefully examine all of the Bidding Document:
 - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the contract;
 - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - d) Inquire or secure Supplemental / Bid Bulletin(s) issued for the *Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental*.

9. (Name of Bidder) did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of ____ 20__ at _____, Philippines.

Bidder's Representative / Authorized Signatory

SUBSCRIBED AND SWORN to before me this ____ day of [month] [year] at [place of execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on ____ at _____.

Witness my hand and seal this ____ day of [month] [year].

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. _____ [date issued], [place issued]

IBP No. _____ [date issued], [place issued]

Doc. No. _____

Page No. _____

Book No. _____

Series of _____

OMNIBUS SWORN STATEMENT FOR CORPORATION OR JOINT VENTURE

REPUBLIC OF THE PHILIPPINES)
CITY OF _____)SS

A F F I D A V I T

I (Name), of legal age, (Civil Status), (Nationality), and residing at (Address), after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the duly authorized and designated representative of (Name of Bidder) with office address at _____:
2. I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract for (Name of Project) of the Philippine Ports Authority, accompanied by the duly notarized Special Power of Attorney, Board Resolution or Secretary's Certificate;
3. (Name of Bidder) is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government / foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;
4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
5. (Name of Bidder) is authorizing the PPA General Manager or its duly authorized representative(s) to verify all the documents submitted;
6. None of the officers, directors, and controlling stockholders of (Name of Bidder) is related to the PPA General Manager, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management office or the or end- user unit, and the project consultants by consanguinity or affinity up to the third civil degree;
7. (Name of Bidder) complies with existing labor laws and standards; and
8. (Name of Bidder) is aware of and has undertaken the following responsibilities as a Bidder:
 - a) Carefully examine all of the Bidding Document:
 - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the contract;
 - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - d) Inquire or secure Supplemental / Bid Bulletin(s) issued for the *Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental*.

9. (Name of Bidder) did not give or pay directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of ____ 20__ at _____, Philippines.

Bidder's Representative / Authorized Signatory

SUBSCRIBED AND SWORN to before me this ____ day of [month] [year] at [place of execution], Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her [insert type of government identification card used], with his/her photograph and signature appearing thereon, with no. _____ and his/her Community Tax Certificate No. _____ issued on ____ at ____.

Witness my hand and seal this ____ day of [month] [year].

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

PTR No. _____ [date issued], [place issued]

IBP No. _____ [date issued], [place issued]

Doc. No. _____

Page No. _____

Book No. _____

Series of _____

REPUBLIC OF THE PHILIPPINES)
CITY OF _____)S.S.

BID-SECURING DECLARATION
Invitation to Bid No. _____

To : Philippine Ports Authority
Bonifacio Drive, South Harbor,
Port Area, manila

I, the undersigned, declare that:

1. I understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.
2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration, within fifteen (15) days from receipt of the written demand by procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Sections 23.1 (b), 34.2, 40.1 and 69.1, except 69.1(f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake:
3. I understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:
 - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
 - (b) I am declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I failed to timely file a request for reconsideration or (ii) I filed a waiver to avail of said right;
 - (c) I am declared as the bidder with the Lowest Calculated Responsive Bid, and I have furnished the performance security and signed the Contract.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____ 20 ____ at _____, Philippines.

Name of Bidder's Authorized Representative
(Signatory's Legal Capacity)
AFFIANT

SUBSCRIBED AND SWORN to before me this ____ day of *[month]* *[year]* at *[place of execution]*, Philippines. Affiant/s is/are personally known to me and was/were identified by me through competent evidence of identity as defined in the 2004 Rules on Notarial Practice (A.M. No. 02-8-13-SC). Affiant/s exhibited to me his/her *[insert type of government identification card used]*, with his/her photograph and signature appearing thereon, with no. _____.

Witness my hand and seal this ____ day of *[month]* *[year]*.

NAME OF NOTARY PUBLIC

Serial No. of Commission _____
Notary Public for _____ until _____
Roll of Attorneys No. _____
PTR No. ___, *[date issued]*, *[place issued]*
IBP No. ___, *[date issued]*, *[place issued]*
Doc. No. _____
Page No. _____
Book No. _____
Series of _____.

CONSTRUCTION METHODOLOGY

Name of Project : _____
Proposed Project Description : _____
Location : _____

MINIMUM SCOPE OF CONSTRUCTION METHODOLOGY

A. VRF-HVAC System and Generator Units

1. Design of VRF-HVAC System and Generator Units
2. Supply and install Air Cooled Conditioning Units (ACCUs) including accessories
3. Supply and install Fan Coil Units (FCUs) including accessories
4. Supply and install Air Ducting System
5. Supply and install Refrigerant Piping System
6. Supply and install Condensate Drain System
7. Supply and install Ventilating Equipment including accessories
8. Supply and install Energy Recovery Ventilators (ERVs) including accessories
9. Supply, deliver and install Generator Units (500 KVA @ 400Kw, Three Phase, 220V/440V, Soundproof) with fuel tank, automatic transfer switches and synchronizing panel including accessories and other incidental expenses.

NOTES:

The narrative construction method will guide and familiarize the contractor and the PPA on how the project shall be carried out in accordance with the highest standard of workmanship.

The construction method shall be consistent with the Bar Chart / S-Curve Schedule, Equipment Schedule and Manpower Schedule.

Signature
(Authorized Signing Official)

MANPOWER SCHEDULE

Name of Project : _____

Proposed Project Description : _____

Location : _____

MANPOWER (Minimum)	CONTRACT DURATION (_____ Calendar Days)			
	M O N T H L Y			
	1	2	3	4
Designer (PME)				
Project Manager				
Project Engineer (PME)				
Construction Safety and Health Officer				
Foreman				
Specify other applicable positions, ie.:				
- Electrician				
- Welder				
- Others				

Signature
(Authorized Signing Official)

Name of Project : _____

Proposed Project Description : _____

Location : _____

[illegible]

Signature
(Authorized Signing Official)

CASHFLOW BY QUARTER AND PAYMENT SCHEDULE

Name of Project: _____
Proposed Project Description: _____
Location: _____

Project Duration (days or months)	Payment Schedule (Monthly, in Pesos)	Cash flow (Quarterly, in Pesos)
TOTAL		

NOTES

- The cash flow by quarter and payment schedule should be consistent with the Bar Chart and S-curb.
- Payment schedule shall not be more than once a month.

Signature
(Authorized Signing Official)

SECTION IX

CONTRACT FORM

Republic of the Philippines
PHILIPPINE PORTS AUTHORITY
PPA Building, Bonifacio Drive, South Harbor,
Port Area, Manila, Philippines

C O N T R A C T
DESIGN, SUPPLY AND INSTALLATION OF VRF-HVAC SYSTEM AND GENERATOR
UNITS FOR THE PASSENGER TERMINAL BUILDING AND AIR CONDITIONING
(HVAC) SYSTEM FOR PTB
PORT OF CAGAYAN DE ORO, MISAMIS ORIENTAL

KNOW ALL MEN BY THESE PRESENTS:

This Contract, made and entered into this _____ day of _____, 20____, in Manila, Philippines, by and between:

PHILIPPINE PORTS AUTHORITY, a government instrumentality created under Presidential Decree No. 857, as amended, with principal office at PPA Building, Bonifacio Drive, South Harbor, Port Area, Manila, represented herein by its duly authorized General Manager, **JAY DANIEL R. SANTIAGO**, and hereinafter referred to as "**PPA**";

- and -

_____, a corporation duly organized and existing in accordance with Philippine laws, with office and business address _____, represented in this act by _____, duly authorized for this purpose, as evidenced by Secretary's Certificate _____, a copy of which is hereto attached and made an integral part hereof as Annex "A", and hereinafter referred to as "**CONTRACTOR**"

W I T N E S S E T H:

WHEREAS, in accordance with Republic Act No. 9184 and its Implementing Rules and Regulations, PPA advertised and published in a newspaper of general circulation and posted on the PPA website and G-EPS as well as in its bulletin board, an Invitation to Bid for the *Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental*;

WHEREAS, the **CONTRACTOR** and other prospective bidders submitted their respective bids for the foregoing project;

WHEREAS, after the opening of bids on _____, and the conduct of bid evaluation and required post-qualification, the bid submitted by the **CONTRACTOR** at its unit and lump sum prices set forth in its proposal was found to be the Lowest Calculated Responsive Bid in the amount of _____ (P _____), Philippine Currency;

WHEREAS, pursuant to Head Office BAC Resolution No. _____ Series of _____, award of the contract was made to the **CONTRACTOR** in a Notice of Award dated _____, in the amount of _____ (P _____), after submission of the required documents within the prescribed period and compliance to the conditions stipulated in the IRR;

WHEREAS, the **CONTRACTOR** duly accepted the award by signing its Conforme on the said Notice of Award;

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual

covenants, stipulations and agreements herein contained, the PPA and the CONTRACTOR have agreed, as they do hereby agree, and contract as follows:

ARTICLE I

CONTRACT DOCUMENTS

1.01 The following documents shall constitute integral parts of this Contract, as fully as if the contents of the said documents are reproduced, incorporated and set forth herein, and shall govern and control in full force and effect the rights and obligations of the Parties, except as otherwise modified by the terms and conditions of this Contract, or by mutual agreement in writing of both parties, to wit

- a. Contract Agreement
- b. Bidding Documents
- c. Winning bidder's bid, including the Eligibility requirements, Technical and Financial Proposals and all other documents / statements submitted
- d. Performance Security
- e. Notice of Award of Contract; and
- f. Other contract documents that may be required by existing laws and the PPA such as:
 - (1) Construction Schedule and S-Curve
 - (2) Manpower Schedule
 - (3) Construction Methods
 - (4) Equipment Utilization Schedule
 - (5) Construction Safety and Health Program approved by the DOLE
 - (6) Pert / CPM
 - (7) Duly Approved Program of Work and Cost Estimates
 - (8) Certificate of Availability of Funds
 - (9) Abstract of Bids
 - (10) Resolution of Award

1.02 All Contract documents are and shall remain as the property of the PPA.

1.03 The words and expressions in this Contract shall have the same meanings respectively assigned to them in the Contract Documents referred to above.

ARTICLE II

CONTRACTOR'S UNDERTAKING SCOPE OF WORK

2.01 The CONTRACTOR, in consideration of the payment to be made by the PPA to the CONTRACTOR, as stated in the Contract Documents and this Contract, the latter hereby covenants to execute and complete the *Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental*, in conformity in all respects with the provisions of this Contract, as follows:

=====	
ITEMS	TOTAL AMOUNT
=====	
1. General Expenses	P
2. VRF-HVAC System and Generator Units	P
3. Reimbursable Items	P
TOTAL AMOUNT	P

2.02 The CONTRACTOR agrees to commence, perform and complete the work called for and

defined in this Contract at its sole cost and expense, and to fully and faithfully furnish all materials, tools, labor supplies, equipment, services and superintendence for the implementation of this Contract in accordance with the schedule in the Contract Documents forming integral parts of this Contract.

2.03 The CONTRACTOR guarantees, among others, that all tools, equipment, machineries, instruments, accessories and materials it will supply or deliver or install and/or use in the construction and workmanship of all his work under the Contract, shall be brand new and in accordance with the Contract Documents.

2.04 The CONTRACTOR recognizes the position of trust and confidence reposed in it under this Contract, and agrees to perform its obligations hereunder in the most efficient and competent manner, use its skill and good judgment, always set in good faith, and carry out the execution of this Contract in the most sound, expeditious and economical manner consistent with the interest of the PPA.

ARTICLE III

CONSIDERATION

3.01 For and in consideration of the full, satisfactory and faithful performance by the CONTRACTOR of all its undertakings defined in and provided for under this Contract and Contract Documents, the PPA agrees to pay the CONTRACTOR the total amount not exceeding (P _____), Philippine Currency, inclusive of the 12% value added tax, payment to be made and computed on the basis of final quantities at the unit bid price for each item of work actually performed and finished for each pay item as determined and accepted by PPA and in the manner set forth in the Contract Documents, as full compensation for everything furnished and done by the CONTRACTOR under this Contract, including all works required but not specifically mentioned, and also for all losses and damages to the CONTRACTOR arising out of the work aforesaid, from the action of the elements, or from any obstruction or difficulty encountered in the prosecution of this Contract, for all expenses incurred by or in consequence of the suspension or discontinuance of the contract herein specified and for faithfully completing the contract and the whole thereof, at the time and in the manner provided in the Contract Documents.

It is agreed and understood that all bid prices specified in this contract shall be considered as fixed prices, and therefore not subject to price adjustment and escalation during the contract implementation, except under extraordinary circumstances and upon prior approval of the Government Procurement Policy Board (GPPB) or when a Treaty or International or Executive Agreement Expressly allows it. Any request for price escalation under extraordinary circumstances shall be submitted by PPA to the National Economic and Development Authority (NEDA). Extraordinary circumstances shall refer to events that may be determined by the NEDA in accordance with the Civil Code of the Philippines and upon recommendation of the PPA.

3.02 Final and full payment of the consideration herein above-mentioned shall be upon full completion of the project and fulfillment by the CONTRACTOR of all the terms and conditions set forth in this Contract.

However, it is agreed that no payment or payments made under this Contract, except the final payment upon issuance of Certificate of Completion and Acceptance, shall be understood as performance of this Contract, either wholly or in part, and no payment shall be construed to be an acceptance of defective work or improper implementation thereof.

3.03 Any payment due and payable to the CONTRACTOR may be set off against liquidated damages payable to the PPA by the CONTRACTOR under this Contract.

3.04 It is likewise understood that the CONTRACTOR shall show proof evidencing payments by the CONTRACTOR of labor, materials, supplies, insurance premiums, etc., used in the work, before any payment is made to it.

For this purpose, the CONTRACTOR shall, before payment is made on the works accomplished, submit an affidavit certifying to the fact of payments of said labor, materials, supplies, equipment, insurance premiums, etc.

3.05 All payments shall be subject to existing government accounting and auditing rules and regulations.

3.06 Progress payments are subject to retention of ten percent (10%) referred to as the "retention money". Such retention shall be based on the total amount due to the contractor prior to any deduction and shall be retained from every progress payment until fifty percent (50%) of the value of works, as determined by the PPA are completed. If, after fifty percent (50%) completion, the work is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed.

3.07 The total "retention money" shall be due for release upon final acceptance of the works. The CONTRACTOR may, however, request for the substitution of the retention money for each progress billing with irrevocable standby letters of credit from a Universal or Commercial Bank, of amounts equivalent to the retention money substituted for and acceptable to PPA, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten percent (10%) retention shall be made. Said irrevocable standby letters of credit to be posted in favor of PPA shall be valid for a duration to be determined by PPA and will answer for the purpose for which the ten percent (10%) retention is intended, i.e., to cover uncorrected discovered defects and third party liabilities.

ARTICLE IV

PERFORMANCE SECURITY

4.01 To guarantee the faithful performance of the CONTRACTOR of its obligations under this Contract, it shall post prior to the signing of the Contract a performance security in the form of irrevocable letter of credit issued by a Universal or Commercial Bank, and acceptable to PPA or a combination thereof as may be required by PPA, in accordance with the following schedule:

- | | | |
|----|--|--|
| a. | Irrevocable,
letter of credit issued by a Universal or
Commercial Bank | - Ten Percent (10%) of the total
contract price |
| b. | any combination of the foregoing | - Proportionate to share of form with
respect to total amount of security |

4.02 This performance security shall be denominated in Philippine Pesos and posted in favor of PPA, and shall be forfeited in favor of PPA in the event it is established that the CONTRACTOR is in default in any of its obligations under this Contract.

4.03 Subject to the conditions of the Contract, the performance security may be released by PPA after the issuance of the Certificate of Acceptance of the project, provided that PPA has no claims filed against the CONTRACTOR or the surety company and there are no claims for labor and materials filed against the contractor.

4.04 The CONTRACTOR shall post an additional performance security following the schedule above to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order or change orders, extra work orders and supplemental agreements as the case may be. The CONTRACTOR shall cause the extension of the validity of the performance security to cover approved contract time extensions.

4.05 In case of a reduction in the contract value or for partially completed works under this contract which are usable and accepted by PPA, and the use of which in the judgment of PPA shall not affect the structural integrity of the entire project, PPA may allow a proportional reduction in the original performance security, provided that any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original performance security.

ARTICLE V

COMPLETION TIME: LIQUIDATED DAMAGES

5.01 The CONTRACTOR agrees and obligates itself to perform and complete all works provided for in this Contract within _____ calendar days (including Sundays and Holidays), reckoned not later than seven (7) calendar days from issuance of the Notice to Proceed. Notice to Proceed shall be issued after this Contract has been signed by the Parties hereof.

5.02 Time is of the essence of this Contract. Should the CONTRACTOR refuse or fail to satisfactorily complete the work within the specified contract time, plus any time extension duly granted and is hereby in default under the contract, the CONTRACTOR shall pay the PPA for liquidated damages, and not by way of penalty, an amount as provided in the conditions of contract, equal to at least one-tenth (1/10) of one (1) percent of the cost of the unperformed portion of the works for every day of delay.

5.03 The project or a portion thereof may be deemed usable when it starts to provide the desired benefits as certified by the Facilities Construction and Maintenance Department of PPA.

5.04 It is understood that the damages herein provided are fixed and agreed liquidated damages and to be entitled to such damages, PPA does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due the CONTRACTOR under the contract and/or collect such liquidated damages from the retention money or other securities posted by the CONTRACTOR, whichever is convenient to PPA.

5.05 In case that the delay in the completion of the work exceed a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the CONTRACTOR, PPA may rescind the contract, forfeit the CONTRACTOR's performance security and take over the prosecution of the project or award the same to a qualified contractor through negotiated contract.

5.06 In no case, however, shall the total sum of liquidated damages exceed ten percent (10%) of the total contract price, in which event the contract shall automatically be taken over by PPA or award the same to a qualified contractor through negotiation and the erring CONTRACTOR's performance security shall be forfeited. The amount of the forfeited performance security shall be aside from the amount of the liquidated damages that the CONTRACTOR shall pay PPA under Section 5.02 hereof and impose other appropriate sanctions.

ARTICLE VI

EXTENSION OF CONTRACT TIME

6.01 Should the amount of additional work of any kind or other special circumstances of any kind whatsoever occur such as to fairly entitle the CONTRACTOR to an extension of contract time, PPA shall determine the amount of such extension; provided that PPA is not bound to take into account any claim for an extension of time unless the contractor has prior to the expiration of the contract time and within thirty (30) calendar days after such work has been commenced or after the circumstances leading to such claim have arisen, delivered to PPA notices in order that it could have investigated them at that time. Failure to provide such notice shall constitute a waiver by the CONTRACTOR of any claim. Upon receipt of full and detailed particulars, PPA shall examine the facts and extent of the delay and shall extend the contract time for completing the contract work when, in PPA's opinion, the findings of facts justify an extension.

6.02 No extension of contract time shall be granted the CONTRACTOR due to (a) ordinary unfavorable weather conditions; and (b) inexcusable failure or negligence of CONTRACTOR to provide the required equipment, supplies or materials.

6.03 Extension of contract time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.

6.04 No extension of contract time shall be granted when the reason given to support the request for extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection.

6.05 Extension of contract time shall be granted for rainy/unworkable days considered unfavorable for the prosecution of the works at the site, based on the actual conditions obtained at the site, in excess of the number of rainy/unworkable days predetermined by the PPA in relation to the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection and/or for the equivalent period of delay due to major calamities such as exceptionally destructive typhoons, floods and earthquakes, and epidemics, and for causes such as non-delivery on time of materials, working drawings, or written information to be furnished by the PPA, non-acquisition of permit to enter private properties within the right-of-way resulting in complete paralization of construction activities, and other meritorious causes as determined by the PPA's authorized Engineer and approved by the PPA. Shortage of construction materials, general labor strikes, and peace and order problems that disrupt construction operations through no fault of the CONTRACTOR may be considered as additional grounds for extension of contract time provided they are publicly felt and certified by appropriate government agencies such as DTI, DOLE, DILG and DND, among others. The written consent of bondsmen must be attached to any request of the CONTRACTOR for extension of contract time and submitted to the PPA for consideration and that the validity of the performance security shall be correspondingly extended.

ARTICLE VII

ENTIRE CONTRACT

7.01 Provisions to the contrary notwithstanding, it is agreed that this is an entire contract for one whole complete work and that partial payments on account by the PPA or the use of parts of the work or equivalent shall not constitute an acceptance of any part of the work before its entire completion and final acceptance in writing by the PPA.

ARTICLE VIII

CONTRACTOR'S LIABILITY

8.01 The Parties, likewise, hereby agree that the employees of the CONTRACTOR are not employees of the PPA; hence, the PPA shall not in any way be liable or responsible for any personal injury or damages including death sustained or caused by any of the employees of the CONTRACTOR and/or his sub-contractor or agent or supplier whether or not occurring during the performance of their duties. The CONTRACTOR agrees and binds itself to indemnify the PPA for whatever injuries or damages caused or occasioned or contributed to by the failure, negligence or conduct of the CONTRACTOR and/or its employees, sub- contractors, agent and supplier or consultants arising out of or in connection with or on the occasion of the performance of this Contract. The CONTRACTOR shall, at all times, stand solely liable and/or responsible for the enforcement of, and compliance with all existing laws, rules and regulations and binds itself to save and hold the PPA free and harmless from any and all liability in respect thereof and/or arising therefrom and/or by reason of this Contract and its implementation.

ARTICLE IX

RESPONSIBILITY OF THE CONTRACTOR

9.01 The CONTRACTOR shall assume full responsibility for the entire contract work until its final acceptance by the PPA and shall be held responsible for any damage or destruction of works until such final acceptance.

9.02 The CONTRACTOR shall be fully responsible for the safety, protection, security and convenience of its personnel, third parties and the public at large, as well as the works, equipment,

installation and the like to be affected by the construction work.

9.03 Any actionable act or acts of _____ arising out of or in the course of this Contract shall be understood and binding as an act of _____ and vice-versa.

ARTICLE X

INSPECTION AND CONSTRUCTION OF CONTRACT WORK

10.01 Inspection of the contract work shall be made by the PPA while such contract work is in progress to ascertain that the completed works or stages comply in all respects, with the standards and requirements set forth in the Contract Documents. Notwithstanding such inspection, the CONTRACTOR shall be held responsible for the acceptability of the finished works. The CONTRACTOR shall promptly correct all works determined by the PPA as failing to meet requirements, at CONTRACTOR's own expense.

ARTICLE XI

NON-ASSIGNMENT AND NO SUBCONTRACT

11.01 The CONTRACTOR shall not, without the written approval of the PPA, assign, transfer, pledge, sub-contract, or make any other disposition of interest in this Contract. Any unapproved assignment, transfer, pledge, sub-contract or any other disposition, shall be sufficient ground for the PPA to terminate or cancel this Contract **motu proprio** without need of judicial action pursuant to Section 19.04 hereof. Should the PPA give its written approval, such consent shall not relieve the CONTRACTOR of its responsibilities under the Contract. The CONTRACTOR shall ensure that the terms and conditions of any such sub-contract shall comply and conform with the terms and conditions of the Contract. The CONTRACTOR shall be responsible for the observance by any such sub-contractor of the terms and conditions of the Contract.

11.02 If any portion of the project sub-contracted is not prosecuted faithfully in accordance with the Contract, the sub-contractor shall be removed or replaced immediately upon the written request of the PPA, provided, however, that any failure of PPA to make such a request shall not relieve the CONTRACTOR of its obligations under the contract. PPA shall not be responsible for the delays or costs incurred by the CONTRACTOR because of the disapproval or removal of the sub-contractor or because of the late submittal of its or his approval.

ARTICLE XII

INSURANCE

12.01 The CONTRACTOR shall, prior to the commencement of work, secure the standard CONTRACTOR's all risk insurance (CARI) from the Government Service Insurance System (GSIS) or any insurance company duly certified by the Insurance Commission as authorized to issue such insurance, to insure the works against all losses or damages arising from whatever cause for which the CONTRACTOR is responsible under the Contract.

ARTICLE XIII

WARRANTY

13.01 The CONTRACTOR shall assume full responsibility for the contract work from the time project construction commenced up to final acceptance thereof by the PPA and shall be held responsible for any damage or destruction of the works, except those occasioned by force majeure. The CONTRACTOR shall be responsible for the safety, protection, security, and convenience of its personnel, third parties, and the public at large, as well as the works, equipment, installation and the like to be affected by the construction work.

13.02 The defect liability period for the project covered by this Contract shall be one (1) year from project completion up to final acceptance thereof by the PPA. During this period, the CONTRACTOR shall undertake and complete the repair works, at its own expense, of any damage to the said project within NINETY (90) DAYS from the time the PPA General Manager or his duly authorized representative has issued an order to undertake repair. In case of failure or refusal to comply with this order, PPA shall undertake such repair works and the CONTRACTOR shall fully reimburse the former for all the expenses incurred therein upon demand.

13.03 After final acceptance of the project by the PPA, the CONTRACTOR shall be responsible for structural defects and/or failure of the said project within the period of FIFTEEN (15) YEARS from the date of final acceptance thereof by the PPA. For this purpose, the CONTRACTOR shall put up a warranty security in the form of letter of credit issued by a Universal or Commercial Bank or Bank guarantee confirmed by a Universal or Commercial Bank and acceptable to PPA in accordance with the following schedule:

- | | |
|--|---|
| a. Letter of Credit issued by a
Universal or Commercial Bank | - Five percent (5%) of the total contract price |
| b. Bank guarantee confirmed by a
Universal or Commercial Bank | - Ten percent (10%) of the total contract price |

The warranty security shall be denominated in Philippine Pesos, remain effective for one (1) year from the date of issuance of the Certificate of Final Acceptance by PPA and be returned only after the lapse of the said one (1) year period.

ARTICLE XIV

TAXES, LICENSES, PERMITS AND FEES

14.01 The CONTRACTOR's tax, licenses, permits, fees and all other taxes, fees or charges of whatever form, kind or nature due or which may be due to the national and/or local government units and/or its instrumentalities/agencies on account of the performance and completion of the work stipulated herein, fees for the testing of materials and samples and fees for the testing and inspection of the installation by all agencies having jurisdiction and all necessary and incidental expenses relative thereto including preparation of documents and notarial fees shall be paid for and obtained by the CONTRACTOR on its own account. Should the PPA be compelled to advance the same, PPA is hereby authorized to deduct the amount advanced from whatever amount due the CONTRACTOR from PPA.

14.02 The CONTRACTOR shall pay taxes in full and on time and that failure to do so shall entitle PPA to suspend payment to the CONTRACTOR. Further, the CONTRACTOR shall during the term of this Contract regularly present to PPA a tax clearance from the Bureau of Internal Revenue (BIR) as well as a copy of its income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon.

ARTICLE XV

AGREEMENT MODIFICATION

15.01 No modification, alteration or waiver of any provision herein contained shall be binding on the Parties hereto unless evidenced by a written amendment signed by the parties hereof.

15.02 A variation order (change order/extra work order) may be issued by PPA under the conditions set forth in the applicable provisions of Republic Act No. 9184 and its Implementing Rules and Regulations.

15.03 The PPA may, at any time by written order and without notice to the Sureties, direct the CONTRACTOR to perform additional/extra work necessary to and within the General Scope of the project as bid and awarded. The CONTRACTOR shall be paid for additional/extra work items whose unit

prices shall be derived based on the following:

- a. For additional/extra works duly covered by change orders involving work items which are exactly the same or similar to those in the original contract, the applicable unit prices of work items in the original contract shall be used.
- b. For additional/extra works duly covered by Extra Work Orders involving new work items that are not in the original contract, the unit prices of the new work items shall be based on the direct unit costs used in the original contract (e.g. unit cost of cement, rebars, form lumber, labor rate, equipment rental, etc.). All new components of the new work item shall be fixed prices, provided the same is acceptable to both PPA and the CONTRACTOR, and provided further that the direct unit costs of new components shall be based on the CONTRACTORS's estimate as validated by PPA via documented canvass in accordance with existing rules and regulations. The direct cost of the new work item shall then be combined with the mark-up factor (i.e., taxes and profit) used by the contractor in his bid to determine the unit price of the new work item.

15.04 Request for payment by the CONTRACTOR for any extra work shall be accompanied by a statement, with the approved supporting forms, giving a detailed accounting and record of amount for which he claims payment. Said request for payment shall be included with the CONTRACTOR's statement of progress payment.

ARTICLE XVI

SUSPENSION OF WORK

16.01 The PPA or its duly authorized representative shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to force majeure or any fortuitous events or for failure on the part of the CONTRACTOR to correct bad conditions which are unsafe for workers or for the general public to carry out valid orders given by PPA or to perform any provisions of the Contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The CONTRACTOR shall immediately comply with such order to suspend the work wholly or partly.

In case of total suspension, or suspension of activities along the critical path, which is not due to any fault of the CONTRACTOR, the elapsed time between the effective order of suspending operation and the order to resume work shall be allowed the CONTRACTOR by adjusting the contract time accordingly.

ARTICLE XVII

INDIVISIBILITY OF OBLIGATION

17.01 It is the intent of the Contract that all the documents, annexes and addenda forming part hereof, shall be read together and that each and every provision or stipulation hereof be given full force, effect and applicability. However, in the event that one or more provisions or stipulations herein be declared null and void by the courts, or otherwise rendered ineffective, the remaining provisions and stipulations shall not be affected thereby.

ARTICLE XVIII

ARBITRATION/REMEDY AND RELIEF

18.01 Should there be any dispute or difference of any kind whatsoever which shall arise between the parties in connection with the implementation of this Contract; the Parties hereto shall make every effort to resolve amicably such dispute or difference by mutual consultation. In the event that such dispute or disagreement be not resolved to their mutual satisfaction, the matter shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Laws" and Republic Act No. 9285; otherwise known as the "Alternative Dispute Resolution Act of 2004".

Provided, however, that disputes that are within the competence of the Construction Industry Arbitration Commission to resolve shall be submitted thereto. Provided, further, that, by mutual agreement, the parties hereto may agree in writing to resort to other alternative modes of dispute resolution. Provided, finally, that the arbitration proceeding shall be without prejudice to the right of PPA to rescind or terminate this contract in accordance with Article XIX, Section 19.04 hereof.

18.02 Should the PPA be constrained to resort to court action to enforce or safeguard its rights and interests under this Contract, the CONTRACTOR shall be liable to the PPA for attorney's fees in an amount equivalent to Twenty Percent (20%) of the total sum claimed in the complaint, exclusive of other damages and the expenses of litigation. Venue of all court actions in connection with or arising out of this contract shall be laid exclusively in the proper court of the City of Manila.

18.03 It is clearly understood that in case a dispute or disagreement arises between the PPA and the CONTRACTOR regarding the manner by which the latter is performing works, the CONTRACTOR shall follow the instruction of the PPA relative thereto, otherwise, it shall have no right to ask for arbitration or go to court for relief.

ARTICLE XIX

OTHER COVENANTS

19.01 It is expressly agreed and understood that in case of irreconcilable conflict between the provisions of this Contract and the provisions of any of the contract documents, the former shall be controlling.

19.02 It should also be clearly understood that any payment or failure of the PPA to demand compliance with any of the terms and conditions of this Contract or any act of liberality on the part of the PPA shall not be construed or considered as a waiver on the part of the PPA for the enforcement of this Contract, nor shall it relieve the CONTRACTOR of any of its obligations provided thereunder.

19.03 Under no circumstances shall the PPA be held liable for the payment of any extra work, or extra cost of work, change of work, or change order undertaken without the prior written approval of the PPA to perform said work.

19.04 Notwithstanding any provision to the contrary, the PPA has the right to terminate, cancel and/or rescind this Contract **motu proprio**, in case of breach thereof by the CONTRACTOR, without need of judicial action by giving at least TEN (10) Days written Notice to that effect to the CONTRACTOR, which Notice shall be final and binding on all the parties. In such event, the PPA may take over and continue the project, and the contracts and agreements entered into by the CONTRACTOR with third parties, which the PPA in its discretion, may want to assume are hereby conclusively deemed assigned to the PPA. For this purpose, the CONTRACTOR here agrees and obligates itself to incorporate or cause to be incorporated in any contract or agreement with third parties, as same is connected with or related to the performance of any or all of the CONTRACTOR's obligations and undertakings hereunder, a stipulation providing for its assignability to and assumption by the PPA, at the option of the PPA. It is further agreed and understood that upon receipt of the Notice mentioned above, the CONTRACTOR cannot remove, withdraw or pull-out any of the equipment, machineries, tools, materials, and/or supplies brought to the project site without the written approval of the PPA.

Within thirty (30) days after termination, cancellation or rescission of this Contract, the Parties shall settle their respective accountabilities as of the date of termination, cancellation or rescission, including the refund of any and all advances made plus legal interest from date of receipt of the amount or amounts advanced.

19.05 It is expressly agreed that whenever the CONTRACTOR is behind schedule in its contract work and incurs ten (10%) percent or more negative slippage based on its approved PERT/CPM, the PPA may undertake the whole or portion of the unfinished work by administration or by negotiation through another qualified CONTRACTOR.

Whenever a work activity in the project is not being done on schedule per approved PERT/CPM, the PPA shall notify and direct the CONTRACTOR to immediately undertake such work activity. If within fifteen (15) days from receipt of such notice, the CONTRACTOR fails to start work and to show a satisfactory performance, PPA may take over the whole or portion of such work and have such work done by administration or award the same to another qualified contractor through negotiated contract at the current valuation price.

19.06 The PPA has the right to require the CONTRACTOR to supply and provide the required tools, materials, supplies, equipment, facilities, and to increase the number of workers assigned to the work when exigencies of the service so require. Should the CONTRACTOR fail, refuse or neglect to comply with the same, PPA shall have the option to take over the project in whole or in part or award the same to another CONTRACTOR through negotiated contract at the current valuation price. Any increase in cost which the PPA may incur as a result of its take-over of the project pursuant to Sections 19.04, 19.05 and 19.06 shall be borne by and charged to the CONTRACTOR.

19.07 The CONTRACTOR shall provide and do everything necessary to perform its obligations under this Contract according to the true intent and meaning of all the Contract Documents taken together, whether the same may or may not be shown or described particularly in the drawings, plans and specifications provided that the same can be inferred therefrom. Should the CONTRACTOR find discrepancy in the drawings, plans and specifications, it shall immediately refer the same to the PPA, whose decision shall be followed.

19.08 The CONTRACTOR agrees and obligates itself to restore to its original condition, on its own account, any public road, pavement, streets or open space and/or public or private property which are excavated or in any manner used by the CONTRACTOR in connection with the performance of its obligations under this Contract.

19.09 The CONTRACTOR agrees and binds itself to hold and save PPA free and harmless from any damage, claims and rights of action by third parties arising out of or by reason of this Contract and all injuries that may be suffered by PPA due to the failure, negligence, delay or conduct on the part of the CONTRACTOR and/or its employees in the performance of their obligations under this Contract.

19.10 No final payment of the contract shall be made to the CONTRACTOR without the Certificate of Completion and/or Acceptance from the Office of the Municipal Engineer of the Municipality concerned of the local works to be restored mentioned in Section 19.08 hereof, otherwise the cost of restoration shall be made available out of any collectible/receivable by the CONTRACTOR from the PPA.

19.11 Notwithstanding any extra work, change of work or orders made, if any, by the PPA, it is agreed that the same shall be completed within the period herein fixed and provided.

19.12 The CONTRACTOR shall hold the PPA free and harmless from whatever suit and hereby binds and obligates itself to indemnify the PPA for any and all liabilities, losses, damages, judgment, awards, fines, penalties and all expenses, legal or otherwise, of whatever kind and nature, arising from and by reason of this Contract, due to the fault, negligence, act, omission, delay, conduct, breach of trust or non-observance or violation of this Contract or any stipulation and warranty by the CONTRACTOR and/or any of its employees, agents, representatives or sub-contractors.

ARTICLE XX

SPECIAL REPRESENTATION

20.01 The CONTRACTOR hereby represents that all documents it submitted which form integral parts hereof are authentic and duly executed with all the required formalities for the same, and that the facts and/or date contained therein are true and correct. A breach of this representation including all misrepresentation in the documents or suppression of material facts therein, which if known, could have disqualified the CONTRACTOR such that this contract would not have been made and entered into, gives the PPA the immediate right or recourse to **motu proprio** rescind, abrogate or otherwise terminate the contract without need of judicial action, in accordance with Section 19.04 hereof.

20.02 The CONTRACTOR hereby warrants that it has not given nor promised to give any money, gift or any material favor/consideration to any official or employee of the PPA to secure this Contract; that any violation of this warranty shall be sufficient ground for the PPA to revoke or cancel this Contract extrajudicially or without need of judicial intervention.

ARTICLE XXI

BUDGETARY REQUIREMENT

21.01 The parties hereto hereby adopt and incorporate herein by reference, Letter of Instruction No. 767 dated 16 November 1978, issued by the Office of the President, as implemented by the Letter Circular, dated 7 December 1978, of the Department of Budget and Management.

ARTICLE XXII

EFFECTIVITY

22.01 This Contract shall become effective after the same shall have been signed by the Parties hereof.

IN WITNESS WHEREOF, the Parties have hereunto signed this Contract on the date and place first hereinabove written.

PHILIPPINE PORTS AUTHORITY

By:

Jay Daniel R. Santiago
General Manager

By:

WITNESSES:

Mark Jon S. Palomar
Chairperson Head Office Bids and Awards Committee

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

City of _____) S.S.

BEFORE ME, a Notary Public for and in the City of _____, this ____ day of _____, 20____, personally appeared the following:

NAME	Proof of Identity	DATE	PLACE
Jay Daniel R. Santiago	_____	_____	_____

Known to me and to me known to be the same persons who executed the foregoing instrument as:

POSITION	COMPANY	CTC No.	DATE	PLACE
General Manager	Philippine Ports Authority	_____	_____	_____

and they acknowledged to me that the same is their own free act and deed as well as the free and voluntary act of the corporation they represent.

This foregoing instrument is a Contract for the *Design, Supply and Installation of VRF-HVAC System and Generator Units for the Passenger Terminal Building, Port of Cagayan De Oro, Misamis Oriental*, consisting of 13 pages, including this page on which this acknowledgment is written, signed by the parties and their instrumental witnesses on each and every page thereof.

IN WITNESS WHEREOF, I have hereunto affixed my hand and notarial seal on these presents at the place and on the date first above written

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 20 _____;

SECTION X

TERMS OF REFERENCE

TERMS OF REFERENCE
DESIGN AND BUILD (SUPPLY and INSTALL)

for the

**VRF-HVAC SYSTEM AND GENERATOR UNITS OF THE PASSENGER TERMINAL
BUILDING AT THE
PORT OF CAGAYAN DE ORO, CAGAYAN DE ORO CITY**

1.0 PROJECT INFORMATION

1.1 Project Description and Significance

The ongoing construction of the two (2) storey Passenger Terminal Building (PTB) at the Port of Cagayan de Oro has a passenger capacity of 2,000 pax at any given time. The new PTB is intended to replace the old one to address the increasing passenger traffic at the port while providing standard amenities necessary for such building. The PPA is inclined to complete the project within the last quarter of 2018 in time for its planned inauguration. The original design of the PTB HVAC system is a water chilled type air conditioning. However, the said HVAC system for the PTB was not included in the contract of said project.

In order for the PTB to be convenient to the passengers and employees, the installation of the HVAC system would have to be procured and implemented expeditiously. Yet, PPA does not have the expertise to prepare the Detailed Engineering Design (DED) for the Variable Refrigerant Flow (VRF) type system. The proposed project requires electro-mechanical experts and advance engineering design and construction technologies whose intellectual property rights belong to private companies. Moreover, the technical know-how is important in the construction of such facility wherein the design, equipment, plant and construction can only be provided by private companies. It is for this reason that PPA is seeking technical services in the preparation of the design, supply and installation of VRF-HVAC system and back-up power supply.

For this undertaking, the Contractor is expected to come up with the appropriate design plans and load computations, among others, for the VRF-HVAC system and the Generator Units to suit the architectural, structural and electrical layout of the PTB considering value engineering analysis.

In view of this, PPA wishes to procure a new technology in HVAC system that is more efficient in accordance with the Guidelines on the Procurement of Contracts for Design and Build of Infrastructure project of the Revised IRR of R.A. 9184.

1.2 Contractual Framework

The contractual arrangement to be used for the project is the Design and Build Scheme. Under this scheme the procuring entity awards a single contract for the design, supply and installation of the VRF-HVAC system and Generator Units to a single firm, partnership, corporation, joint venture or consortium.

1.3 Minimum Qualifications of Proponent

The eligibility requirement shall comply with the provisions of Sections 9, 10, and 11 of Annex "G" of the Revised IRR of R.A. 9184.

2.0 SCOPE OF THE CONTRACT

2.1 Obligations of the Contractor

- a. Undertake Detailed Engineering Design (DED) including Detailed Design Estimate (DDE) with the corresponding Detailed Unit Cost per item (subject to evaluation and acceptability of the PPA) and the conduct of site investigation. Only upon the submission and acceptance of these documents will the Contractor be allowed to proceed with the commencement of the project. The bid/contract price shall not exceed the Approved Budget for the Contract (ABC) and that the contract price is a fixed lump sum amount;
- b. The project shall be undertaken according to the DED prepared by the winning Bidder and approved by the PPA, and in compliance with the Minimum Performance Specifications and Parameters (MPSP) for the project herein prescribed. The said MPSP for the project includes conformance to the provisions set by among others American Society of Mechanical Engineers (ASME), Philippine Electrical Code (PEC) and National Electrical Manufacturer Association (NEMA);
- c. The contractor shall be held liable for the design and defects and/or failure of the completed project within the warranty period specified under Annex "G", Section 13.10 of the revised IRR of R.A. 9184;
- d. Coordinate with PMO-Misamis Oriental/Cagayan de Oro and/or Port Construction and Maintenance Department (PCMD) with regards to the existing utility lines such as electrical line, water pipeline and all other utilities that might be affected by the Project, including the pavements or concrete walls that needs to be demolished or restored. The contractor shall be responsible for the retrieval and/or turnover of all salvageable materials. Likewise, the Contractor shall coordinate with the PMO-Misamis Oriental/Cagayan de Oro and/or PCMD regarding the schedule of activities to be undertaken at the Passenger Terminal Building;
- e. The contractor shall consider optimum energy/fuel consumption in its design for the back-up power supply for the PTB;
- f. Testing and Commissioning, including training of PMO-Misamis Oriental/Cagayan de Oro technical personnel and provision of technical assistance.

2.2 Obligations of the PPA

- a. Approve the Contractor's design without diminishing the Contractor's full and sole responsibility for the quality and integrity thereof;
- b. Supervise and monitor the implementation of the project;
- c. Pay the accomplishment accepted in conformance with the minimum performance specification included under the Design and Build Contract.

2.3 Contract Terms of Reference

The Standard Bidding Documents in the approved Government Procurement Policy Board (GPPB), 2016 Edition, including Form of Contract, shall be used, with appropriate modifications to incorporate pertinent provisions of Annex "G" of the Revised IRR of R.A. 9184.

3.0 CONCEPTUAL DESIGN

3.1 HVAC system Concept Design

- 3.1.1 *Design, Supply and Install of Air Cooled Conditioning Units including accessories*
- 3.1.2 *Design, Supply and Install of Fan Coil Units (FCUs) including accessories*
- 3.1.3 *Design, Supply and Install of Air Ducting System*
- 3.1.4 *Design, Supply and Install Refrigerant Piping System*
- 3.1.5 *Design, Supply and Install Condensate Drain System*
- 3.1.6 *Design, Supply and Install Ventilating Equipment including accessories*
- 3.1.7 *Design, Supply and Install Energy Recovery Ventilators (ERV's) including accessories*

3.2 Electrical system for the Generator units

- 3.2.1 *Design, supply and install of Generator unit(s) including accessories*
- 3.2.2 *Single Line Diagram*
- 3.2.3 *Schedule of Loads*
- 3.2.4 *Riser Diagram*
- 3.2.5 *Electrical Layout Plan*

4.0 PRELIMINARY SURVEY AND INVESTIGATIONS

a. Environmental Conditions

The following are important environmental conditions to be considered by the contractor in their construction operations during project implementation. Although it is the responsibility of the PPA to secure an Environmental Compliance Certificate (ECC) from the DENR, the contractor is obliged under the contract to adhere to the agreement specified in the ECC relative to the protection of the environment:

- Marine Environment
- Land Environment
- Air Environment
- Noise, air and water pollution

- b. Utility Location – The project will affect existing utility lines and electrical lines of the Passenger Terminal Building that will have to be removed and reinstalled during the construction. Although it is the responsibility of the PPA to coordinate for its removal/relocation with the concerned utility office, the contractor should consider the existence of these utilities in their construction schedule, specifically, the time necessary for its removal in order not to affect any project activity.

5.0 PERFORMANCE SPECIFICATIONS AND PARAMETERS

The Contractor shall provide the design and build services for the VRF-HVAC system and Generator Units of the existing PTB which shall meet the following minimum performance specifications or parameters:

a) VRF-HVAC system

- Shall maintain a 20 degrees Celsius to 22 degrees Celsius (comfort cooling) inside the PTB at all times during operations
- Shall maintain comfort cooling temperature to accommodate 2,000 pax at any given time
- The compressor shall be of the inverter type

b) Generator Units

- Shall accommodate the load requirement needed to power the existing PTB during power outage or whenever necessary;
- Shall consider optimum energy/fuel consumption in its design for the back-up power supply for the existing PTB
- The Generator shall be of the inverter type

5.1 Project Completion

This is a priority and fast track project that needs to be completed in four (4) months. The Contractor shall complete the design-build services under the contract, considering the time frame specified.

5.2 Warranty

The Contractor shall guarantee the completed project against defects and failure in accordance with the provisions set forth under Annex "G" Section 13.10 of the Revised IRR of R.A. 9184. In addition to this provision, the following shall meet the minimum warranty requirements for the project:

5.2.1 VRF-HVAC system

- a) One (1) year warranty for workmanship
- b) One (1) year warranty for equipment spare parts
- c) Five (5) year warranty for compressor

5.2.2 Generator Units

- a) One (1) year warranty for workmanship
- b) One (1) year warranty for equipment spare parts

6.0 DETAILED ENGINEERING REQUIREMENTS

The Contractor shall coordinate and report to the Port Planning and Design Department (PPDD) of PPA for uniformity and cohesiveness in the preparation of related documents, consistent with the latest edition of the Design Guidelines, Criteria and Standards for VRF-HVAC system guidelines and other applicable provisions of existing laws and codes. All reports and other related documents prepared by the Contractor shall be in a format agreed and accepted by PPA. The detailed engineering study shall include but shall not be limited to the following works:

- a) Review the structural, architectural and electrical layout of the existing PTB
- b) The following study/investigation shall be undertaken by the Contractor:
 - 1) Design Analysis and Calculations
 - 2) Detailed Technical Specifications
 - 3) Detailed Quantity Calculations
 - 4) Value Engineering
- c) The contractor shall prepare the following plans in accordance with standard PPA template:

General:

1. Cover Sheet
2. Vicinity and Key Map
3. Location Plan/Layout
4. Legend, Abbreviation and Symbols
5. General Notes (VRF-HVAC, Generator and Electrical)

Design plans for VRF-HVAC system:

1. Air Cooled Conditioning Units (ACCU) including accessories
2. Fan Coil Units (FCUs) including accessories
3. Air Ducting System
4. Refrigerant Piping System
5. Condensate Drain System
6. Ventilating Equipment including accessories
7. Energy Recovery Ventilators (ERVs) including accessories

Design plans for the Electrical system (PTB, VRF-HVAC and Generator Units):

1. Single Line Diagram
2. Schedule of Loads
3. Riser Diagram
4. Electrical Layout Plan

- d) Design Guidelines and Codes to be followed:

- National and Local Codes of the Philippines
- Philippine Electrical Code (PEC)
- American Society of Mechanical Engineers (ASME)

- Air-Conditioning Refrigeration Institute (ARI)
- American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE)
- International Uniform Building Code
- Factory Manual
- National Electrical Manufacturer Association (NEMA)
- American National Standards Institute (ANSI) Codes
- American Institute of Steel Construction (AISC)
- Institute of Electrical and Electronics Engineers (IEEE) Standards and Recommended Practices
- National Fire Protection Association (NFPA)
- American Concrete Institute (ACI)
- American Society of Testing Materials (ASTM)
- American Welding Society (AWS)
- National Electric Code (NEC)
- Occupational Safety and Health Act (OSHA)
- Standard Installation (NECA)

In order to facilitate the process of design review by PPDD of the concepts of the proposed structures/facilities the following activities shall be undertaken:

1. Presentation to and discussion with PPDD of Inception Report
2. Clearance with PPDD of Design Criteria and Specifications
3. Presentation to and discussion with PPDD of the Preliminary Designs
4. Presentation to and discussion with PPDD of the Draft Final Designs

Note: Presentation of documents shall include computer programs/software.

- e) Technical reports in electronic files and hard copies for the work prepared must be submitted by the Design and Build Contractor to the PPDD of PPA for review and approval.

7.0 APPROVED BUDGET FOR THE CONTRACT (ABC)

The Approved Budget for the Contract (ABC) is **₱ 106,775,507.59**. This is the ceiling for acceptable bids. Bids higher than the ABC shall be automatically rejected.

8.0 ELIGIBILITY REQUIREMENTS

The eligibility requirements for Design and Build infrastructure projects shall comply with the applicable provisions of Sections 23 to 24 of the Revised IRR of R.A. 9184.

A modified set of requirements integrating eligibility documents and criteria for infrastructure projects and consulting services shall be adopted, as follows:

- a) CLASS "A" Documents (Legal, Technical and Financial Documents) and CLASS "B" Documents

The prospective bidder shall submit all the required Class "A" and Class "B" documents for infrastructure projects and the following:

- i) Relevant statement of all on-going, completed, awarded but not yet started design/design and build related contracts, curriculum vitae of key staff, partners or principal officers; and
- ii) Valid licenses issued by the Professional Regulatory Commission (PRC) for design professionals.

Eligibility Criteria

- a) The eligibility of design and build contractors shall be based on the legal, technical and financial requirements abovementioned. In the technical requirements, the design and build contractor (as solo or in joint venture/consortia) should be able to comply with the experience requirement under the IRR of RA 9184, where one of the parties (in a joint venture/consortia) should have at least one similar project, both in design and construction, with at least 50% of the cost of the ABC.
- b) If the bidder has no experience in design and build projects on its own it may enter into subcontracting, partnership, or joint venture with design and engineering firms for the design portion of the contract.
- c) The relevant provisions under Section 23.4.2 of the IRR of R.A. 9184 on eligibility requirements shall be observed, with the following exceptions:

Joint ventures/consortia among Filipino contractors and consultants or among Filipino contractors and foreign consultants shall be allowed subject to pertinent laws and the relevant provisions of the IRR of R.A. 9184. The joint venture/consortia shall be jointly and severally responsible for the obligations and the civil liabilities arising from the design and build contract: Provided, however, That Filipino ownership or interest thereof shall be at least seventy five percent (75%) : Provided further, That joint ventures/consortia in which Filipino ownership or interest is less that seventy-five percent (75%) may be eligible where the structures to be built require the application of techniques and/or technologies which are not adequately possessed by Filipinos and that Filipino ownership or interest shall not be less than twenty-five percent (25%): Provided, finally, that when the design services in which the joint venture wishes to engage involve the practice of profession regulated by law, all those who will actually perform the services shall be Filipino citizens and regulated professional authorized by the appropriate regulatory body to practice those professions and allied professions and where foreign designers are required, the foreigner designer must be authorized by the appropriate Philippines Government professional regulatory body to engage in the practice of those professions and allied professions.

9.0 CONTENTS OF THE BID

- 9.1 Technical Proposal (First Envelope)** – The first envelope shall contain all the required documents for the Infrastructure projects under Section 25.2 (b) of the IRR of RA 9184 and the following additional documents:

- a. Preliminary Design Plans – Design scheme of the proposed VRF-HVAC system and back-up power generators for the Passenger Terminal Building must comply with the prescribed performance specifications and parameters. The plans should contain the following:

1. Location Plan/Vicinity Map
2. General Notes on Design Parameters
3. Technical Specifications
4. Design plans for VRF-HVAC system
 - a) Air Cooled Conditioning Units (ACCU) including accessories
 - b) Fan Coil Units (FCUs) including accessories
 - c) Air Ducting System
 - d) Refrigerant Piping System
 - e) Condensate Drain System
 - f) Ventilating Equipment including accessories
 - g) Energy Recovery Ventilators (ERVs) including accessories
5. Design plans for Electrical system (PTB, VF-HVAC and Generator Units)
 - a) Single Line Diagram
 - b) Schedule of Loads
 - c) Riser Diagram
 - d) Electrical Layout Plan

- b. Design and construction methods;
- c. List of design and construction personnel, to be assigned to the contract to be bid, with their complete qualification and experience data, and
- d. Value engineering analysis of design and construction method.

- 9.2 Financial Proposal (Second Envelope)** – The second envelope shall contain all the required documents for Infrastructure projects under Section 25.3 of the Revised IRR of R.A. 9184 and the following documents:

- a. Lump sum bid price, which shall include the detailed engineering cost, in the prescribed Bid Form;
- b. Detailed estimates including a summary sheet indicating the unit prices of construction materials, labor rates and equipment rentals used in coming up with the bid; and
- c. Cash flow by quarter and payment schedule

10.0 PROCEDURE AND CRITERIA FOR BIDS EVALUATION

Bid Evaluation

For the detailed evaluation of the design and build proposal, a two-step procedure shall be adopted by the BAC which shall apply in case of any inconsistencies with the contents of the Tender Documents, to wit:

1. First-Step Procedure:

- A. The first step of the evaluation shall involve the review of the preliminary conceptual designs and track record submitted by the contractor as indicated in the bid documents using a non-discretionary "pass/fail" criteria that involve compliance with the following requirements:
 - a. Adherence of preliminary design plans to the required performance specifications and parameters and degree of details;
 - b. Concept of approach and methodology for detailed engineering, design and construction with emphasis on the clarity, feasibility, innovativeness of the plan approach, and the quality of interpretation of project problems, risk and suggested solutions;
 - c. Quality of personnel to be assigned to the project which covers suitability of key staff to perform the duties of the particular assignments and general qualifications and competence including education and training of the key staff.
- B. For complex or unique undertaking, such as those involving highly specialized or advance engineering technology, eligible bidders may be required, at the option of the agency concerned, to make an oral presentation within (15) calendar days after the deadline for submission of technical proposals.

2. Second-Step Procedure:

Only those bids that passed the above criteria shall be subjected to the second step of evaluation.

The BAC shall open the financial proposal of each "passed" bidder and shall obtain and evaluate it using non-discretionary criteria – including arithmetical corrections for computational errors – as stated in the Bidding Documents, and thus determine the correct total calculated bid prices. The BAC shall automatically disqualify any calculated bid price which exceeds the ABC. The total calculated bid prices (not exceeding the ABC) shall be ranked, in ascending order, from lowest to highest. The bid with the lowest price shall be identified as the Lowest Calculate Bid (LCB).

11.0 DATA TO BE PROVIDED BY THE PPA

The following data shall be provided by PPA:

(Note: These data are for reference only. The PPA does not guarantee to the contractor that the data provided are correct, free from error, and applicable to the project at hand. The Contractor is responsible for the accuracy or applicability of any data that he will use in his design-build proposal and services.)

- 11.1 Architectural Plans
- 11.2 Electrical Plans
- 11.3 Sanitary Plans
- 11.4 Structural Plans
- 11.5 Concept Design Plans

11.6 Other Relevant Data

12.0 DOCUMENTS TO BE PROVIDED BY THE CONTRACTOR DURING CONTRACT IMPLEMENTATION

The following documents shall be provided by the Contractor during Contract Implementation:

- 12.1 Signed Contract
- 12.2 Approved "For Construction" Drawings
- 12.3 Approved Technical Specifications
- 12.4 Approved Detailed Cost Estimates with unit price analysis
- 12.5 Detailed Engineering Plans
- 12.6 Design Analysis
- 12.7 Survey Data
- 12.8 Design Report
- 12.9 Environmental Impact Statement
- 12.10 Inspection Report of the Building
- 12.11 Electrical report of the existing building
- 12.12 As-Built Plans