



**DEPARTMENT OF PUBLIC WORKS AND  
HIGHWAYS**

# **DPWH PROCUREMENT MANUAL**

## **INFRASTRUCTURE**

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**JUNE 2016**

## MESSAGE


From 2010 and 2011, the infrastructure budget of the DPWH sharply rose from Php 90 Billion to over Php 360 Billion in 2016. With such a large capital outlay, management should be efficient and effective to avoid wastage of government resources. For this reason, we had to review and revise existing policies and rules in procurement and project implementation to improve transparency, efficiency, and to reduce opportunities for corruption.

In addition, we also decentralized many of our procurement policies and levels of authorities to Regional and District Offices for them to accommodate the procurement of a large number of contracts. This decentralization and delegation was necessary for improved efficiency, and accountability in project execution

To make sure that these management reforms are done properly and in a sustained manner, the improvements and revisions in procurement policies and rules introduced over the last five years have been integrated and incorporated in a revised manual that will promote transparency, accountability, and consistency in all levels from Central to Regional & District Offices. The bottom-line: the same rules apply across regions and offices and lessen the confusion on the procedures of procurement. This consistency will certainly put the private sector at ease, and there will not be undue discretion by the procuring and implementing offices.

All of these are embodied in this DPWH Procurement Manual for Infrastructure, Consulting Services, and Goods that shall be applicable across all entities of this Department. This will make our procurement more transparent to the public, hold our procurement officers responsible for their actions, make project implementation more efficient and consistent, and importantly prevent corruption in government.

I would like to thank the World Bank and the Australian Government for extending technical assistance to the DPWH in crafting this Manual. I also express my appreciation to the external stakeholders from the construction, consultancy, and supplies sectors for their useful inputs in the preparation of this Manual. Finally, I acknowledge the valuable efforts of the DPWH staff in putting together this important Manual.



**ROGELIO L. SINGSON**  
Secretary

# Preface

The Department of Public Works and Highways (DPWH) has prepared this Procurement Manual to guide it in effectively carrying out its heavy procurement workload involving contracts for around 14,000 projects a year under its regular infrastructure budget which in 2016 alone totaled P360 billion. Added to this is the procurement by the DPWH for contracts of around 7,000 infrastructure projects costing about P50 billion a year of non-infrastructure agencies, such as the Department of Education and the Department Agriculture. The DPWH has to efficiently manage the implementation of this extensive procurement program through its Procuring Entities in the Central Office (CO), 17 Regional Offices (ROs), and 182 District Engineering Offices (DEOs).

This DPWH Procurement Manual (DPM) seeks to address the problems in the procurement regime brought about by rules and procedures dispersed in separate documents, such as Republic Act (RA) No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations (IRR), various orders and issuances of the Government Procurement Policy Board (GPPB) and the DPWH, Bidding Documents, and old/incomplete manuals. Some of these documents have unclear, outdated, or conflicting provisions. Consequently, DPWH staff in the CO, ROs and DEOs, as well as private contractors, consultants, and suppliers, have found it difficult to interpret and carry out the procurement process in a clear, unambiguous, and consistent manner. This situation tends to contribute to delays, overruns, substandard work, conflicting interpretations, procedural lapses, and even corrupt acts in the procurement and implementation of projects and services.

The DPM, therefore, aims to put together a coherent set of clear, complete, up-to-date, streamlined, and simple operational rules and procedures, to serve as common reference and guide for DPWH and private contractors, consultants, and suppliers in the procurement of contracts for infrastructure, consulting services, and goods, consistent with RA 9184 and its IRR.

This Procurement Manual is expected to enhance the quality of DPWH procurement, by making it simpler, quicker, consistent (across all DPWH offices), more transparent, more competitive, with greater accountability, and capable of public monitoring - in line with the procurement principles in RA 9184. In turn, this will result in faster and more economical provision of infrastructure works and services needed to accelerate socio-economic development.

The DPM consists of four volumes, viz., Volume I - Systems and Organizations, Volume II - Infrastructure, Volume III - Consulting Services, and Volume IV ó Goods and Services. Apart from the Main Guidelines, the DPM also includes Standard Bidding Documents and Standard Bidding Forms for each of Volumes II, III, and IV.

This DPM is applicable to procurement for (a) projects funded and implemented by the DPWH, (b) projects funded by other agencies but procured/implemented by the DPWH, and (c) foreign-assisted projects in accordance with the approved loan agreements.

In preparing the Manual, the DPWH has evaluated existing procurement policies, rules and practices in the DPWH and elsewhere in the Government, conducted a series of focus group discussions with stakeholders, both internal and external to the Department. The DPWH has also aligned the Manual with the latest amendments (June 2016) of the IRR of RA 9184 adopted by the GPPB. The Department has likewise referred to other relevant GPPB Resolutions and issuances, DPWH Orders, GPPB Generic Procurement Manuals, the Philippine Bidding

Documents harmonized with the Asian Development Bank (ADB), Japan International Cooperation Agency (JICA) and the World Bank (WB), and procurement guidelines of the Official Development Assistance (ODA) agencies.

To ensure that concerned interest groups were properly consulted, the DPWH held a Stakeholders Workshop in January 2016, where Department officials and consultants discussed with key stakeholders the draft Manual and secured their comments and suggestions to improve the Manual. External stakeholders that participated included representatives from the WB, ADB, JICA, Philippine Constructors Association, National Constructors Association of the Philippines, GPPB, Department of Budget and Management, Philippine Government Electronic Procurement System (PhilGEPS), Council of Engineering Consultants of the Philippines, Confederation of Filipino Consulting Organizations, Association of Suppliers, American Chamber of Commerce in the Philippines, and European Chamber of Commerce in the Philippines. Participating internal stakeholders were procurement-related staff from the DPWH CO, Unified Project Management Office (UPMO), five ROs, and four DEOs.

To test the usability of the draft Procurement Manual, the DPWH conducted a Pilot Technical Workshop in January 2016, involving DPWH technical staff from the CO, UPMO, five ROs, and four DEOs.

The DPWH used the results of these two workshops as inputs to improve the quality and practicability of the Manual in its different aspects and components.

The DPWH has produced the DPM under the overall direction of Secretary Rogelio L. Singson. Assisting him was a DPWH Steering Committee chaired by Undersecretary Ardeliza R. Medenilla and composed of members of the DPWH Management Committee and selected Directors, which provided policy and operational guidance in the development and review of the Manual. Actual crafting of the Manual was managed by the DPWH Procurement Service under Director Nimfa E. Potante, aided by a Technical Working Group composed of her staff and representatives of different procurement-related units of the DPWH.

The Australia-World Bank Philippines Development Trust Fund (PH-PTF) provided technical assistance to the DPWH through the engagement of consultants who worked closely with the Department staff in developing the DPM.



**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

**PROCUREMENT MANUAL**

**VOLUME II - INFRASTRUCTURE  
MAIN GUIDELINES**

**20 June 2016**

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#### **Appendix 2.1 - DPWH Guide to Value Engineering**

#### **Appendix 2.2 – Guidelines for and Matrix of Major and Similar Categories of Work**

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#### **ANNEX II-1.2 - DPWH STANDARD BIDDING FORMS FOR INFRASTRUCTURE**

#### **ANNEX II-1.3 - DPWH STANDARD BIDDING DOCUMENTS FOR DESIGN-AND-BUILD SCHEME**

## **ACRONYMS AND ABBREVIATIONS**

ABC	Approved Budget for the Contract
ADB	Asian Development Bank
APP	Annual Procurement Plan
ARCC	Allowable Range of Contract Cost
BAC	Bids and Awards Committee
BDs	Contract-Specific Bidding Documents of the DPWH
BDS	Bid Data Sheet
BER	Bid Evaluation Report
BIR	Bureau of Internal Revenue
BOQ	Bill of Quantities
BS	Bid Security
BSD	Bid Securing Declaration
CAF	Certificate of Availability of Funds
CARI	Contractor's All-Risk Insurance
CCASR	Contractor's Confidential Application Statement for Registration
cd	Calendar Days
CO	Central Office, DPWH
CP	Contract Profile for Eligibility Processing
CRC	Contractor's Registration Certificate
DBM	Department of Budget and Management
DEO	District Engineering Office, DPWH
DO	Department Order of the DPWH
DOLE	Department of Labor and Employment
DPWH	Department of Public Works and Highways
DTI	Department of Trade and Industry
EO	Executive Order
ER	Eligibility Requirements
FAP	Foreign-Assisted Project
FS	Feasibility Study
GAA	General Appropriations Act
GCC	General Conditions of Contract
GPPB	Government Procurement Policy Board
HoPE	Head of Procuring Entity
IB	Invitation to Bid
IFI	International Financing Institution
IMS	Information Management Service, DPWH
IRR	Implementing Rules and Regulations of RA 9184
ITB	Instructions to Bidders
IU	Implementing Unit
JICA	Japan International Cooperation Agency
JVA	Joint Venture Agreement
LAPRAP	Land Acquisition Plan and Resettlement Action Plan
LCB	Lowest Calculated Bid
LCRB	Lowest Calculated Responsive Bid
LGU	Local Government Unit
NEDA	National Economic and Development Authority
NEP	National Expenditure Program
NFCC	Net Financial Contracting Capacity

NOA	Notice of Award
NOBR	Notification of Bidding Results
NPD	Notice of Post-Disqualification
NPQ	Notice of Post-Qualification
NTP	Notice to Proceed
PAGASA	Philippine Atmospheric, Geophysical and Astronomical Services Administration
PBC	Pre-Bid Conference
PCAB	Philippine Contractors Accreditation Board
PCMA	Project and Contract Management Application
PE	Procuring Entity
PERT/CPM	Program Evaluation and Review Technique/Critical Path Method
PFS	Pre-Feasibility Study
PhilGEPS	Philippine Government Electronic Procurement System
PMO	Project Management Office
PPC	Pre-Procurement Conference
PPMP	Project Procurement Management Plan
PQR	Post-Qualification Report
PrS	Procurement Service, DPWH
PS	Performance Security
RA	Republic Act
RA 9184	Republic Act 9184 or “Government Procurement Reform Act”
RO	Regional Office, DPWH
ROW	Right-of-Way
SBDs	Standard Bidding Documents, DPWH
SBFs	Standard Bidding Forms, DPWH
SCC	Special Conditions of Contract
Sec	Secretariat of the Bids and Awards Committee
TSO	Technical Support Office, GPPB
TWG	Technical Working Group of the Bids and Awards Committee
UACS	Unified Accounts Code Structure
WB	World Bank



## **SECTION 1**

### **INTRODUCTION**

## **1.1 USING AND MAINTAINING THE PROCUREMENT MANUAL**

This **Volume II of the Department of Public Works and Highways (DPWH) Procurement Manual** shall be used by the Bids and Awards Committees (BACs) of the Central Office, Regional Offices and District Engineering Offices, the Procurement Service of the Central Office, the Procurement Units/BAC Secretariats at the Regional and District Engineering Offices, members of the Technical Working Groups (TWGs), Implementing Offices, Project Management Offices and other Implementing Units, and all other concerned personnel of the DPWH for all their procurement activities related to infrastructure. **Volume II** shall also be used by contractors as their guide in participating in the procurement of DPWH infrastructure contracts.

The Main Guidelines, Standard Bidding Documents and Standard Forms in **Volume II** are all interrelated and complementary. Users are advised to refer first to the relevant provisions in the Main Guidelines, then to the Standard Bidding Documents and Standard Forms to ensure clarity and consistency in interpretation.

In case there are changes in the procedures, forms, policies, new circulars, amendments to the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 (Government Procurement Reform Act), Resolutions of the Government Procurement Policy Board (GPPB), DPWH Department Orders and issuances in the future (i.e., after the approval of this original Procurement Manual **Volume II**), the corresponding revisions shall be made in Section 9 of the Main Guidelines of this **Volume II** entitled: Addenda on New Guidelines and Issuances. The DPWH Procurement Service shall be responsible for updating the contents of the Procurement Manual, whenever new issuances and guidelines are issued by the relevant Government agencies. It shall maintain a database of these issuances and guidelines in the DPWH website. Users are advised to refer to the last section of these Guidelines from time to time and as needed.

## **1.2 SCOPE OF MANUAL VOLUME II**

This **Volume II of the DPWH Procurement Manual** seeks to provide its users clear, concise, and accurate information on the process for the procurement by the DPWH of infrastructure projects, in the manner prescribed by RA 9184 and its IRR.

**Volume II** covers all stages of infrastructure procurement, from procurement planning and preparation of Bidding Documents, through the actual bidding activities, up to the award of the contract to the winning contractor. For each procurement stage or step, the Manual lays down the legal reference, the policies and guidelines to be followed, the format and content of the required documents, and the procedure to be observed including the detailed activities, responsible performers, time frames, and specific rules.

**Volume II** consists of the following four documents which ought to be used together:

**MAIN GUIDELINES – This Document**

**ANNEX II-1.1–DPWH Standard Bidding Documents (SBDs) for Infrastructure Projects**

**ANNEX II-1.2–DPWH Standard Bidding Forms (SBFs) for Infrastructure Projects**

### **ANNEX II-1.3–DPWH Standard Bidding Documents for Design-and-Build Scheme (SBDs-DB)**

**DPWH Manual Volume II** is generally consistent with the Generic Procurement Manual (GPM) of Procedures for the Procurement of Infrastructure Projects, June 2006, prepared by the Government Procurement Policy Board (GPPB), but the GPM has been customized into this DPWH Manual **Volume II** to suit the particular procurement conditions and needs of the DPWH. Moreover, this Manual **Volume II** reflects subsequent GPPB amendments to RA 9184-IRR as well as DPWH Department Orders and other issuances pertaining to procurement.

The DPWH **SBDs** and **SBFs** in this **Volume II** are patterned after the Philippine Bidding Documents (**PBDs**) for Infrastructure harmonized by the Government of the Philippines (GOP) with the main International Financing Institutions (IFIs) – the Asian Development Bank (ADB), the Japan International Cooperating Agency (JICA), and the World Bank (WB) – and prescribed by the Government Procurement Policy Board (GPPB) for use by the Government in the procurement of contracts through national competitive bidding. Foreign-assisted contracts to be procured through international competitive bidding, however, shall follow the standard bidding documents of the IFI concerned if so provided in the approved loan agreements.

The **PBDs**, however, have been customized and updated into the DPWH **SBDs** and **SBFs** in this **Manual Volume II** to fit the specific procurement environment and requirements of this Department and to incorporate the latest GPPB amendments to the IRR and DPWH issuances.

The provisions of this **Volume II** shall apply to the following:

- a. Infrastructure projects under the mandate of and directly financed and implemented by the DPWH, e.g., national highways and flood control projects.
- b. Infrastructure projects funded by other departments/agencies but procured and implemented by the DPWH in accordance with the provisions of law or inter-agency agreements, e.g., school building projects under the Department of Education budget, farm-to-market road projects funded by the Department of Agriculture and the Department of Agrarian Reform, health center projects under the Department of Health, and building projects of non-infrastructure agencies.
- c. Foreign-assisted infrastructure projects in accordance with the provisions of the approved loan agreements.

### **1.3 DEFINITION OF TERMS**

From the Glossary of Terms in Volume I of the DPWH Procurement Manual, the following commonly used terms are hereby restated and/or clarified in this Volume II:

- a. **“Annual Procurement Plan” or “APP” for Infrastructure** refers to the document showing the consolidated list of infrastructure contracts to be procured by the DPWH Procuring Entity annually which serves as basis for all procurements. There are two types of APP: (a) the Indicative APP prepared for purposes of formulating the DPWH budget proposal for the succeeding calendar year for inclusion in the National Expenditure Program (NEP), and (b) the Final APP revised and updated based on the approved budget

under the General Appropriations Act (GAA) and approved by the Head of the Procuring Entity (HoPE).

- b. **“Approved Budget for the Contract” or “ABC”** refers to the budget for the contract duly approved by the HoPE, as provided for in the GAA, and continuing and automatic appropriations, in the case of national government agencies (NGAs), such as the DPWH; and the estimated contract cost in the case of foreign-funded procurement based on the procurement plan consistent with the loan or grant agreement. For multi-year contracts, for which a Multi-Year Obligational Authority (MYOA) is required, the ABC shall be that incorporated in the project cost reflected in the MYOA issued for the purpose (**IRR Section 5b**). There are two types of ABC: (a) the Indicative ABC for inclusion in the PPMP and the APP for budgetary purposes under the NEP, and (b) the Final ABC or the revised and updated budget based on the approved budget under the GAA and approved by the HoPE.
- c. **“Bidder”** refers to a contractor competing for the award of a contract (**IRR Section 5e**). In particular, the Bidder means, at different stages of the procurement process, the following:
- (1) **“Prospective bidder,”** from the posting of the Invitation to Bid (**IB**) to its acquisition of the Bidding Documents (**BDs**);
  - (2) **“Eligible Bidder,”** if it passes the Eligibility Check or screening;
  - (3) **“Bidder with the Lowest Calculated Bid (LCB),”** if determined as such by the Bids and Awards Committee (BAC) concerned after the evaluation of bids;
  - (4) **“Bidder with the Lowest Calculated Responsive Bid” (LCRB),** if determined as such by the BAC after post-qualification; and
  - (5) **“Contractor” or “Constructor”** if its Bid has been accepted by the DPWH and the contract is awarded to it and is approved.
- d. **“Bidding Documents” or “BDs”** refer to the documents issued by the Procuring Entity as the basis for bids, furnishing all information necessary for a prospective bidder to prepare a bid for an infrastructure project required by the Procuring Entity (**IRR Section 5f**). The Bidding Documents, as used in this Procurement Manual Volume II, consist of (i) Invitation to Bid (**IB**), (ii) Eligibility Requirements (**ER**), (iii) Eligibility Data Sheet (**EDS**), (iv) Instructions to Bidders, (v) Bid Data Sheet, (vi) General Conditions of Contract, (vii) Special Conditions of Contract, (viii) Specifications, (ix) Drawings, (x) Bill of Quantities, and (xi) Bidding Forms. The Bidding Documents take the following specific forms:
- (1) **“Philippine Bidding Documents” or “PBDs”** refer to the generic bidding documents of the Government of the Philippines (GOP), prepared by the GPPB in accordance with the provisions of the IRR of RA 9184, for use by all agencies of the Government. The PBDs have been harmonized by the GOP with the procurement guidelines of the Asian Development Bank (ADB), the Japan International Cooperation Agency (JICA), and the World Bank (WB), for use in Government

infrastructure contracts, both locally-funded and foreign-assisted, procured through national competitive bidding.

- (2) **DPWH “Standard Bidding Documents” or “SBDs”** refer to the pro-forma bidding documents to be used by the DPWH as templates in the procurement of its infrastructure contracts, without any contract-specific information. The **SBDs** are essentially based on the **PBDs** but the latter has been customized to suit the particular procurement environment and conditions of the DPWH.
- (3) **Contract-specific “Bidding Documents” or “BDs”** refer to the bidding documents for a particular infrastructure contract to be procured by the DPWH. The **BDs** follow the content of the **SBDs**, but with the specific information applicable to the contract at hand already inserted therein (e.g., Contract Name, Description, Approved Budget for the Contract, specific Eligibility and Bid Data, Special Conditions of Contract, etc.).
- e. **“Bill of Quantities”** refers to the tabulated form included in the Bidding Documents containing (a) pay item numbers and descriptions, estimated quantities, and units of measure provided by the Procuring Entity and (b) unfilled columns for corresponding unit bid prices and amounts to be quoted by the bidder.
- f. **“Competitive Bidding”** refers to a method of procurement which is open to participation by any interested party and which consists of the following processes: advertisement and posting of the IB, Pre-Bid Conference, Eligibility Check or Screening of prospective bidders, receipt and opening of bids, evaluation of bids, post-qualification, and award of contract. Also referred to as Public Bidding.
- g. **“Contract ID”** is a unique identifier for the contract which is created during advertisement of a project, and sourced from the Civil Works Registry (CWR).
- h. **“Eligibility Check”** refers to the process of determining the compliance of Prospective Bidders with the eligibility requirements prescribed, using non-discretionary “pass/fail” criteria. Also referred to as Eligibility Screening.
- i. **“Implementing Office” or “IO”** is the larger DPWH Office - CO/RO/DEO - that is responsible for the execution or delivery of a project. The IO is usually the Procuring Entity itself.
- j. **“Implementing Unit” or “IU”** is the specific entity within the IO that is responsible for executing and managing the infrastructure contract, which is usually carried out by a contractor. The IU, for example, may be any of the following entities:
  - (1) Unified Project Management Office (UPMO) or Bureau of Construction in the CO
  - (2) Construction Division or Maintenance Division in the RO
  - (3) Construction Section or Maintenance Section in the DEO
- k. **“Infrastructure Project”** is an undertaking involving the construction, improvement, rehabilitation, demolition, repair, restoration, or maintenance of roads and bridges, railways, airport, seaports, communication facilities, civil works components of

infrastructure technology projects, irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, school buildings, hospital buildings, and other related construction projects of the Government. To be classified as a capital outlay project, the works must extend the life of the asset by more than a year. The term “infrastructure project” has the same meaning as and is used interchangeably with the term “civil works” or “works” (**IRR Section 5u**).

- l. **“Infrastructure Project ID”** or **“Project ID”** is a unique identifier defined when the project is first identified as a potential project, and is carried internally throughout the life cycle of the project. It is composed of the letter “P” followed by an 8-character code followed by an island code, e.g., P00000001LZ represents project number 1 in Luzon. The Project ID corresponds to a line item in the GAA. The GAA line item is identified by a Unified Accounts Code Structure (UACS) code assigned by the Department of Budget and Management (DBM) and provided by the DPWH Planning Service. The same Project ID is used by other systems in the DPWH, including the Multi-Year Planning System (MYPS), the Project and Contract Management Application, and electronic Project Life Cycle (e-PLC) application.
  
- m. **“Procurement,”** in this Manual **Volume II**, refers to the contracting of works by the Procuring Entity. In case of projects involving mixed procurements – i.e., goods, consulting services, or infrastructure projects - the nature of the procurement shall be determined based on the primary purpose of the contract (**IRR Section 5aa**).
  
- n. **“Procuring Entity”** is the DPWH Office directly procuring works or infrastructure projects within its delegated authority, which may be either of the following:
  - (1) Central Office (CO)
  - (2) Regional Office (RO)
  - (3) District Engineering Office (DEO)
  
- o. **“Project Procurement Management Plan or “PPMP”** refers to a document that lists the requirements of a contract for particular works by a Procuring Entity. There are two types of PPMP: (a) the Indicative PPMP prepared consistent with the DPWH budget proposal in the NEP and consolidated into the Indicative APP, and (b) the Final PPMP revised and updated based on the approved budget under the GAA and consolidated into the Final APP.

## **SECTION 2**

# **PREPARING FOR PROCUREMENT OF INFRASTRUCTURE PROJECTS**

## **2.1 SCOPE OF PREPARATION FOR PROCUREMENT**

Volume I of the DPWH Procurement Manual contains an extensive discussion of Procurement Systems and Organizations, including Procurement Planning as a general concern for all kinds of DPWH procurement. **Volume II**, however, focuses mainly on procurement concerns particular to infrastructure projects. As such, the reader is advised to refer to the pertinent discussions in Volume I before and during reading this Section.

Proper preparation for the procurement of infrastructure projects takes for greater efficiency and efficacy. It enables the DPWH procurement officials concerned to anticipate the onset of procurement events and, as a consequence, better calibrate their responses to those events. Having a better appreciation of forthcoming events gives these officials the opportunity to test a range of possible courses of action, choose the best and most feasible of these, and identify measures to put them into action. Ultimately, it enables them to determine the best manner by which these measures are to be implemented, ensuring that their individual and collective impacts are optimized at the least cost.

Preparing for the procurement of infrastructure projects basically involves three major activities:

- a. Procurement Planning
- b. Preparation of Bidding Documents
- c. Conduct of Procurement

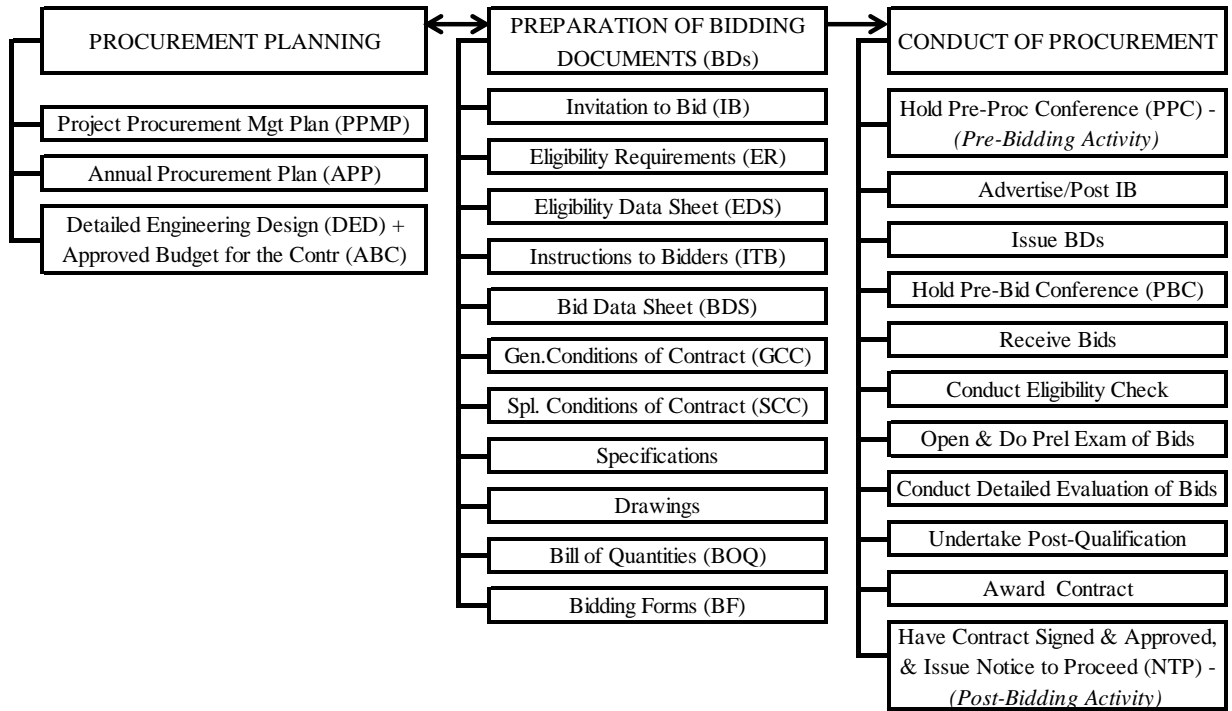
These activities are discussed in detail in the following Sections of this DPWH Procurement Manual Volume II.

## **2.2 OVERALL PROCUREMENT PROCESS**

The overall procurement process of the DPWH for infrastructure projects is depicted in Figure 1.



Figure 1. OVERALL PROCESS FOR PROCUREMENT OF INFRASTRUCTURE CONTRACTS



## **SECTION 3**

### **PROCUREMENT PLANNING**

### 3.1 LEGAL REFERENCE

RA 9184-IRR Section 7 provides the legal reference for procurement planning.

### 3.2 POLICIES AND GUIDELINES

- a. The Procuring Entity shall undertake the procurement for infrastructure projects only if it is included in and consistent with the Annual Procurement Plan (APP), including approved changes thereto, approved by the HoPE (**RA 9184-IRR Section 7.2**).
- b. The projects to be procured under the APP of the Procuring Entity must fall within the approved infrastructure program funded by the DPWH annual budget.
- c. The Procuring Entity must consolidate into the APP the Project Procurement Management Plans (PPMPs) for the different infrastructure projects proposed for procurement by the Entity during the year.
- d. Before any contract for an infrastructure project is procured, it must be supported by the following prerequisites:
  - (1) Completed and duly approved Detailed Engineering Design or DED for the project.
  - (2) Completed and duly approved Bidding Documents for the contract.
  - (3) Provision of funding for the project in the DPWH Budget in the National Expenditures Program (NEP)/General Appropriations Act (GAA).
  - (4) Right-of-Way (ROW) Acquisition Plan or Land Acquisition Plan and Resettlement Action Plan (LAPRAP) for the project. In case of projects with pending acquisition of ROW, the procurement process may commence, but no award of contract shall be made until an authority or permit to enter is issued by the property owner, or a notarized deed of sale or deed of donation is executed in favor of the government, or a writ of possession is issued by a court of competent jurisdiction, as the case may be (**IRR Section 17.6**).
- e. The Procuring Entity must package contracts into scopes and sizes such that:
  - (1) each contract covers a complete functional structure or facility (e.g., roadway with drainage, slope protection, and road safety devices), including all design features in accordance with the DPWH Design Guidelines, Criteria and Specifications and with Department Order (DO) No. 11, series of 2015;
  - (2) the contract packages promote adequate competition and, thus, are sufficiently commercially attractive and viable to, and within the capability of, a reasonable good number of competing contractors, preferably numbering at least three;
  - (3) the contracts will have a significant impact on the users and beneficiaries; and
  - (4) the contract packages are within the capacity of the Procuring Entity to efficiently procure, manage, monitor and supervise the implementation thereof.

For this purpose, clustering of small projects into larger contracts- e.g., groups of school buildings/wells/short road segments, or related multi-sectoral projects (e.g., roads and flood control) by area - should be considered where feasible, without prejudice to providing adequate work opportunities to the smaller contractors. The Implementing Unit (IU) concerned, in coordination with the Planning Unit (i.e., Planning Service/Regional Planning and Design Division/District Planning and Design Section), shall recommend the packaging of projects in the NEP/GAA into suitable contracts.

- f. Every major infrastructure project which has an implementation period of more than one year shall be procured through a multi-year contract covering its entire scope and total cost up to completion. The scope of the contract must cover a complete stand-alone infrastructure facility which is safe, strong, and usable or functional to the end-user (e.g., complete bridge or dike). Funding to cover the entire multi-year contract must be provided through a Multi-Year Obligational Authority (MYOA). Splitting of such a project into single-year contracts, each of which cannot stand alone or is unsafe, unstable, or non-usable to the end-user, shall not be allowed (**IRR Section 54.1 and Annex A**). This is to ensure continuity in funding and implementation of the entire complete usable project until its completion, and to provide for a single point of responsibility for the project execution by one contractor only. The implementation schedule and annual funding requirements of proposed multi-year projects must be based on the DPWH Medium Term Infrastructure Program.
- g. In preparing the PPMPs and APP, each Procuring Entity – i.e., CO/RO/DEO - shall set its procurement targets in terms of total number and sizes of contracts that it will procure during the year, and shall reflect these in its APP. The Procurement Service shall monitor the performance of the Procuring Entity against these targets using appropriate measurable indicators (See Section 5 of this Manual Volume II).
- h. The following procedure shall be observed in preparing the PPMPs and the APP to ensure the linkage between procurement planning and budgeting:
  - (1) Upon issuance by the DBM of the Budget Call, each Procuring Entity, based on the DPWH Budget Proposal for the incoming year to be submitted to the DBM for inclusion in the NEP which includes the proposed funding of the projects in the DPWH infrastructure program for that year, shall cause each Implementing Unit (IU) to prepare not later than 01 August its Indicative PPMP by project for the coming year. The IU shall submit this Indicative PPMP to the Budget Officer of the Entity for confirmation as to the inclusion of the project in the Entity's Budget Proposal. The IU shall then forward the PPMP to the BAC for approval, through its Secretariat (**IRR Section 7.3.4**). In doing so, all concerned offices of the Procuring Entity must fully abide by the policies and guidelines in Section 3.2 **a** to **f** above.
  - (2) The BAC, through its Secretariat, shall consolidate the Indicative PPMPs of all projects into the overall Indicative APP for the Procuring Entity, and submit this to the HoPE for approval by 30 September (**IRR Section 7.3.1 and 7.3.4**).
  - (3) Within fifteen (15) days after the approval of the incoming General Appropriations Act (GAA) – usually around December/January - the IUs shall revise their Indicative PPMPs into the Final PPMPs to reflect the authorized budget allocations for their

respective projects consistent with the GAA. The BAC for the Procuring Entity, through its Secretariat, shall consolidate the Final PPMPs into the Final APP for the Entity and submit the latter to the HoPE for approval (**IRR Section 7.3.5**).

- i. As stated in Section 3.1.3 of Volume I of the DPWH Procurement Manual and provided in **RA 9184-IRR Section 7.4**, in order to facilitate the procurement of infrastructure contracts, the Procuring Entity may, with prior clearance from the DPWH Secretary, even pending approval of the GAA, undertake advance procurement activities, but short of award. In this case, the procurement shall be based on the Indicative APP reflected in the DPWH Budget Proposal included in the NEP for the coming year. For a single-year contract, the Indicative ABC used in the Indicative APP shall be the budget estimate for the contract as reflected in the NEP for the budget year. For a multi-year contract, the Indicative ABC shall be the estimated total cost of the contract until its completion, which is covered by a MYOA, which also shows the portion of the ABC to be disbursed for the budget year as reflected in the NEP for that year. The Procuring Entity shall award the contract only when the Certificate of Availability of Funds has been issued corresponding to the Final ABC shown in the Final APP, consistent with the approved GAA and, if applicable, the MYOA.

### **3.3 PROJECT PROCUREMENT MANAGEMENT PLAN (PPMP)**

The concerned IU shall prepare the PPMP for each of its infrastructure projects, using **Form DPWH-INFR-01**. The Budget Office of the Procuring Entity shall evaluate the PPMP to ensure consistency with the Entity's budget proposal.

The PPMP shall contain the following information (**IRR Section 7.3.2**):

- a. Procurement/Contract ID, Name and Location, as related to the Project ID.
- b. Brief Scope of Work under the Contract.
- c. Indicative/Final Approved Budget for the Contract (ABC).
- d. Readiness of the Contract for Procurement:
  - (1) Completed and duly approved DED for the Project, including an Environmental Impact Statement (in accordance with Section 3.5).
  - (2) Completed and duly approved Bidding Documents for the Contract (in accordance with Section 4).
  - (3) Funding of the Contract under the DPWH Budget in the NEP/GAA.
  - (4) ROW Acquisition Plan (LAPRAP), including the requirement to secure at least a permit to enter issued by the property owner, or a notarized deed of sale or deed of donation executed in favor of the government, or a writ of possession issued by a court of competent jurisdiction, as the case may be (in accordance with Section 3.5).
- j. Contract Implementation Schedule:

- (1) Contract Duration.
  - (2) Target Start Date of Contract.
  - (3) Target Completion Date of Contract.
- k. Proposed Procurement Method, with justification if other than public bidding.
    - l. Procurement Schedule, from Pre-Procurement Conference to Notice to Proceed.

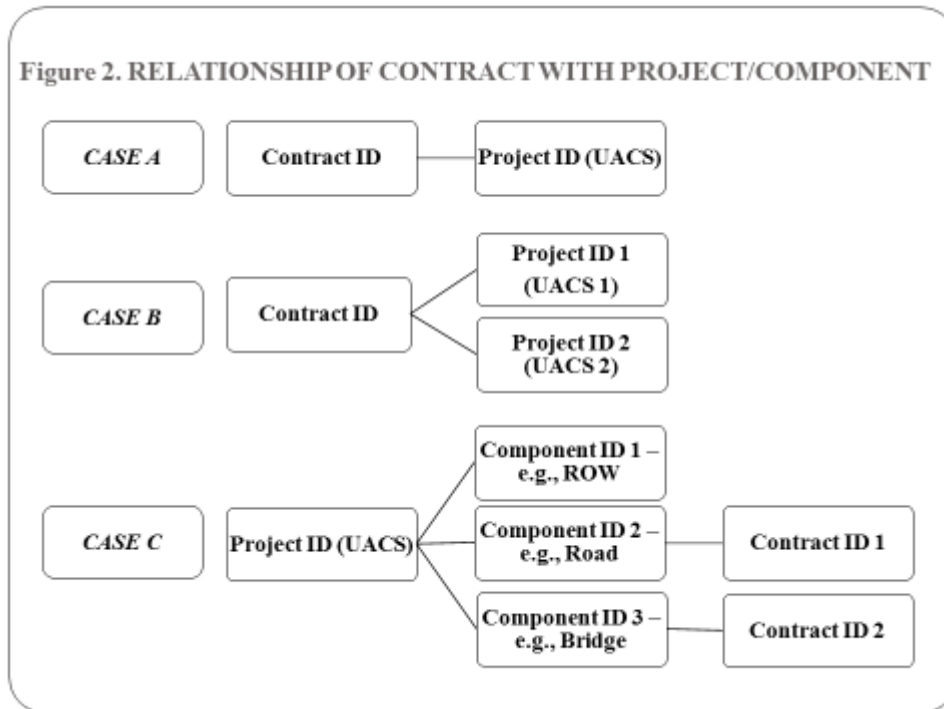
With respect to item a of this Section 3.3, before the approval of the GAA, the Implementing Office (IO), through its Procurement Unit, shall assign the “Procurement ID” for the proposed contract in the Indicative PPMP. This Procurement ID shall be cross-referenced to the Project ID assigned by the DPWH Planning Service corresponding to the Program/Project/Activity (PPA) line item in the NEP.

Once the GAA is approved, the Procuring Entity, through its Procurement Unit, shall assign the “Contract ID” – in place of the Procurement ID – which shall be reflected in the Final PPMP. The Contract ID shall be cross-referenced to the Project ID which corresponds to a line item in the GAA. The GAA line item is identified by a Unified Accounts Code Structure (UACS) code assigned by the DBM and provided by the DPWH Planning Service.

The relationship of a Contract with a Project line item in the GAA may fall under any of the following three cases:

- a. The Contract corresponds to the Project line item in the GAA.
- b. The Contract covers two or more Project line items in the GAA.
- c. The Contract covers one of several Components of a Project line item in the GAA.

These three cases are depicted Figure 2.



With regard to item c of this Section 3.3, before the approval of the GAA, the IO shall include the Indicative ABC in the Indicative PPMP and APP based on the NEP. Upon the approval of the GAA, the IO and the Procuring Entity shall include the Final ABC in the Final PPMP and APP consistent with the appropriations in the GAA.

The Procurement Unit shall ensure that the abovementioned process is consistent with the DPWH Project and Contract Management Application (PCMA) under DPWH DO 06, series of 2015.

Changes to the individual PPMPs, as well as the consolidated APP, for each Procuring Entity may be undertaken every six (6) months or as often as may be required by the HoPE. The respective IUs shall be responsible for the changes to the PPMPs (**IRR Section 7.6**).

### **3.4 ANNUAL PROCUREMENT PLAN (APP)**

The BAC of the Procuring Entity, through the BAC Secretariat, shall prepare the APP for infrastructure projects, using **Form DPWH-INFR-02**, based on the PPMPs submitted by the IUs under the Entity. The APP shall include the list of the infrastructure contracts to be procured during the year, with the following information for each contract (**IRR Section 7.3.4**):

- a. Procurement/Contract ID, name, location, and brief description.
- b. IU concerned, e.g., Project Management Office (PMO) or Construction Unit.
- c. Proposed Mode of Procurement.
- d. Indicative/Final Approved Budget for the Contract (ABC).

- e. Fund Source.
- f. Time Schedule for each Procurement Activity.

The provisions of Section 3.3 (PPMP) pertaining to the Procurement/Contract ID and the ABC shall also apply to the APP.

If changes are made in the individual PPMPs as mentioned in Section 3.3, the Procuring Entity shall make corresponding changes in the consolidated APP every six (6) months or as often as may be required by the HoPE. The BAC Secretariat shall be responsible for the consolidation of the changed PPMPs into the Revised APP, which shall be subject to the approval of the HoPE (**IRR Section 7.6**).

The Procuring Entity shall submit the Indicative/Revised/Final APP for the budget year, including any changes thereto, to the GPPB in July of the current budget year and in January of the following budget year (**IRR Section 7.6**).

### **3.5 DETAILED ENGINEERING DESIGN (DED)**

#### **3.5.1 Legal Reference**

Section 17.6 and Annex “A” of the IRR provide the rules in relation to Detailed Engineering.

#### **3.5.2 Pre-Feasibility Study/Feasibility Study and Detailed Engineering Design as Prerequisites to Bidding**

Prior to the conduct of the detailed engineering investigations, surveys and designs of a project, the IU or other appropriate office should undertake a feasibility study (FS) or pre-feasibility study (PFS). In the case of a road project, the following DPWH Multi-Year Planning Guidelines should be observed:

*“Feasibility studies should be carried out on those Road Network Development projects that involve significant capacity improvements and land acquisition, particularly bypasses, flyovers, interchanges, missing gaps and new roads. Pre-feasibility evaluations of large road and/or bridge projects should be conducted where there is likely to be a requirement for considerable investment and/or risk. These preliminary studies can provide an initial analysis of the economic and technical viability before proceeding to feasibility study stage and should be completed several years before anticipated implementation. The objective of pre-feasibility studies should be to facilitate the decision to invest in a full feasibility study, especially where considerable resources and an Environmental Impact Assessment are likely to be required.”*

The Procuring Entity shall conduct the Detailed Engineering Design (DED) for the project after the acceptance and approval of the PFS/FS.

The Procuring Entity shall initiate the procurement of an infrastructure contract only after the DED for the project, covering technical investigations, surveys and designs including an EIS, as well as the availability of a ROW Acquisition Plan or Land Acquisition Plan and Resettlement Action Plan (LAPRAP), has been sufficiently carried out in accordance with the standards and



specifications prescribed by the DPWH and consistent with the provisions of Annex “A” of the IRR. The exception to this requirement is a design-and-build scheme, as discussed in Section 4.1 of this Manual Volume, where bidders are allowed to submit their preliminary engineering designs as part of their bids and, once awarded the contract, shall prepare the DED preparatory to actual construction (**IRR Section 17.6**).

### **3.5.3 Scope of Detailed Engineering Design (DED)**

The DED for the project at hand may be carried out through either or a combination of the following modes:

- a. Performed in-house by the Procuring Entity through its specialized office – the Bureau of Design in the Central Office, or the Planning and Design Division/Section in the Regional/District Engineering Office – within its technical capacity to do so.
- b. Outsourced to specialized consultants that will perform the entire engineering/technical survey and design works, or specific aspects thereof – e.g., geotechnical investigation and environmental analysis.

The rule-of-thumb, based on experience and good practice, is that the budget for an adequate DED should be around 3-6% of the estimated construction cost.

Unless otherwise provided by subsequent DPWH DOs and other issuances, the DED for the project shall include the following activities to be undertaken by the concerned entities:

- a. Setting of Design Standards – Design standards applicable to the project shall be set by the DPWH based on the following guidelines and codes, among others:
  - (1) DPWH Design Guidelines, Criteria and Standards (Orange Book)), revised edition, 2015.
  - (2) American Association of the State Highway and Transportation Officials (AASHTO) Standard Specifications for Highways and Bridges, latest edition.
  - (3) American Concrete Institute (ACI) Standards, latest edition.
  - (4) Technical Standards and Guidelines for Planning and Design of Flood Control and Sabo Works, Volumes I and II, March 2002, by the Flood Control and Sabo Engineering Center, DPWH.
  - (5) National Building Code of the Philippines and its Implementing Rules and Regulations, as amended.
  - (6) National Structural Code of the Philippines, latest edition.
  - (7) Batas Pambansa (BP) 344 (Accessibility Law).
  - (8) Gender and Development (GAD) Tool Kit for Making Road Infrastructure Projects Gender Responsive, DPWH and World Bank, August 2011.

- b. Conduct of Field Surveys and Investigations – Field engineering and technical surveys and investigations necessary for the detailed engineering design of the project shall be undertaken, which may include aerial, topographic, hydrographic, hydrologic, geological, geotechnical (soils and foundation investigation and analysis), construction materials, site or right-of-way, parcellary, environmental, and other surveys. These shall be carried out in accordance with the guidelines, criteria and standards adopted by the DPWH as cited in item a above. All survey and investigation works shall be done so as to provide input data for the design and production of plans that will permit quantity estimates to be made within plus or minus five to ten percent (5-10%) of the final quantities of the completed structure.
- c. Conduct of Design Analyses, and Preparation of Design Plans and Design Report – These shall conform to the DPWH design guidelines, criteria and standards stated in item a above.
- d. Preparation of Contract Plans – Contract plans shall be prepared for the project at hand in accordance with guidelines and standards adopted by the DPWH, as cited in item a above, incorporating at least the following:
  - (1) Site development plan
  - (2) Plans and profiles/elevations
  - (3) Typical sections
  - (4) Structural plans at appropriate scales indicating all details necessary in order that the complete structure can be set out and constructed
- e. Preparation of Technical Specifications – These shall adopt the provisions of the 1995/2013 DPWH Standard Specifications for Public Works and Highways (Blue Book) applicable to the project at hand. Supplemental Specifications shall be prepared for specific items of work or methods of construction, measurement and payment, which are not covered by or will modify the DPWH Standard Specifications.
- f. Preparation of Quantity Estimates – All construction quantities shall be estimated with a degree of accuracy of not more than plus or minus five to ten percent (5-10%) of the final quantities of the as-built structure.
- g. Preparation of Cost Estimates and Proposed Approved Budget for the Contract – A Detailed Unit Price Analysis (DUPA) shall be undertaken based on DPWH Guidelines. The Standard Pay Items provided in the PCMA shall be adopted. Using the results of the DUPA, the proposed Approved Budget for the Contract (ABC) shall be prepared to be subsequently used as the basis for the Indicative/Final ABC to be included in the Project Procurement Management Plan (PPMP) as a prerequisite for the procurement. The preparation of the ABC is further discussed in Section 3.5.4 of this Manual Volume II.
- h. Preparation of Program of Work including Schedule – The program of work (POW) must include estimates of the work items, quantities and costs, the general methods, arrangements, order and timing of the project activities, including an appropriate scheduling method, e.g. a Program Evaluation and Review Technique/Critical Path

Method (PERT/CPM), Precedence Diagram Method (in accordance with DO 133, series of 2015), bar chart with S-curve. The POW should cover the ABC plus all other expenses directly related to the project – e.g., ROW acquisition or LAPRAP implementation, government-furnished materials and equipment, and engineering and supervision expenses of the IO. The preparation of the LAPRAP is further discussed in items j and k below.

- i. Determination of Contract Packages. The DED shall comply with the policies and guidelines for preparing contract packages provided in Section 3.2 to ensure that each contract provides for sufficient competition, is commercially attractive to contractors, efficient and manageable to implement and supervise, and will have a substantial technical and economic impact. This applies even to a project to be implemented by phase or contract, where the Procuring Entity must provide a clear delineation of work between phases, each of which must cover a usable and structurally sound stand-alone facility (**IRR Section 54.1 and Annex A**).
- j. Preparation of Right-of-Way (ROW) Acquisition Plan or Land Acquisition Plan and Resettlement Action Plan (LAPRAP) – This shall be based on parcellary surveys and socio-economic surveys on the households affected by the project. A LAPRAP should be prepared, including the schedule of implementation, which should conform to the requirements of the following:

- (1) Right-of-Way Law (RA 8974) and its IRR, as amended
- (2) DPWH DO No. 327, series of 2002
- (3) DPWH Land Acquisition, Resettlement, Rehabilitation and Indigenous People’s Policy (LARRIPP), March 2007,
- (4) DPWH Infrastructure Right-of-Way Procedural Manual.
- (5) National Cultural Heritage Act (RA 10066).

The DPWH shall work together with the concerned Local Government Units (LGUs) and the National Housing Authority in preparing and implementing the LAPRAP.

The LAPRAP should provide that, as a condition for contract award, the Procuring Entity must obtain at least a permit-to enter into the ROW issued by the affected property owners, or a notarized deed of sale or deed of donation executed in favor of the government, or a writ of possession issued by a court of competent jurisdiction, as the case may be. With the permit-to-enter, the Procuring Entity shall ensure that the affected area is cleared of occupants and obstructions. Ultimately, the Procuring Entity shall be responsible for the timely payment of appropriate compensation and settlement of other entitlements to the property owners and families affected by the ROW in accordance with existing laws and regulations.

- k. Preparation of Utilities Relocation Plan – As part of the LAPRAP, and where necessary, a Utilities Relocation Plan shall be prepared. This shall cover the removal and relocation of electric, water, sewerage, telephone, drainage, and other utilities within the estimated construction limits of the project according to a schedule agreed with the concerned

utility companies. In the case of road widening, the utility companies shall be responsible for removing and relocating their affected utilities from the existing ROW at their own cost.

l. Preparation of Environmental Impact Statement (EIS) – The process involves the following:

- (1) Conduct of project screening to determine if the project is environmentally critical (e.g., new road) or is located in an environmentally critical area (e.g., protected forest) as defined by the Department of Environment and Natural Resources (DENR);
- (2) If the project/area is environmentally critical, conduct of an Environmental Impact Assessment (EIA) and prepare the corresponding Environmental Impact Statement (EIS). If not, undertake an Initial Environmental Examination (IEE).

The DPWH Social and Environmental Management System (SEMS) Manual shall be used as template in the conduct of the EIS.

The Procuring Entity shall submit the EIS/IEE, together with an application for Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC), to the DENR. The Procuring Entity shall ensure that the ECC/NCC shall be available prior to contract award.

m. Preparation of Minimum Requirements for a Construction Safety and Health Program – These shall conform to the standards of the Department of Labor and Employment (DOLE) under its DO 13, series of 1998, and DPWH DO 56, series of 2005. This shall be the guide for the contractor to prepare a Construction Safety and Health Program to be initially approved by the DPWH prior to the approval of the contract in accordance with the DPWH-DOLE Memorandum of Agreement (MOA) under DPWH Memorandum Circular No. 29, series of 2015.

n. Preparation of Equipment Requirements–This activity should determine the appropriate types, numbers, and capacities of major construction equipment required to implement the project, based on the following:

- (1) Nature, volume, conditions, and timeframe of the works to be done.
- (2) Equipment productivity and efficiency rates – e.g., work output per hour – based on industry standards and experience.
- (3) Equipment cost (capital and operating) per unit of work output and rental rates.

The utilization and operation of equipment in the contract works shall conform to the approved technical specifications – e.g., DPWH Blue Book.

o. Conduct of Value Engineering Studies – According to a phased implementation program, Value Engineering (VE) shall be undertaken for each project costing P100 million or more. VE shall analyze alternative schemes of achieving the project objectives in order to delete or reduce the non-essential features and lessen life cycle costs of the project without sacrificing the quality and integrity of the structure, while attaining its essential

function, performance, and safety. Based on this analysis, VE shall identify the most cost-effective scheme. In conducting VE, the Procuring Entity shall observe the DPWH Guide to Value Engineering given in **Appendix 2.1**.

- p. Contract Time or Duration – The proposed contract time in calendar days for the project at hand shall be calculated considering the type and magnitude of the work to be done and construction industry standards. To estimate the contract time, the number of working days required to complete the works is first determined through an appropriate scheduling method (e.g., PERT/CPM, Precedence Diagram Method) of the project activities. Then, added to this will be (1) the non-working days (Sundays and holidays) and (2) the estimated number of rainy/unworkable days considered unfavorable for implementing the works at the site based on the records of the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA). Item (2) shall be made known before the date of bidding through the Instructions to Bidders (**ITB**) for the purpose of guiding both the Government and winning contractor in taking action on requests for time extensions. The contract duration shall comply with the provisions of DPWH DO 159, series of 2015, DO 141, series of 2014, and DO 71, series of 2013.
- q. Warranty Period after Acceptance of the Completed Works – The warranty period shall be specified depending upon the type of project in accordance with the provisions of **Section 62 of the IRR of RA 9184**, i.e., 15 years for permanent structures, 5 years for semi-permanent structures, and 2 years for other structures.
- r. Preparation of Bidding Documents – This shall be undertaken according to the provisions of Section 4 of this Procurement Manual Volume II. The Bidding Documents shall incorporate the outputs of the DED as stated in this Section.

As a requirement for the procurement of infrastructure works, the concerned consultants/Government officials who prepared and approved the detailed engineering shall issue a certification that the detailed engineering surveys and designs have been conducted according to the prescribed DPWH standards and specifications in conformance with the provisions of this Section 3.5, and that the detailed engineering outputs are adequate for the procurement at hand. The approval by the authorized government officials of detailed engineering surveys and designs undertaken by consultants shall neither diminish the responsibility of the consultant for the technical integrity of the surveys and designs nor transfer any part of that responsibility to the approving officials (**Annex “A” of RA 9184-IRR**).

The above rules shall apply to the implementation of infrastructure projects under normal or ordinary conditions. However, under emergency or extraordinary cases involving major calamities and disasters as declared by the President of the Philippines, where time is of the essence to save lives and properties and restore damaged infrastructures, detailed engineering shall be conducted in accordance with the guidelines and procedures prescribed by the DPWH Secretary and approved by the Infrastructure Committee of the National Economic and Development Authority (NEDA) Board. This will enable quick response in such cases, while maintaining the safety and integrity of the structure.

The DPWH shall implement, at the Central, Regional, and District Offices, a system for the review, audit and improvement of the quality of detailed engineering outputs to ensure that they conform to the prescribed design standards and will allow estimates of quantities to be made within plus or minus five to ten percent (5-10%) of the final values of the completed structure.

The survey and design data of structural components that are prone to significant overstatement and variation, such as earthworks and base course, shall be especially scrutinized to assure the integrity of the design and estimates.

### **3.5.4 Preparation of Approved Budget for the Contract (ABC)**

As defined in RA 9184-IRR, the ABC refers to the budget for the contract duly approved by the HoPE, as provided for in the GAA, continuing, and automatic appropriations, in the case of DPWH and other National Government Agencies (NGAs). For multi-year contracts, for which a Multi-Year Obligational Authority (MYOA) is required, the ABC shall be that incorporated in the project cost reflected in the MYOA issued for the purpose.

Based on the Detailed Engineering, particularly the Proposed ABC prepared therein as discussed in Section 2.3.3, the IU concerned shall prepare and recommend the Indicative/Final ABC (depending on whether the ABC is based on the NEP/GAA) in accordance with DO 22, series of 2015. In either case, the ABC shall be supported by a Program of Work (POW), including a Detailed Unit Price Analysis (DUPA) to be undertaken in accordance with the guidelines of the DPWH. These offices shall use the standard **Form DPWH-03** in preparing and presenting the POW, ABC, and DUPA as prescribed in DO 163, series of 2015.

The Indicative/Final ABC shall be reviewed the concerned Construction Unit - i.e., the Bureau of Construction in the CO, the Construction Division in the RO, and the Construction Section in the DEO - and submitted to the HoPE for approval.

It should be noted that the ABC is usually not the same as, but only a component of, the Project Cost. The Project Cost normally includes the ABC plus other expense items related to the project, such as ROW acquisition, detailed engineering, construction supervision, project management and overhead expenses of the Implementing Office (IO).

Pending the approval of the GAA, as stated in Section 2.3, the Indicative ABC based on the DPWH budget proposal in the NEP and consistent with the Indicative PPMP and Indicative APP shall be used in order to proceed with the advance procurement of the project, as provided in Section 3.2-i. Once the GAA is approved, the Final ABC shall be adopted consistent with the appropriations in the GAA.

For a single-year contract, the Indicative/Final ABC shall be within the appropriations for the project as provided for in the NEP/GAA and consistent with the Indicative/Final PPMP and APP.

For a multi-year contract, as mentioned in Section 3.2-f, the project must be included in the DPWH Medium-Term Infrastructure Program. The Indicative/Final ABC for a multi-year contract must cover its entire scope and total cost up to completion. The scope of the contract must include a complete stand-alone infrastructure facility which is safe, strong, and usable or functional to the end-user. The Final ABC must be covered by a MYOA issued by the DBM which shall authorize the Procuring Entity to enter into a multi-year contract for the project, and which shall certify that the funds to cover the total multi-year contract cost shall be included in the annual budget proposals of the DPWH, within its budget ceilings, subject to approval by Congress of the annual appropriation of the funds for the project through the GAAs.

The Procuring Entity shall use the ABC as the ceiling for accepting bids and awarding the contract. The ABC shall not exceed the approved appropriation for the project in the GAA or, in the case of a multi-year contract, the total contract amount given in the MYOA.

Since the ABC is the ceiling for accepting bids, the entity preparing the proposed ABC as part of the Detailed Engineering, as well as the IU, and other offices subsequently preparing, reviewing, and approving the Indicative/Final ABC, must formulate and adopt the ABC from the point of view of the prospective bidder-contractor. As such, these offices must take into account all relevant and legitimate factors that the bidder-contractor will and must consider in arriving at its estimate of the cost that it will incur to implement the contract.

Hence, the concerned entities/offices shall consider the following factors in preparing the ABC:

- a. Approved DED and Bidding Documents for the contract, which contain, among other things, the plans, specifications, work pay items and quantities to be used by the contractor in preparing his bid.
- b. Applicable and cost-effective construction methods and sequencing of activities for the project, considering construction industry norms and practices.
- c. Appropriate size and composition of labor crew, type and number of equipment, and construction materials corresponding to the construction method and sequencing of activities.
- d. Realistic production and efficiency rates for construction equipment and labor, considering industry norms and empirical data.
- e. Identified feasible sources of construction materials.
- f. Market prices of component labor, materials and equipment and monitored as-built costs of contract work items.
- g. Reasonable risks and contingencies, cost of money, projected inflation, and other relevant and legitimate cost items to be incurred by the contractor.
- g. Compliance with DO No. 22, series of 2015, providing guidelines in preparing the ABC.
- h. Rule-of-thumb or benchmark unit costs normally used in the construction sector –e.g., cost per kilometer of concrete road, cost per square meter of building, cost per cubic meter of earthwork, etc. – for similar or comparable contracts or work items, as a quick and rough check if the ABC is within the “ballpark.”

As basic reference in preparing the ABC, the Procuring Entity shall refer to the construction cost database and price monitoring system of the Bureau of Construction (BOC), which covers market prices of materials, contract pay items, as-built costs, and related data. To achieve realistic and reliable ABCs, the Procuring Entity shall also develop and use trained agency estimators and quantity surveyors under the guidance of the BOC.

Unless otherwise specifically provided by a subsequent DPWH DO or issuance, all items of work to be used in preparing the ABC shall conform to the Standard Specifications for Highways

and Bridges, revised 2013, Standard Specifications for Public Works, 1995, and approved Special Specifications for the project, and shall be consistent with the Standard Pay Items provided in the PCMA.

For a design-and-build project involving the retrofitting/strengthening of an existing building or bridge, a provisional sum, usually not exceeding ten percent (10%) of the total estimated project cost, shall be included to cover the cost of additional repair/replacement works or introduction of additional interventions due to unexpected conditions of parts of the structure which may be revealed during the detailed investigation and construction of the project.

As provided in DO 22, series of 2015, the ABC shall be composed of the Estimated Direct Cost and the Estimated Indirect Cost and shall be calculated in accordance with the following guidelines.

- a. The Estimated Direct Cost (EDC) shall consist of the following:
  - (1) Cost of materials to be used in doing the work item called for, which shall include, inter alia, the following:
    - (a) Cost at source, including processing, crushing, stockpiling, loading, royalties, local taxes, construction and/or maintenance of haul roads, etc.
    - (b) Expenses for hauling to project site.
    - (c) Handling expenses.
    - (d) Storage expenses.
    - (e) Allowance for waste and/or losses, not to exceed 5% of materials requirement.
  - (2) Cost of Labor:
    - (a) Salaries and wages, as authorized by the Department of Labor and Employment.
    - (b) Fringe benefits, such as vacation and sick leaves, benefits under the Workmen's Compensation Act, Social Security System (SSS) contributions, allowances, 13<sup>th</sup> month pay, bonuses, etc.
  - (3) Equipment Expenses:
    - (a) Rental of equipment—based on the prevailing “Associated Construction Equipment Lessors, Inc.” (ACEL) rental rates approved for use by the DPWH. Rental rates of equipment not indicated in the ACEL booklet shall be taken from the rental rates prepared by the Bureau of Equipment. For simplicity in computation, the operated rental rates are preferred to the bare rental rates as the former includes operator's wages, fringe benefits, fuel, oil, lubricants and equipment maintenance. The make, model and capacity of the equipment should be indicated in the detailed unit cost analysis.



- (b) Mobilization and demobilization –treated as a separate pay item. It shall be computed based on the equipment requirements of the project stipulated in the proposal and contract booklet. In no case shall mobilization and demobilization exceed one percent (1%) of the EDC of the civil works items.
- b. The Estimated Indirect Cost shall consist of the following:
- (1) Overhead Expenses– range from five to eight percent (5-8%) of the EDC, which include the following:
    - (a) Engineering and Administrative Supervision.
    - (b) Transportation allowances.
    - (c) Office Expenses, e.g., for office equipment and supplies, power and water consumption, communication and maintenance.
    - (d) Premium on Contractor’s All Risk Insurance (CARI).
    - (e) Financing Cost.
      - i. Premium on Bid Security
      - ii. Premium on Performance Security
      - iii. Premium on Surety for Advance Payment
      - iv. Premium on Warranty Bond (one year)
  - (2) Contingencies– range from five-tenths to three percent (0.5-3.0%) of the EDC. These include expenses for meetings, coordination with other stakeholders, billboards (excluding Project Billboard which is a pay item under General Requirements), stages during ground breaking and inauguration ceremonies, and other unforeseen events.
  - (3) Miscellaneous Expenses– range from five-tenths to one percent (0.5-1.0%) of the EDC. These include laboratory tests for quality control and plan preparation.
  - (4) Contractor’s Profit Margin– shall be eight percent (8%) of the EDC for projects with an EDC of more than PhP5Million and ten percent (10%) for projects with an EDC of PhP5Million and below.

Estimates for Overhead, Contingencies and Miscellaneous or OCM (items b(1), b(2) and b(3)) and Profit (item b(4)), as percentages of the EDC, shall not exceed the following amounts for different cost ranges:

**Table 1. Allowable OCM and Profit**

<b>Estimated Direct Cost (EDC)</b>	<b>OCM, as % of EDC</b>	<b>Profit, as % of EDC</b>
Up to PhP5M	12	10
Above PhP5M to PhP50M	9	8

<b>Estimated Direct Cost</b>	<b>OCM,</b>	<b>Profit,</b>
Above PhP50M to PhP150M	7	8
Above PhP150M	6	8

- (5) Value Added Tax (VAT) Component– shall be five percent (5%) of the sum of the EDC, OCM and Profit.
- (6) The following items shall not be subjected to OCM and Profit mark-up:
- (a) Mobilization and demobilization
  - (b) Provision of Service Vehicle
- (7) The following non-civil works items shall not be subjected to OCM mark-up:
- (a) Field/Laboratory Office and Living Quarters (Rental Basis)
  - (b) Furnishing of Furniture, Laboratory Equipment, Survey Equipment and Consumables
  - (c) Assistance to the Engineer
  - (d) Photographs
  - (e) Health and Safety
  - (f) Traffic Management
  - (g) Environmental Compliance
  - (h) Communication Equipment, etc.

Since the contract cost is fixed, the Procuring Entity must first estimate the base cost of the works as of a certain date. Next, the Procuring Entity must apply to this base cost the estimated inflation factor to cover the projected increases in construction prices over the procurement and implementation period, since the cost estimate is usually done several months ahead of the bidding date and because construction works may take more than one year. The Procuring Entity shall refer to the NEDA and the Philippine Statistics Authority (PSA) for estimates of likely inflation rates applicable to the contract.

If the project or contract has a foreign exchange component, a currency valuation adjustment factor may be adopted to hedge against any foreign exchange rate fluctuations between the planning phase and the procurement and implementation stages. To determine the factor to be used, the IU may refer to estimates and forecasts of the Bangko Sentral ng Pilipinas (BSP).

## **SECTION 4**

### **PREPARATION OF CONTRACT-SPECIFIC BIDDING DOCUMENTS (BDs)**

#### **4.1 LEGAL REFERENCE**

**IRR Section 17** provides the rules in relation to the preparation of Bidding Documents (**BDs**).

#### **4.2 PURPOSE OF CONTRACT-SPECIFIC BDs**

For each particular infrastructure contract to be procured, the DPWH Procuring Entity shall issue the contract-specific **Bidding Documents (BDs)** to prospective bidders to provide them the necessary information that they need to prepare responsive bids for that contract (**IRR Section 5 f**). These **BDs** shall clearly and adequately define the following aspects, among other things, for the specific contract to be procured (**IRR Section 17.1**):

- a. Scope of work, approved budget, duration, and expected outputs of the proposed contract.
- b. Minimum legal, technical, and financial requirements that the bidder must meet to be eligible to bid.
- c. Documents and other requirements that the bidder must include in its bid.
- d. Process and rules for the submission and receipt of bids, evaluation of bids, post-qualification, and award of contract.
- e. Terms and conditions of the contract between the winning bidder and the DPWH, including their prospective obligations.

In all stages of the preparation of the Bidding Documents, the Procuring Entity shall ensure equal access to information. Prior to their official release to prospective bidders, no aspect or part of the **BDs** shall be divulged or released to any prospective bidder or person having direct or indirect interest in the project to be procured, or to any party, except those officially authorized in the handling of the documents (**IRR Section 19**).

#### **4.3 CONTENT OF CONTRACT-SPECIFIC BDs**

The **BDs** for the specific contract to be procured shall consist of the following:

**ANNEX II-1.1A: Section I. Invitation to Bid (IB)**

**ANNEX II-1.1B: Section II. Eligibility Requirements (ER)**

**ANNEX II-1.1C: Section III. Eligibility Data Sheet (EDS)**

**ANNEX II-1.1D: Section IV. Instructions to Bidders (ITB)**

**ANNEX II-1.1E: Section V. Bid Data Sheet (BDS)**

**ANNEX II-1.1F: Section VI. General Conditions of Contract (GCC)**

**ANNEX II-1.1G: Section VII. Special Conditions of Contract (SCC)**

**ANNEX II-1.1H: Section VIII. Specifications**

**ANNEX II-1.1I: Section IX. Drawings**

**ANNEX II-1.1J: Section X. Bill of Quantities (BOQ)**

**ANNEX II-1.1K: Section XI. Bidding Forms (BFs)**

**ANNEX II-1.1L: Section XII. Foreign-Assisted Projects (FAPs)**

#### **4.4 STANDARD BIDDING DOCUMENTS (SBDs)**

For every contract to be procured, the Procuring Entity shall prepare the contract-specific **BDs** by using, as template, the DPWH **Standard Bidding Documents (SBDs)** shown in **ANNEX II-1.1** of this Manual Volume II. The **SBDs** are essentially based on the **Philippine Bidding Documents (PBDs)** prepared by the Government through the GPPB, but with appropriate modifications to suit the specific procurement systems and procedures of the DPWH. The DPWH Procurement Service shall post the **SBDs** in the DPWH website ([www.dpwh.gov.ph](http://www.dpwh.gov.ph)) for easy reference by the Procuring Entities and bidders/contractors.

For each contract to be procured, however, the Procuring Entity shall insert in the **SBDs** the information particular to that contract, particularly in the **IB, EDS, BDS, SCC, Specifications, Drawings, and BOQ**, in order to produce the complete contract-specific **BDs**.

The specifications and other terms in the contract-specific **BDs** shall reflect minimum requirements for the contract. A bidder may submit a superior offer which exceeds the minimum requirements. In the evaluation of the bids, however, no premium or bonus must be given as a result of this superior offer (**IRR Section 17.4**). This rule is based on the nature of the procedure used to evaluate the technical proposals – a “pass/fail” method – such that the presence or absence of the minimum technical requirements is the sole basis for determining technical compliance. After having established compliance with the minimum technical specifications, the next factor to consider would then be the price or financial bid.

#### **4.5 PERSONS/OFFICES TO PREPARE CONTRACT-SPECIFIC BIDs**

The following shall participate in the preparation of the contract-specific **BIDs**:

- a. BAC, as Lead
- b. Technical Working Group (TWG)
- c. IU
- d. Consultants, if any
- e. BAC Secretariat

#### **4.6 PERIOD FOR PREPARATION OF CONTRACT-SPECIFIC BIDs**

The contract-specific **BIDs** must be prepared in time for presentation at the Pre-Procurement Conference. After the Conference, and before the advertisement and/or posting of the IB, the Procuring Entity should ascertain that the **BIDs** are finalized.

#### **4.7 PREPARATION OF INVITATION TO BID (IB)**

##### **4.7.1 Purpose of IB**

The **Invitation to Bid (IB)** shall serve as the notice to interested contractors and to the general public and other interested parties of the proposed procurement for a specific contract of the Procuring Entity. It shall also provide basic information that will enable prospective bidders to decide whether or not to participate in the procurement at hand.

##### **4.7.2 Format and Content of IB**

The Procuring Entity shall use the standard **IB** template shown in **Form DPWH-INFR-04** and in **ANNEXII-1.1A** which contains the following information (**IRR Section 21.1**):

- a. Procurement/Contract ID, name and location, brief description of the type, size, major items and other important or relevant features of the works.
- b. Approved Budget for the Contract (ABC).
- c. Source of funding.
- d. Contract duration.
- e. Statement that the bidding is conducted in accordance with RA 9184 and its IRR.
- f. General statements of the criteria to be used for the Eligibility Check, examination and evaluation of bids, post-qualification, and award.

- g. Date, time, deadline, and place and websites for the issuance/downloading of Bidding Documents, Pre-Bid Conference, receipt of bids, and opening of bids.
- h. Payment of Fee for the **BDs**.
- i. Reservation for the Procuring Entity to accept/reject any/all bids or annul the bidding process without any liability to the bidders.
- j. Name, address, telephone number, fax number, email and website addresses of the concerned Procuring Entity and its designated contact person.
- k. Statement as to whether Electronic Bidding, in accordance with GPPB Resolution 23-2013, is available for the procurement opportunity.
- l. Other necessary information as determined by the Procuring Entity.

## **4.8 PREPARATION OF ELIGIBILITY REQUIREMENTS(ER)**

### **4.8.1 Purpose of ER**

The **Eligibility Requirements (ER)** shall define the legal, technical, and financial criteria that a prospective bidder for an infrastructure contract must meet in order to be declared by the DPWH as eligible for the contract (**IRR Section 23**).

### **4.8.2 Content of ER**

The Procuring Entity shall use the standard **ER** shown in **ANNEX II-1.1B** which contains the following set of requirements for the eligibility of a prospective bidder to bid for a particular contract (**IRR Section 23.1**):

- **Submission of Class “A” and Class “B” Documents**

To participate in the bidding for an infrastructure contract in the DPWH, a contractor/bidder must submit to the BAC of the Procuring Entity, not later than the deadline for the submission of bids or simultaneously with the submission of its bid for the contract, the following Class “A” and Class “B” Documents as embodied in the Contractor’s Confidential Application Statement for Registration or CCASR (**Form DPWH-INFR-05**) (**IRR Section 23.1**). This submission is required only of contractors that are not yet enrolled in the DPWH Civil Works Registry (CWR) or those that wish to update their Class “A” and Class “B” documents. In any case, prior enrolment or registration of a contractor with the CWR is not a prerequisite to the submission of bids for a specific contract.

- **Class “A” Documents (IRR Section 23.1a)**:

- (1) Legal Documents

- (a) Registration certificate from the Securities and Exchange Commission (SEC) in the case of a Partnership or Corporation, or from the Department of Trade and Industry (DTI) in the case of a Single Proprietorship, or from the Cooperatives Development Authority in the case of a cooperative.
- (b) Mayor's/Business Permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for exclusive economic zones or areas.

In case of a recently expired Mayor's/Business Permit, it shall be accepted together with the Official Receipt as proof that the bidder has applied for renewal within the prescribed period, provided that the renewed permit shall be submitted as a post-qualification requirement in accordance with Section 34.2 of the IRR (**IRR Section 23.1**).

- (c) Tax Clearance per Executive Order (EO) No. 298, series of 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).

(2) Technical Documents

- (a) Valid PCAB license applicable to the type and cost of contract to be procured. In the case of a proposed joint venture (JV), during the registration with the CWR, only the individual licenses of all members of the JV are required. (During the bidding, a PCAB Special JV license shall be required as part of the Technical Proposal of the bid to be submitted by the JV, unless otherwise provided in the procurement of foreign-assisted contracts.)
- (b) Record of the prospective bidder's completed contracts, both government and private, including the following information for each contract:
  - i. Contract ID, name and location.
  - ii. Contract start and actual completion dates.
  - iii. Owner's name and address.
  - iv. Nature of work and size/dimensions.
  - v. Contractor's role (whether sole contractor, sub-contractor, or partner in a joint venture) and participation percentage.
  - vi. Total as-built cost at completion.

Bidder's Single Largest Completed Contract (SLCC) similar to the contract to be procured. (During the Eligibility Check of bids submitted for the contract to be procured, the CWR program will automatically identify the Bidder's SLCC.)

- (c) Record of the prospective bidder's on-going contracts, including those awarded but not yet started, both in government and the private sector, indicating the following for each contract.
  - i. Contract ID, name and location.
  - ii. Contract start and completion date.
  - iii. Owner's name and address.



- iv. Nature of work and size/dimension.
- v. Contractor's role and participation percentage.
- vi. Percentage work accomplished.
- vii. Percentage time elapsed.

(3) Financial Documents

- (a) The prospective bidder's Audited Financial Statement (AFS), stamped "received" by the BIR or its duly accredited and authorized institutions, for the immediately preceding calendar year, showing, among others, the prospective bidder's total and current assets and liabilities.
- (b) The prospective bidder's computation for its Net Financial Contracting Capacity (NFCC).

To facilitate determination of eligibility, the BAC of a Procuring Entity shall use the contents of the PhilGEPS electronic registry of contractors (**IRR Section 23.3**).

All bidders shall maintain a current and updated file of their Class "A" Documents, and shall submit the PhilGEPS Certificate of Registration and Membership to the Procuring Entity, in lieu of the said Documents. In case such PhilGEPs Certificate covers only part of the Class "A" Documents, the contractor shall be required to submit to the DPWH Procuring Entity all other documents under the above ER which are not covered by the said Certificate. For foreign bidders, the foregoing documents may be substituted by the appropriate equivalent documents in English, if any, issued by the country of the bidder concerned. These documents shall be accompanied by a Sworn Statement in a form prescribed by the GPPB stating that the documents submitted are complete and authentic copies of the original, and all statements and information provided therein are true and correct (**IRR Section 8.5.2**).

o Class "B" Document (**IRR Section 23.1b**):

Valid joint venture agreement (JVA) in accordance with RA 4566 and its IRR, in case the joint venture is already in existence. In the absence of a JVA, duly notarized statements from all the potential joint venture (JV) partners shall be included in the bid, to the effect that they will enter into and abide by the provisions of the JVA in the event that the bid is successful. Failure to enter into a JV shall be a ground for the forfeiture of the Bid Security. Each partner of the JV shall submit the PhilGEPS Certificate of Registration in accordance with Section 8.5.2 of the IRR of RA 9184. The submission of technical and financial eligibility documents by any of the JV partners constitutes compliance. The partner submitting the NFCC shall likewise submit a statement of all of its on-going contracts and audited financial statement.

Validation by the BAC of the information and data in the submitted Class "A" and Class "B" Documents is required only for the identified Lowest Calculated Bid and this is done during the period of its post-qualification.

As discussed in Section 5.6.8 (Eligibility Check) of this Manual Volume II, upon receipt of the Class "A" and Class "B" Documents under its CCASR from a bidder for a specific contract that is not yet registered in the CWR, the BAC of the Procuring Entity, through

its Procurement Unit/Secretariat, shall immediately encode and enter the appropriate information therein into the CWR. At the same time, the BAC, through its Secretariat, shall submit a hard copy of the CCASR to the DPWH Procurement Service for record purposes.

The bidders' information so entered in the CWR will be used by the BAC in conducting the Eligibility Check as discussed in Section 5.6.8.

Although prior registration of bidders/contractors with the CWR is not a prerequisite for the submission of bids for specific contracts, and while bidders may submit their Class "A" and Class "B" Documents, together with their CCASR, simultaneously with their bids, the DPWH encourages contractors to submit these Documents to the DPWH Procuring Entities or the Procurement Service as early as possible, even without reference to any specific contracts. This will greatly facilitate the bidding process, particularly the Eligibility Check, and the management of the CWR database.

Without interrupting the bidding process for any specific contract, the DPWH Procurement Service shall enroll new contractors in the CWR, using their CCASR, with the accompanying Class "A" and Class "B" Documents, transmitted by the Procuring Entities or submitted directly by the contractors. The Procurement Service shall generate the Contractor's Registration Certificate or CRC (**Form DPWH-INFR-06**) and the accompanying Contractor's Information or CI (**Form DPWH-INFR-07**) upon approval of the application of registration. The CRC will state that the contractor is recognized to undertake specific types of civil works projects with their respective cost ranges. The CI will show part of the eligibility data required in this Section, particularly the contractor's capability in terms of its legal aspects (SEC/DTI/CDA Registration, Mayor's/Business Permit, BIR tax clearance, etc.), financial aspects (total and current assets and liabilities, net worth, and annual turnover), and technical aspects (PCAB license, classification and validity, completed and on-going projects with nature, costs, and status).

In the registration of contractors in the CWR, the Procuring Entity shall follow the procedure given in Table 2:

**Table 2. Procedure for Registration of Contractors in Civil Works Registry**

<b>Activity</b>	<b>Responsible Performer</b>	<b>Time Frame</b>	<b>Rules</b>
1. Download CCASR form from DPWH website	Contractor–applicant	As needed	Use <b>Form DPWH-INFR-05</b> .
2. Receive from contractor–applicant its accomplished CCASR	PrS	1 cd	
3. Enter data of CCASR in the CWR to generate applicant's CRC with CI	PrS	7 cd	Output is CRC ( <b>Form DPWH-INFR-06</b> ) w/ CI ( <b>Form DPWH – INFR-07</b> ).
4. Issue CRC with CI to contractor	PrS	1 cd	
5. Transmit CRC with CI to contractor	PrS	1 cd	
<b>Total</b>		<b>10 cd</b>	

- **Legal Requirements for Eligibility**

To be eligible to participate in the bidding of an infrastructure contract, the prospective bidder must be either of the following:

- (a) A duly licensed Filipino citizen/sole proprietorship.
  - (b) A partnership duly organized under the laws of the Philippines and of which at least seventy five percent (75%) of the interest belongs to citizens of the Philippines.
  - (c) A corporation duly organized under the laws of the Philippines and of which at least seventy five (75%) of the outstanding capital stock belongs to citizens of the Philippines.
  - (d) A cooperative duly organized under the laws of the Philippines.
  - (e) Persons/entities forming themselves into a joint venture (JV) for a particular contract, provided that (i) Filipino ownership or interest in the JV concerned shall be at least seventy-five (75%); (ii) JVs in which Filipino ownership or interest is less than 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 a person/entity meeting the seventy-five percent (75%) Filipino ownership requirement; and (iii) in the latter case, Filipino ownership or interest shall not be less than twenty-five percent (25%). For this purpose, Filipino ownership or interest shall be based on the contributions of each of the members of the JV as specified in their joint venture agreement (JVA).
- **Technical Requirements for Eligibility**

To be eligible to participate in the bidding of an infrastructure contract, the prospective bidder must meet the following technical requirements:

(1) Contractor's License

The prospective bidder must possess a valid license issued by the Philippine Contractors' Accreditation Board (PCAB) in accordance with the provisions of RA 4566 (**IRR Section 23.5.2.3**) for the Allowable Range of Contract Cost (ARCC) applicable to the type and cost of the contract to be bid, as shown in Table 3.

**Table 3. PCAB License Requirements**

Size Range	License Category	Single Largest Project/Required Track Record	Allowable Range of Contract Cost (ARCC)
Large B	AAA	Above PhP150M	No limit
Large A	AA	Above PhP100M up to PhP150M	Up to PhP300M
Medium B	A	Above PhP50M up to PhP100M	Up to PhP200M
Medium A	B	Above PhP10M up to PhP100M	Up to PhP100M
Small B	C & D	Above P500,000 up to PhP10M	Up to PhP15M
Small A	E	Up to PhP500,000	Up to PhP500,000

For the particular contract to be procured, the Procuring Entity must specify in the Eligibility Data Sheet (**EDS**), shown in **ANNEX II-1.1C**, the required PCAB license from among the categories given in Table 2.

(2)Work Experience in Similar Contracts

The prospective bidder must possess the experience of having a Single Largest Completed Contract (SLCC) “similar” to the contract to be procured, and whose value, adjusted to current prices using the consumer price indices of the Philippine Statistics Authority (PSA), is at least fifty percent (50%) of the ABC to be bid. Small A and Small B contractors without similar experience on the contract to be bid, however, may be allowed to bid if the cost of such contract is not more than the Allowable Range of Contract Cost corresponding to their PCAB license as shown in Table 3 above (**IRR Section 23.5.2.5**).

As stated in **Appendix 2.2** (Guidelines for Major and Similar Categories of Works), a “Major Category of Works” is the main classification of works in the contract to be bid, according to type of infrastructure and kind of work performed - e.g. road construction, bridge rehabilitation, etc. On the other hand, a “Similar Category of Works” is a kind of works whose classification is considered to be comparable to the Major Category of Works in the contract to be bid and, therefore, shall be considered for purposes of evaluation of the bidder’s eligibility for the contract to be bid. A “Qualifier” is an additional specific requirement on Major or Similar Categories of Work, to be required from the bidders at the bidding stage, to show that they have the necessary expertise and experience to execute the contract, such as an extraordinarily large embankment volume, or soft ground treatment, or long tunnel using tunnel boring machine, or bridge retrofitting using special jacking technology, or very long sheet piling, multi-level basement, etc.

For the specific project or contract to be bid and based on the Guidelines and Matrix of Categories in **Appendix 2.2**, the Procuring Entity shall indicate in the **EDS** the Major Categories of Works and Similar Categories of Work, as well as any Qualifier, that shall be considered in determining a bidder’s eligibility for the contract to be bid.

For a contract involving a single category of works (i.e., type of infrastructure and kind of work) - e.g., road construction, or bridge retrofitting, or flood control rehabilitation - the following criteria shall be adopted:

- a. The Major Category of Works is the single category itself.
- b. To be eligible to bid for the contract, a contractor must have done a Single Largest Completed Contract (SLCC) for a Major/Similar Category of Works whose total cost is at least 50% of the Approved Budget of the Contract (ABC) to be bid.

For a contract to be bid involving multiple categories of works – e.g., road construction plus bridge retrofitting plus flood control rehabilitation – the following criteria shall be adopted:

- a. Each category of works whose cost is at least 30% of the ABC shall be considered a Major Category of Works. All other categories of works shall be considered Minor Categories of Works.
- b. To be eligible to bid for the contract, a contractor must comply with the following work experience requirements:
  - (1) As the basic requirement, the contractor must have undertaken a SLCC similar to the contract to be bid. To be so considered similar, the SLCC must meet the following requirements:
    - (a) The SLCC must contain the same Major Categories of Works as the contract to be bid, and each Major Category of Works in the SLCC must cost at least 30% of the total cost of the SLCC.
    - (b) The total cost of the SLCC must be at least 50% of the total ABC to be bid.
  - (2) As an additional requirement, for each Minor Category of Works in the contract to be bid, the contractor must have undertaken an SLCC – which could be different from the SLCC required in item b(1) above – containing a Category of Works whose cost is at least 50% of the ABC to be bid for that Minor Category of Works.

In the case of contracts which include special equipment to be supplied and installed by the supplier/manufacturer, the cost of such equipment shall be excluded from the ABC to be used in computing the required work experience as stated in the preceding paragraph.

(3) Owner's Certificate of Final Acceptance or Constructor's Performance Evaluation System (CPES) Rating

To support its SLCC, the bidder must submit the corresponding Owner's Certificate of Final Acceptance issued by the project owner other than the contractor, or at least a satisfactory CPES Rating. In case of contracts with the private sector, an equivalent document shall be submitted (**IRR Section 23.5.2.4a**).

- **Financial Requirements for Eligibility** – particularly Net Financial Constructing Capacity (NFCC)

The prospective bidder must have a Net Financial Contracting Capacity (NFCC) at least equal to the ABC to be procured, calculated as follows (**IRR Section 23.4.2.6**):

NFCC = [(Current assets minus current liabilities) multiplied by 15] minus the value of outstanding or uncompleted portions of the projects under on-going contracts, including awarded contracts yet to be started, which portions coincide with the contract to be bid.

The values of the bidder's current assets and current liabilities shall be based on the latest Audited Financial Statements (AFS) submitted to the BIR.

For purposes of computing the foreign bidders' NFCC, the value of the current assets and current liabilities shall be based on their Audited Financial Statements prepared in accordance with international financial reporting standards (**IRR Section 23.5.1.4a**).

For foreign-funded procurement, the GOP and the foreign government/foreign or international financing institution may agree on another track record requirement.

The Procuring Entity, through the IU assisted by the BAC Secretariat, shall also prepare the Contract Profile (CP), for the specific contract to be procured, using **Form DPWH-INFR-08**. The CP will give the basic contract data, including the ABC, the major categories of works involved in the contract and corresponding cost estimates. Once the CP is duly noted by the Chairperson of the BAC, the Procurement Service shall enter the CP into the CWR. During the Eligibility Check for the contract at hand, the CWR will automatically compare (a) the requirements of the contract (e.g., required SLCC and NFCC) as embodied in the CP in the CWR with the actual capability of each prospective bidder (e.g., actual SLCC and NFCC for major/similar categories of works) as registered in the CWR, thereby determining whether or not the contractor is eligible to undertake the project.

The Procuring Entity shall apply the abovementioned Eligibility Requirements (ER) not only to the main contractor/bidder but also to any sub-contractors for the portions of the main contract works that are proposed to be sub-contracted to them, except for pakyaw contracts as defined in Appendix 11 of RA 9184-IRR.

The main contractor/bidder, however, must meet all of the abovementioned Eligibility Requirements by itself, with or without any sub-contractor. Hence, if any nominated sub-contractor is declared ineligible, the main contractor, on its own, must still meet the prescribed Eligibility Requirements.

Notwithstanding the eligibility of a bidder, the Procuring Entity concerned reserves the right to review the qualifications of the bidder at any stage of the procurement process if the Procuring Entity has reasonable grounds to believe that a misrepresentation has been made by that bidder, or that there has been a change in the bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility requirements, statements or documents, or any changes in the situation of the bidder which will affect the capability of the bidder to undertake the project so that it fails the eligibility criteria, the Procuring Entity shall consider the said bidder as ineligible and shall disqualify it from obtaining an award or contract, in accordance with Rules XXI, XXII, and XXIII of the IRR (**IRR Section 23.7**).

#### **4.8.3 Use of PhilGEPS Registry System in Electronic Bidding**

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the following procedure shall be observed with regard to the registry with the PhilGEPS:

- a. To facilitate determination of eligibility and subject to the Government Official Merchants Registry (OMR) guidelines, the Procuring Entity may use the registry system of the PhilGEPS that allows submission and/or recording/entry of eligibility requirements simultaneously with registration.

- b. Only a Certified Member with the appropriate classification can avail of the PhilGEPS advance eligibility submission by uploading their electronic documents to the PhilGEPS document library, which can be accessed for current or future procurements.
- c. Submission of eligibility requirements to the PhilGEPS document library is not tantamount to a finding of eligibility.

## **4.9 PREPARATION OF ELIGIBILITY DATA SHEET (EDS)**

### **4.9.1 Purpose of EDS**

The **EDS** aims to provide the specific information and requirements in relation to corresponding provisions of the Eligibility Requirements(**ER**) for each particular contract to be procured.

### **4.9.2 Format and Content of EDS**

The Procuring Entity shall use the standard **EDS** template shown in **ANNEX II-1.1C**. It should indicate in the **EDS** the information pertaining to the contract at hand that specifies and complements provisions of the **ER**. In particular, the **EDS** shall include the following:

- a. Required PCAB license appropriate to the kind and size of the contract at hand.
- b. ABC for the project at hand.
- c. Description of similar contracts that may be considered in determining the required work experience for the contract at hand.

## **4.10 PREPARATION OF INSTRUCTIONS TO BIDDERS (ITB)**

### **4.10.1 Purpose of ITB**

The **ITB** aims to provide the information necessary for bidders to prepare responsive bids for the contract to be procured, in accordance with the requirements of the Procuring Entity. It must also provide information on the bid submission, opening, and evaluation, post-qualification, and award of contract.

### **4.10.2 Format and Content of ITB**

The Procuring Entity shall use the standard **ITB** shown in **ANNEX II-1.1D**. The provisions of this **ITB** for infrastructure should be used unchanged. The **Bid Data Sheet (BDS)** contains the provisions that supplement, amend, or specify in detail the information or requirements included in the standard **ITB**, and that are specific to the particular contract to be procured.

The **ITB** shall include the following main elements, among others:

- a. Scope of Bid – Clause 1 of the ITB.
- b. Budget and Source of Funds – Clause 2.

- c. Corrupt Practices and Conflict of Interest—Clauses 3 and 4.
- d. Bidder’s Responsibilities— Clause 6.
- e. Sub-Contracting – Clause 8, including the allowable extent of sub-contracts and eligibility requirements of sub-contractors.
- f. Pre-Bid Conference—Clause 9.
- g. Contents of Bidding Documents (BDs) – Clause 10, as discussed in Section 2.4.3 of this Manual.
- h. Clarification/Amendment of BDs through Bid Bulletins – Clause 11.
- i. Documents to Comprise the Bid— Clause 14, as further discussed below.
- j. Bid Validity— Clause 17.
- k. Bid Security – Clause 18, including the allowable forms, amount and validity period.
- m. Submission and Receipt of Bids— Clause 22, including the date, time and place.
- m. Modification and Withdrawal of Bids – Clause 24.
- g. Eligibility Check – Clause 26, to be done electronically using the CWR.
- h. Opening and Preliminary Examination of Bids – Clause 27, focusing on the presence or absence of the required documents.
- i. Detailed Evaluation of Bids – Clause 31, including the use of non-discretionary criteria and procedures to establish the Lowest Calculated Bid (LCB).
- j. Post-Qualification of Bidder with LCB – Clause 33, involving verification of compliance with all bidding requirements to determine the lowest calculated responsive bid (LCRB).
- k. Right of Procuring Entity to Reject Bids – Clause 35, to be based on reasonable grounds.
- l. Award Criterion – Clause 36, to be awarded to the bidder with the LCRB.
- m. Notice of Award (NOA)—Clause 37, to be issued to the bidder with the LCRB with requirements to submit its signed “conforme” and other documents.
- n. Performance Security – Clause 38, including the prescribed form, amount, conditions, and validity period.
- o. Documents Comprising the Contract—Clause 39 , including Contract Agreement, NOA with “conforme,” Calculated Bid, BDs, Performance Security, Schedule, among others.
- p. Signing and Approval of the Contract – Clause 40, including time frames.



- q. Notice to Proceed – Clause 41, providing that the NTP be issued within three days after contract approval and indicating therein the date of contract effectivity.

With regard to Clause 8 of the **ITB** (item e above), sub-contracting shall be governed by the following guidelines:

- a. Unless otherwise specified in the **BDS**, sub-contracting of works shall be subject to the provisions of DPWH DO No. 38, series of 2015, as may be amended, as recapitulated in items **b** to **g** below.
- b. All sub-contracts shall be subject to prior approval of the concerned DPWH HoPE within the limits of their delegated authority to approve the original contracts.
- c. The contractor may sub-contract portions of the works to such an extent as may be approved by the Procuring Entity and stated in the **BDS**, provided that the main contractor shall directly undertake, using its own resources, not less than fifty percent (50%) of the contract works in terms of cost.
- d. Each sub-contractor must comply with the eligibility criteria as specified in the Eligibility Requirements (ER), as discussed in Section 4.8.2, for the portion of the contract works to be sub-contracted to that sub-contractor- e.g., applicable license from the PCAB, satisfactory completion of works similar to the portion of the contract to be subcontracted and costing at least fifty percent (50%) of the cost of such portion, and NFCC at least to the cost of the work to be sub-contracted, as well as the required minimum equipment and manpower set by the Procuring Entity. These requirements shall not apply to labor pakyaw contracts provided in Appendix 11 of RA 9184-IRR.
- e. The bidder/main contractor may identify the sub-contractors to whom portions of the contract works will be sub-contracted at any stage of the bidding process or during contract implementation, provided that any sub-contracting shall be subject to the requirement in item d above and requires prior approval of the Procuring Entity. If the bidder opts to disclose the name of the sub-contractors during the bid submission, the bidder shall include the required eligibility documents for the sub-contractors as part of the technical component of its bid. Sub-contractors identified during the bidding may be changed during the implementation of the contract, subject to compliance with the eligibility requirements and approval of the Procuring Entity.
- f. Sub-contracting of any portion of the contract shall not relieve the main contractor from any liability or obligation that may arise from the contract. The main contractor shall be responsible for the acts, defaults, and negligence of any subcontractor, its agents or workmen.
- g. For any assignment and sub-contracting of the contract or any part thereof made without prior written approval by the concerned DPWH HoPE, the DPWH shall impose on the erring contractor, after the termination of the contract, the penalty of suspension for one (1) year for the first offense, and suspension of two (2) years for the second offense from participating in the public bidding process, pursuant to the provision of Appendix 3, Section 4.2 of the IRR of RA 9184, in accordance with Section 69(6) of RA 9184 and without prejudice to the imposition of additional administrative sanctions as the internal

rules of the agency may provide and/or further criminal prosecution as provided by applicable laws.

With respect to Clause 14 of the **ITB** (item i above), the Documents to Comprise the Bid shall include the following:

- a. Technical Proposal (First Envelope) – This shall include the following (**IRR Section 25.2**):
  - (1) PhilGEPS Certificate of Registration and Membership in accordance with Section 8.5.2 of the IRR.
  - (2) If the bidder is not previously enrolled in the CWR: the bidder’s Class “A” and Class “B” Documents, together with the CCASR, in accordance with Section 4.8.2 of this Manual Volume II. These Documents should include, among others, the following information required in **IRR Section 25.2b**:
    - (a) PCAB License and Registration
    - (b) Statement of all On-going Government and Private Contracts
    - (c) SLCC
    - (d) NFCC
    - (e) JVA, if applicable
  - (3) Bid Security in the prescribed form, amount and validity period (using **Form DPWH-INFRA 10, 11 or 12**).
  - (4) Project Requirements, which shall include the following:
    - (a) Contractor’s organizational chart for the contract to be bid.
    - (b) List of contractor’s key personnel to be assigned to the contract – e.g., Project Manager, Project Engineers, Materials Engineers, Construction Safety Officer, and Foremen - to be assigned to the contract, with their complete qualification and experience data.
    - (c) List of contractor’s major construction and laboratory equipment units to be used for the contract – which are owned, leased, and/or under purchase agreements, supported by a proof of ownership and certification of availability of the equipment from the equipment lessor/vendor for the duration required for the project, as the case may be.
    - (d) Omnibus Sworn Statement by the prospective bidder or its duly authorized representative as to the following (using **Form DPWH-INFRA 16**) (**IRR Section 25.3**):

- i. It is not “blacklisted” or barred from bidding by the government or any of its agencies, offices, corporations, or local government units (LGUs), including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB.
- ii. 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.
- iii. It is authorizing the HoPE or his duly authorized representative(s) to verify all the documents submitted.
- iv. The signatory is the duly authorized representative of the prospective bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the prospective bidder in the bidding, with the duly notarized Secretary’s Certificate attesting to such fact, if the prospective bidder is a corporation, or duly notarized Special Power of Attorney in case of sole proprietorship, partnership or joint venture.
- v. It complies with the disclosure provision under Section 47 of RA 9184 and is IRR in relation to the provisions of RA 3019.
- vi. It complies with the responsibilities of a bidder provided in the **BDs**, including **ITB 6**.
- vii. It complies with existing labor laws and standards.
- viii. It did not give or pay any, 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 or activity.

b. Financial Proposal (Second Envelope)

- (1) Bid Form including Total Bid Price, using **Form DPWH-INFR-09**.
- (2) Bid prices in the **Bill of Quantities (BOQ)**.
- (3) Detailed estimates.
- (4) Cash flow by quarter.

Unless indicated in the Bid Data Sheet (**BDS**), all Financial Proposals that exceed the Approved Budget for the Contract (ABC) shall be rejected.

Unless otherwise indicated in the **BDS**, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met (**IRR Section 31.2**):

- (1) The BDs are obtainable free of charge on a freely accessible website. If payment of the BDs is required by the Procuring Entity, payment could be made upon the submission of bids.
- (2) The Procuring Entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the Procuring Entity and that the estimates are based on adequate detailed engineering and reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works to be procured.
- (3) The Procuring Entity has trained cost estimators on estimating prices and analyzing bid variances. It must also have trained quantity surveyors.
- (4) The Procuring Entity has established a system to monitor and report bid prices relative to the ABC and the Procuring Entity's estimate.
- (5) The Procuring Entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of works.

The Government of the Philippines and the concerned foreign government/foreign or international financing institution, however, may agree to waive the foregoing conditions.

#### **4.10.3 Bid Security**

Every bid shall be accompanied by a Bid Securing Declaration or any form of Bid Security, payable to the Procuring Entity concerned as a guarantee that the successful bidder shall, within ten calendar days or less, as indicated in the ITB, from receipt of the Notice of Award, enter into contract with the Procuring Entity and furnish the Performance Security required in Section 39 of the IRR, except when Section 37.1 of the IRR allows a longer period. Failure to enclose the required Bid Security in the form and amount prescribed herein shall automatically disqualify the bid concerned (**IRR Section 27.1**).

The Bidder shall submit to the Procuring Entity, as part of its Bid, a Bid Securing Declaration (using **Form DPWH-INFR-12**) or any form of Bid Security in an amount equal to a percentage of the ABC in accordance with the following schedule (**IRR Section 27.2**):

**Table 4. Forms and Amounts of Bid Security**

<b>Form</b>	<b>Minimum Amount</b>
(1) Cash or cashier's/manager's check issued by a Universal or Commercial Bank	2% of ABC
(2) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank (Use <b>Form DPWH-INFR-10 or 11</b> )	2% of ABC
(3) Surety bond callable on demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security	5% of ABC

The Bid Security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity.

Without prejudice to the provisions of RA 9184 and its IRR on the forfeiture of Bid Securities, Bid Securities shall be returned only after the bidder with the Lowest Calculated Responsive Bid has signed the contract and furnished the Performance Security, except to those declared by the BAC as failed or post-disqualified in accordance with the IRR, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest.

A Bid Securing Declaration (BSD) is an undertaking which states, among others, that the bidder shall enter into contract with the Procuring Entity and furnish the required Performance Security within ten calendar days, or less, as indicated in the BDs, from receipt of the Notice of Award, and commits to pay the corresponding amount as fine and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the conditions stated therein as required in the guidelines issued by the GPPB. The template for the BSD is shown in **Appendix 24 of the IRR** and is reproduced in **Form DPWH INFR-12**. The BSD must be notarized and dry-sealed.

In no case shall a Bid Security or BSD be returned later than the expiration of the bid validity period indicated in the BDS.

#### **4.11 PREPARATION OF BID DATA SHEET (BDS)**

##### **4.11.1 Purpose of BDS**

The **Bid Data Sheet (BDS)** aims to assist the Procuring Entity in providing the specific information in relation to corresponding clauses in the **ITB**, and has to be prepared for each specific contract to be procured.

##### **4.11.2 Format and Content of BDS**

The Procuring Entity shall use the standard **BDS** template shown in **ANNEX II-1.1E**.

The Procuring Entity should specify in the **BDS** information and requirements specific to the circumstances of the Procuring Entity, the processing of the procurement, the applicable rules regarding Bid price, and the Bid evaluation criteria that will apply to the Bids. In preparing the **BDS**, the following aspects should be checked:

- a. Information that specifies and complements provisions of the **ITB** must be incorporated.
- b. Amendments and/or supplements, if any, to provisions of the **ITB** as required by the circumstances of the specific procurement, must also be incorporated.

The **BDS** shall provide the following information specific to the contract to be procured:

- a. Name of Procuring Entity
- b. Brief description of work, Contract ID and name
- c. ABC and funding source

- d. Date, time, and venue of Pre-Bid Conference
- e. Procuring Entity's address
- f. Minimum work experience requirements of key personnel
- g. Minimum major construction and laboratory equipment requirements
- h. Validity period of bids
- i. Validity period of Bid Security
- j. Address and deadline for receipt of bids
- k. Place, date, and time for opening of bids

#### **4.12 PREPARATION OF GENERAL CONDITIONS OF CONTRACT (GCC)**

##### **4.12.1 Purpose of GCC**

The **General Conditions of Contract (GCC)** aims to provide the standard terms and provisions of the Contract applicable to all contracts in general, without detailed information and data specific to the contract at hand. The **GCC** defines the contractual requirements and obligations of both the Procuring Entity and the Contractor for the contract at hand – e.g., such as the responsibility of the Contractor to undertake and complete the works according to the specifications, drawings, and timetable, and the responsibility of the Procuring Entity to pay the Contractor for works certified as accomplished.

##### **4.12.2 Format and Content of GCC**

The Procuring Entity shall use the standard **GCC** shown in **ANNEX II-1.1F**. This **GCC** shall not be altered. Any changes and complementary information, which may be needed, shall be introduced only through the **Special Conditions of Contract (SCC)**.

The **GCC** contains the following important provisions, among others:

- a. Procuring Entity's obligations
- b. Contractor's obligations
- c. Performance Security
- d. Sub-Contracting
- e. Liquidated damages
- f. Warranty Security

- g. Comprehensive All-Risk Insurance
- h. Termination
- i. Resolution of disputes
- j. Correction of defects
- k. Advance payment
- l. Monthly statements or progress billings
- m. Retention
- n. Suspension of work
- o. Time extension
- p. Acceptance
- q. As-built drawings

#### **4.13 PREPARATION OF SPECIAL CONDITIONS OF CONTRACT (SCC)**

##### **4.13.1 Purpose of SCC**

The **Special Conditions of Contract (SCC)** aims to provide contract-specific information in relation to corresponding clauses in the **GCC**. The **SCC** shall specify contractual requirements linked to the special circumstances of the procuring entity and of works procured.

##### **4.13.2 Format and Content of SCC**

The Procuring Entity shall use the standard **SCC** template given in **ANNEX II-1.1G**.

In preparing the **SCC**, the following aspects should be checked:

- a. Information that complements provisions of the **GCC** must be incorporated.
- b. Amendments and/or supplements to provisions of the **GCC**, as necessitated by the circumstances of the specific contract, must also be incorporated.

No special condition which defeats or negates the general intent of the **GCC**, however, should be incorporated in the **SCC**.

The **SCC** should contain the following important contract-specific provisions:

- a. Intended completion date

- b. Start date
- c. Description of the works
- d. Dates of delivery of site/right-of-way and government materials
- e. Contractor's key personnel
- f. Site investigation reports
- g. Type of structure and warranty period
- h. Amount and schedule of advance payment
- i. Required date of contractor's submission of as-built drawings
- j. Amount to be withheld for failure to submit as-built drawings

#### **4.14 PREPARATION OF SPECIFICATIONS**

##### **4.14.1 Purpose of Specifications**

The **Specifications** for the contract to be procured shall define, in clear and precise terms, the minimum standards and requirements of workmanship, materials, and performance of the infrastructure to be delivered by the Contractor under the contract. Bidders are expected to respond directly, realistically and competitively to the **Specifications** of the Procuring Entity without qualifying or conditioning their Bids.

##### **4.14.2 Content of Specifications**

Based on the DED for the project as discussed in Section 3.5, the Procuring Entity shall prepare the **Specifications** for the contract to be procured, and include it as **ANNEX II-1.1H** in the **BDs**. In crafting the **Specifications**, the following factors should be considered:

- a. The **Specifications** shall reflect, in clear and unambiguous terms, the minimum standards set by the Procuring Entity to meet the functional or performance requirements of the project, e.g., a two-lane bridge with a carriageway width of 7.0 meters and capable of carrying a 20-ton truck. A bidder may submit a superior offer, i.e., with features better than the prescribed Specifications, e.g., a two-lane bridge with a carriageway width of 7.5 meters and capable of carrying a 25-ton truck, but, in the evaluation of bids, no premium or bonus points shall be given as a result of the superior offer.
- b. The **Specifications** should promote the broadest possible competition in procurement, while assuring the structural integrity and performance of the infrastructure to be provided.
- c. As far as possible, the Procuring Entity should specify standards that are accepted internationally or nationally in the infrastructure industry.



- d. For DPWH infrastructure contracts, the DPWH Standard Specifications for Public Works and Highways (“Blue Book”), latest edition, shall be the principal basis for the standards and codes to be met by the goods and materials to be furnished and work performed or tested for the Contract. In particular, Volume II of these Specifications shall be used if the Contract pertains to highways or bridges. Volume III of the Specifications shall be used if the Contract pertains to buildings, flood control and drainage, or water supply. The Procuring Entity shall use the Standard Pay Items in the PCMA in drawing up the Specifications.
- e. Modifications of standards and codes as stated in the DPWH Standard Specifications for Public Works and Highways Volume, if any, shall be included as special provisions of the Specifications for the contract at hand, which should be part of the **BDs**.
- f. The **Specifications** should require that all goods and materials to be incorporated in the Works be new, unused, and of the most recent or current applicable models, and incorporate all recent improvements in design and materials unless provided otherwise in the Contract.
- g. The use of metric units is mandatory.
- h. In drafting the **Specifications**, ensure that they are not restrictive or tailored to specific brands. In specifying standards for goods, materials, and workmanship, recognized international standards should be used as much as possible.

#### **4.15 PREPARATION OF DRAWINGS**

##### **4.15.1 Purpose of Drawings**

The **Drawings or Plans** for the contract aim to provide a graphical presentation of the works to be done, which include engineering plans, supplementary details, shop drawings, calculations, and other information provided and approved by the Procuring Entity for the execution of the contract works to be procured. Together with the Specifications, the Drawings are intended to provide the bidder/contractor and the Procuring Entity a clear and accurate technical description of the works required under the contract.

##### **4.15.2 Content of Drawings**

The Procuring Entity shall prepare the **Drawings** based on the DED for the project as discussed in Section 3.5. It shall include the **Drawings** as **ANNEX II-1.II** of the **BDs**.

The Drawings will vary with the type and nature of the contract works involved. They shall be prepared and presented in accordance with accepted national and international standards and practices for infrastructure contracts. The **Drawings** for the contract to be procured shall indicate, among other things, layouts, plans, profiles, elevations, sections, and perspectives, in sufficient detail and scale as reference for bidding and contract implementation.

#### **4.16 PREPARATION OF BILL OF QUANTITIES (BOQ)**

#### **4.16.1 Purpose of BOQ**

The **BOQ** has the following objectives:

- a. To provide sufficient information on the quantities of works to be performed under the contract at hand so as to enable bidders/contractors to prepare their bids efficiently and accurately.
- b. When a Contract has been entered into, to provide a priced Bill of Quantities for use in the periodic valuation of Works executed.

#### **4.16.2 Format and Content of BOQ**

The Procuring Entity shall prepare the **BOQ** based on the DED as discussed in Section 3.5. The Procuring Entity shall use the standard **BOQ** format shown in **ANNEX IIA-1.1J** of the **BDs**. To achieve the objectives stated in Section 4.16.1, works should be itemized in the **BOQ** in sufficient detail to distinguish between the different classes of works, or between works of the same nature carried out in different locations or in other circumstances which may give rise to different considerations of cost. The Procuring Entity shall adopt the Standard Pay Items provided in the PCMA.

The **BOQ** has two portions:

- a. **BOQ** for each part of the contract (**Form DPWH-INFR-17**).
- b. Bid price summary for all parts of the contract (**Form DPWH-INFR-18**).

In **Form DPWH-INFR-17**, the bidder shall not change the entries under Pay Item No. (Column 1), Pay Item Description (Column 2), Unit (Column 3), and Quantity (Column 4), which are set by the Procuring Entity. For each pay item in the **BOQ**, the bidder shall indicate its unit bid price in words and in figures (PhP) in Column 5, and its total bid price in Column 6.

### **4.17 PREPARATION OF BIDDING FORMS (BFs)**

#### **4.17.1 Purpose of BFs**

The purpose of the **BFs** is to provide templates to be used by the bidder in preparing its bid and as guide in the preparation of the resulting contract with the winning bidder. The **BFs** also provide templates to be used by the Procuring Entity in procurement planning and the actual bidding activities.

#### **4.17.2 Format and Content of BFs**

The complete set of **BFs** – covering those to be used by the bidder and the Procuring Entity, are given in **ANNEX II-B**. These **BFs** are listed in Table 5 which shows the forms to be accomplished by the Procuring Entity and by the bidder.

**Table 5. Bidding Forms**

		TO BE ACCOMPLISHED BY
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FORM NO.	NAME OF FORM	PROCURING ENTITY	BIDDER
	<b>PROCUREMENT PLANNING</b>		
DPWH-INFR-01	Project Procurement Management Plan (PPMP)	X	
DPWH-INFR-02	Annual Procurement Plan (APP)	X	
DPWH-INFR-03	Approved Budget for the Contract (ABC)	X	
	<b>PREPARATION OF BIDDING DOCUMENTS</b>		
DPWH-INFR-04	Invitation to Bid	X	
DPWH-INFR-05	Contractor's Confidential Application Statement for Registration (CCASR)		X
DPWH-INFR-06	Contractor's Registration Certificate (CRC)	X	
DPWH-INFR-07	Contractor's Information (CI)	X	
DPWH-INFR-08	Contract Profile (CP) for Eligibility Processing)	X	
DPWH-INFR-09	Bid Form		X
DPWH-INFR-10	Form of Bid Security: Bank Guarantee		X
DPWH-INFR-11	Form of Bid Security: Irrevocable Letter of Credit		X
DPWH-INFR-12	Form of Bid Securing Declaration (BSD)		X
DPWH-INFR-13	Contractor's Organizational Chart for the Contract		X
DPWH-INFR-14	List of Contractor's Key Personnel to be Assigned to the Contract, with their Qualification and Experience Data		X
DPWH-INFR-15	List of Contractor's Major Equipment Units to be assigned to the Contract, Supported by Certificates of Availability		X
DPWH-INFR-16	Omnibus Sworn Statement Required by IRR Sec. 25.2b)iv)		X
DPWH-INFR-17	Bill of Quantities (BOQ)	X	X
DPWH-INFR-18	Summary of Bid Prices		X
DPWH-INFR-19	Cash Flow By Quarter		X
DPWH-INFR-20	Bidder's Checklist of Requirements for its Bid, including Technical and Financial Proposals		X
	<b>CONDUCT OF PRE-PROCUREMENT CONFERENCE</b>		
DPWH-INFR-21	Agenda of Pre-Procurement Conference	X	
DPWH-INFR-22	Pre-Procurement Conference Notice	X	
DPWH-INFR-23	Outline of Minutes of Pre-Procurement Conference	X	
	<b>CONDUCT OF PRE-BID CONFERENCE</b>		
DPWH-INFR-24	Agenda of Pre-Bid Conference	X	
DPWH-INFR-25	Pre-Bid Conference Notice	X	
DPWH-INFR-26	Outline of Minutes of Pre-Bid Conference	X	
DPWH-INFR-27	Supplemental Bulletins	X	
DPWH-INFR-28	Bid Bulletins	X	
DPWH-INFR-29	Results of Eligibility Check	X	
DPWH-INFR-30	Notice of Ineligibility	X	
	<b>RECEIPT AND OPENING OF BIDS</b>		
DPWH-INFR-31	Preliminary Examination of Technical Proposal vs. Checklist	X	
DPWH-INFR-32	Preliminary Examination of Financial Proposal vs. Checklist	X	
DPWH-INFR-33	Abstract of Bids as Read	X	
DPWH-INFR-34	Outline of Minutes of Opening of Bids	X	
	<b>DETAILED EVALUATION OF BIDS</b>		
DPWH-INFR-35	Abstract of Bids as Calculated	X	
DPWH-INFR-36	Outline of Bid Evaluation Report (BER)	X	
	<b>POST-QUALIFICATION</b>		
DPWH-INFR-37	Post-Qualification Report (PQR)	X	
DPWH-INFR-38	Notice of Post-Qualification (NPQ)	X	
DPWH-INFR-39	Notice of Post-Disqualification (NPD)	X	

FORM NO.	NAME OF FORM	TO BE ACCOMPLISHED BY	
		PROCURING ENTITY	BIDDER
DPWH-INFR-40	BAC Resolution Declaring the Bidder with the LCRB and Recommending Award Thereto	X	
	<b>AWARD OF CONTRACT</b>		
DPWH-INFR-41	Notice of Award (NOA)	X	
DPWH-INFR-42	Notification of Bidding Results	X	
	<b>PERFECTION OF CONTRACT</b>		
DPWH-INFR-43	Performance Security: Irrevocable Letter of Credit		X
DPWH-INFR-44	Performance Security: Bank Guarantee		X
DPWH-INFR-45	Construction Methods		X
DPWH-INFR-46	Construction Schedule in PERT/CPM or Precedence Diagram and Bar Chart with S-Curve and Cash Flow		X
DPWH-INFR-47	Manpower Schedule		X
DPWH-INFR-48	Major Equipment Utilization Schedule		X
DPWH-INFR-49	Construction Safety and Health Program		X
DPWH-INFR-50	Checklist of Contract Documents and Supporting Documents	X	X
DPWH-INFR-51	Form of Contract Agreement	X	X
DPWH-INFR-52	Notice to Proceed (NTP)	X	
DPWH-INFR-53	Evaluation of Bids for Design-Build Project	X	
DPWH-INFR-54	Procurement Performance Report	X	
	Total	25	33

#### 4.18 ACCOUNTABILITY FOR CONTRACT-SPECIFIC BIDs

For each contract to be bid, the IU concerned, with the assistance of the TWG and the BAC Secretariat, shall prepare the particular information and data relevant to that contract, insert these into the **SBDs**, and thus produce the contract-specific **BDs** as stated in Section 4.4 of this Manual Volume II. The BAC Secretariat must complete the proposed **BDs** in time for review by the BAC during the Pre-Procurement Conference (see Section 5.1). After the Conference, the BAC, with the assistance of the BAC Secretariat and the IU concerned, must finalize and approve the **BDs**. The BAC Secretariat shall then post the approved contract-specific **BDs** in the DPWH website and prepare hard copies thereof for issuance to interested bidders.

#### 4.19 SPECIFIC ACTIVITIES FOR PREPARATION OF BIDs

**Table 6. Activities in the Preparation of Contract-Specific BIDs**

Activity	Responsible Performer	Time Frame	Rules
1. Prepare the information specific to the contract to be bid and insert this into the <b>SBDs</b> template	IU with TWG and BAC-Sec	2 cd	Use <b>SBDs</b> posted at DPWH website
a. <b>Invitation to Bid (IB)</b> <ul style="list-style-type: none"> <li>• Contract ID, name, location, brief description and major work items</li> <li>• ABC and source of funds</li> <li>• Contract duration</li> <li>• Deadline/time/place for issuance of <b>BDs</b>, receipt and opening of bids</li> </ul>			Sec. 4.7 of Manual Vol. II and <b>ANNEX II-1.1A</b> of <b>SBDs</b>

Activity	Responsible Performer	Time Frame	Rules
<b>b. <u>Eligibility Requirements (ER)</u></b> <ul style="list-style-type: none"> <li>• Use Standard ER</li> <li>• Prepare Contract Profile (CP) and enter into CWR</li> </ul>			Sec. 4.8 of Manual Vol. II and <b>ANNEX II-1.1B of SBDs</b> Use <b>Form DPWH-INFRA-08</b> for CP
<b>c. <u>Eligibility Data Sheet (EDS)</u></b> <ul style="list-style-type: none"> <li>• Required Contractor’s License</li> <li>• Required Work Experience</li> <li>• Required NFCC</li> </ul>			Sec. 4.9 of Manual Vol. II and <b>ANNEX II-1.1C of SBDs</b>
<b>d. <u>Instructions to Bidders (ITB)</u></b> <ul style="list-style-type: none"> <li>• Use Standard ITB</li> </ul>			Sec. 4.10 of Manual Vol. II and <b>ANNEX II-1.1D of SBDs</b>
<b>e. <u>Bid Data Sheet (BDS)</u></b> <ol style="list-style-type: none"> <li>i. Contract ID &amp; name           <ul style="list-style-type: none"> <li>• Funding source</li> <li>• Date and place of Pre-Bid Conf.</li> <li>• ABC</li> <li>• Min. personnel experience requirements</li> <li>• Min. equipment requirements.</li> <li>• Bid validity period</li> <li>• Bid Security validity period</li> <li>• Deadline and place for receipt of bids</li> <li>• Date, time and place of opening of bids</li> </ul> </li> </ol>			Sec. 4.11 of Manual Vol. II and <b>ANNEX II-1.1E of SBDs</b>
<b>f. <u>General Conditions of Contract (GCC)</u></b> <ul style="list-style-type: none"> <li>• Use Standard GCC</li> </ul>			Sec. 4.12 of Manual Vol. II and <b>ANNEX II-1.1F of SBDs</b>
<b>g. <u>Special Conditions of Contract (SCC)</u></b> <ul style="list-style-type: none"> <li>• Intended completion date</li> <li>• Procuring Entity</li> <li>• Procuring Entity’s Representative</li> <li>• Site of Works</li> <li>• Start date of Works</li> <li>• Description of Works</li> <li>• Date of site delivery</li> <li>• Date of delivery of govt. materials</li> <li>• Key Personnel</li> <li>• Site investigation reports</li> <li>• Warranty period</li> <li>• Deadline for Progress Reports vs PERT/CPM</li> <li>• Deadline for “As-Built” Drawings</li> </ul>			Sec. 4.13 of Manual Vol. II and <b>ANNEX II-1.1G of SBDs</b>

Activity	Responsible Performer	Time Frame	Rules
h. <b><u>Specifications</u></b>			Sec. 4.14 of Manual Vol. II and <b>ANNEX II-1.1H</b> of <b>SBDs</b> , based on DED. Use DPWH Standard Specs (Blue book). Attach Supplemental Specs
i. <b><u>Drawings</u></b>			Sec. 4.15 of Manual Vol. II and <b>ANNEX II-1.1I</b> of <b>SBDs</b> , based on DED. Attach approved Drawings
j. <b><u>Bill of Quantities</u></b> <ul style="list-style-type: none"> <li>• Pay Item No.</li> <li>• Description of Item</li> <li>• Units</li> <li>• Quantities</li> </ul>			Sec. 4.16 of Manual Vol. II and <b>ANNEX II-1.1J</b> of <b>SBDs</b> .
k. <b><u>Bidding Forms</u></b> <ul style="list-style-type: none"> <li>• Qualifications of key personnel (minimum requirements)</li> <li>• List of major equipment (minimum requirements)</li> </ul>			Sec. 4.17 of Manual Vol. II and <b>ANNEX IIA-1.1K</b> of <b>SBDs</b>
2. Review through Pre-Procurement Conference and approve <b>BDs</b>	BAC with BAC Sec	3 cd	Sec. 4.18 of Manual <b>Vol. II.</b>
3. Post <b>BDs</b> at DPWH website and issue hard copies to prospective bidders.	BAC Sec	1 cd	
<b>Total</b>		<b>5 cd</b>	

## **SECTION 5**

### **PROCUREMENT ACTIVITIES**

#### **5.1 CONDUCT OF PRE-PROCUREMENT CONFERENCE**

##### **5.1.1 Legal Reference**

**IRR Section 20** specifies the rules and guidelines in relation to the conduct of a Pre-Procurement Conference (PPC).

### 5.1.2 Purpose of PPC

The PPC is the forum where all DPWH officials involved in the procurement of a contract shall meet and discuss all aspects of the transaction and check whether the contract is ready for procurement in terms of the legal, technical and financial requirements. The PPC shall confirm the scope of work under the proposed contract, ensure that the procurement is consistent with the PPMP and the APP, check the budget for the contract, and review and approve the Bidding Documents, making sure that they are complete and comply with the set standards and rules. The PPC will also review the criteria for eligibility screening, bid evaluation, post-qualification, and award, and agree on the mode and schedule of procurement.

For every infrastructure contract involving an ABC amounting to more than PhP5 Million, the BAC must conduct a PPC. Even when the contract has an ABC of PhP5 million or less, the BAC is encouraged to conduct a PPC if the circumstances, like the complexity of the technical specifications, warrant holding such a conference before the Procuring Entity proceeds with the procurement.

### 5.1.3 Time Frame for PPC

The BAC must conduct the PPC at least seven (7) calendar days before the advertisement or posting of the **IB**. This will give the technical staff sufficient time to incorporate the necessary changes in the contract-specific **BDs** that may arise from the PPC. In no case shall the advertisement or posting of the **IB** be made unless all such changes in the **BDs** have been made.

### 5.1.4 Participants in PPC

The participants in the Pre-Procurement Conference shall include the following:

- a. Members of the BAC.
- b. BAC Secretariat.
- c. Representatives of the IU.
- d. Members of the TWG, consultants, and officials who prepared, reviewed, or approved the **BDs** or parts thereof.
- e. Other officials concerned, as may be required.

The BAC Chairman shall preside over the PPC.

### 5.1.5 Agenda for PPC

In conducting the PPC, the BAC Chairman shall generally follow the agenda shown in **Form DPWH-INFR-21**. Thus, the PPC should cover the following items for the contract to be procured (**IRR Section 20**):

- a. Confirm the description and scope of the contract, ABC, and contract duration.



- b. Confirm the Contract Profile (CP) prepared by the IU, with the assistance of the BAC Secretariat, using **Form DPWH-INFR-08**. The CP will give the basic contract data, including the ABC, works similar to those of the contract to be bid, and contract duration
- c. Ensure that the procurement for the contract is in accordance with the PPMP and APP.
- d. Confirm the state of readiness of the contract for procurement by checking the following, among other things:
  - (1) Completion of the DED, including the EIS, according to the prescribed standards.
  - (2) Completeness of the contract-specific **BDs**, including the **IB, ER, ITB, BDS, GCC, SCC, Specifications, Drawings, BOQ, and SBFs**, and their adherence to relevant procurement guidelines.
  - (3) Availability of appropriations and programmed budget for the contract; for the purpose of the PPC, pending the approval or enactment of the GAA, the Certification of Availability of Funds refers to the amount in the Indicative APP consistent with the NEP or MYOA; once the GAA is approved, appropriations refer to the amount authorized in the GAA (**IRR Section 20.1c-i**).
  - (4) Right-of-Way Acquisition Plan (LAPRAP), indicating, among other things, the requirement for a Writ of Possession or Permit-to Enter as a condition before contract award.
- e. Review, modify and agree on the criteria for eligibility check/screening, preliminary examination and detailed evaluation of bids, post-qualification, and award, and ensure that these criteria are fair, reasonable, and of the non-discretionary “pass/fail” type.
- f. Review and adopt the procurement schedule, including the deadline or timing for the Invitation, issuance of **BDs**, receipt and opening of bids, evaluation of bids, post-qualification, award, contract processing and approval, and Notice to Proceed;
- g. Finalize and approve the **IB**.
- h. Discuss other important matters, such as emphasizing the “no contact rule” during the bid evaluation process, and applicable sanctions and penalties for violations of the procurement rules.

Upon the confirmation/modification by the BAC of the abovementioned documents and matters discussed in the PPC, the BAC Secretariat shall finalize the contract-specific **BDs** and procurement schedule. The BAC Secretariat shall also enter into the CWR the CP for the contract being procured.

### 5.1.6 Specific Activities for PPC

**Table 7. Activities in the Conduct of PPC**

Activity	Responsible Performer	Time Frame	Rules
1. Prepare agenda for the Pre-	BAC Sec	1 cd	Use <b>Form DPWH-INFR-21</b> .

Activity	Responsible Performer	Time Frame	Rules
Procurement Conference (PPC)			Include the following items in the agenda: (1) Basic Contract data – including contract ID, name, location, description, ABC, and contract duration (2) Consistency of contract procurement with PMP and APP (3) Readiness of the contract for procurement <ul style="list-style-type: none"> <li>• Detailed engineering</li> <li>• <b>BDs</b></li> <li>• Inclusion of contract in DPWH budget</li> <li>• LAPRAP</li> </ul> (4) Criteria for eligibility check, bids evaluation, post-qualification, award (5) Deadlines, times and places for <b>IB</b> , issuance of <b>BDs</b> , Pre-Bid Conference, receipt and opening of bids, bids evaluation, etc. (6) Approval of <b>IB</b> (7) Other matters
2. Issue Notice for PPC	BAC Chair	½ cd	Use <b>Form DPWH-INFR-22</b> for Notice. Invite BAC members, Secretariat, IU, TWG members, others concerned.
3. Conduct PPC	BAC Chair w/ith BAC-Sec to record proceedings	1 cd	Be guided by the agenda. Use audio/video facilities and notes to record proceedings.
4. Prepare Minutes of PPC	BAC-Sec	1 cd	Use <b>Form DPWH-INFR-23</b> .
5. Approve Minutes	BAC	1cd	
6. Distribute Minutes	BAC-Sec	½ cd	To all PPC participants
<b>Total</b>		<b>5 cd</b>	

## 5.2 COMPETITIVE BIDDING

### 5.2.1 Scope of Competitive Bidding

Competitive or Public Bidding is a method of procurement that is open to any interested and qualified party. It is preferred to other methods of procurement. A Procuring Entity should,

therefore, see to it that its procurement program allows enough time to conduct such Public Bidding (**IRR Section 10**).

Competitive Bidding consists of the following processes (**IRR Section 5 h**):

- a. Advertisement/posting of Invitation to Bid (**IB**)
- b. Issuance of Bidding Documents (**BDs**)
- c. Conduct of Pre-Bid Conference (**PBC**)
- d. Receipt of Bids
- e. Conduct of Eligibility Check
- f. Opening and Preliminary Examination of Bids
- g. Detailed Evaluation of Bids
- h. Post-Qualification
- i. Award of Contract
- j. Contract Signing and Approval
- k. Notice to Proceed

### 5.2.2 Timeline for Competitive Bidding

The procurement process through competitive bidding, from the opening of bids up to the award of contract, shall not exceed three (3) months, or a shorter period to be determined by the DPWH Procuring Entity concerned (**IRR Section 38**).

For a typical infrastructure contract, the Procuring Entity and the bidders shall be guided by the schedule of procurement activities shown in **Table 7**, which shows the earliest and latest allowable times for each activity, from advertisement up to Notice to Proceed.

From this schedule, it can be seen that the entire procurement process should be completed in 23 days at the earliest, and 176 days at the latest.

**Table 8. Schedule of Procurement Activities for a Typical Infrastructure Contract**

ACTIVITY	EARLIEST DAY	LATEST DAY
1.a. Advertise Invitation to Bid ( <b>IB</b> ) in newspaper	<b>1</b>	<b>1</b>
b. Post IB at DPWH website, PhilGEPS website, ODA website for 7 days	<b>1</b> : same as 1.a	<b>a*: 57</b> <b>b*: 72</b>
(2.a. Receive Contractor's Confidential Application Statements for Registration (CCASRs))	Even before 1.a	<b>a: 57</b> <b>b: 72</b>

<b>ACTIVITY</b>	<b>EARLIEST DAY</b>	<b>LATEST DAY</b>
(b. Process CCASR and issue Certificate of Registration (CRC))	Even before 1.a	<b>a: 57</b> <b>b: 72</b>
3.a. Post Bidding Documents at DPWH and PhilGEPS websites	<b>1:</b> same as 1.a.	<b>a: 57</b> <b>b: 72</b>
b. Issue Bidding Documents	<b>1:</b> same as 1.a	<b>a: 57</b> <b>b: 72</b>
4.a. Hold Pre-Bid Conference (PBC)	<b>8:</b> 7 days after 3.b	<b>a: 45:</b> 12 days before 5.a <b>b: 60:</b> 12 days before 5.a
b. Issue minutes of PBC	<b>8:</b> same as 4.a	<b>a: 50:</b> 5 days after 4.a <b>b: 65:</b> 5 days after 4.a
c. Issue Bid Bulletins	<b>9:</b> 1 day after 4.b	<b>a: 50:</b> 7 days before 5.a <b>b: 65:</b> 7 days before 5.a
5.a. Receive Bids (Technical and Financial Proposals)	<b>20:</b> 12 days after PBC	<b>a: 57:</b> 50 days after 1.b <b>b: 72:</b> 50days after 1.b
b. Conduct Eligibility Check of Bidders	<b>20:</b> same as 5.a	<b>a: 57</b> <b>b: 72</b>
c. Open Bids (Tech. and Fin. Proposals) and Conduct Preliminary Examination	<b>20:</b> same as 5.a	<b>a: 57</b> <b>b: 72</b>
6. Conduct Detailed Evaluation of Bids and determine Lowest Calculated Bid	<b>20:</b> same as 5.a	<b>a: 64:</b> 7 days after 5.c <b>b: 79:</b> 7 days after 5.c
7. Conduct Post-Qualification and determine Lowest Calculated Responsive Bid (LCRB)	<b>21:</b> 1 day after 6	<b>a: 109:</b> 45 days after 6 <b>b: 124:</b> 45 days after 6
8.a. Draft BAC Resolution of Award	<b>21:</b> same as 7	<b>a: 109:</b> same as 7 <b>b: 124:</b> same as 7
b. Obtain approval of Resolution and issue Notice of Award (NOA)	<b>22:</b> 1 day after 8.a.	<b>a: 124:</b> 15 days after 8.a <b>b: 139:</b> 15 days after 8.a
c. Post bidding results at website, and have LCRB Bidder receive NOA	<b>22:</b> same as 8.b	<b>a: 124:</b> same as 8.b <b>b: 139:</b> same as 8.b
9.a. Obtain LCRB Bidder's signed "conforme" on NOA, Performance Security, and other contract requirements from the Bidder with LCRB	<b>22:</b> same as 8.b	<b>a: 134:</b> 10 days after 8.c <b>b: 149:</b> 10 days after 8.c
b. Finalize Contract Documents	<b>22:</b> same as 9.a	<b>a: 134:</b> same as 9.a <b>b: 149:</b> same as 9.a
c. Obtain LCRB's Bidder and Procuring Entity official's signatures on Contract	<b>22:</b> same as 9.a	<b>a: 134:</b> same as 9.a <b>b: 149:</b> same as 9.a
d. Obtain further Contract approval, if necessary	<b>22:</b> same as 9.c	<b>a: 154:</b> 20 days after 9.c <b>b: 169:</b> 20 days after 9.c
e. Issue Notice to Proceed	<b>23:</b> 1 day after 9.d	<b>a: 161:</b> 7 days after 9.d <b>b: 176:</b> 7 days after 9.d.
<b>Total Number of Days</b>	<b>23 cd</b>	<b>a:161 cd, b: 176 cd</b>

\*a: Applies to Contracts with ABC of PhP50 million and below

\*b: Applies to Contracts with ABC above PhP50 million

### **5.3 ADVERTISEMENT AND POSTING OF INVITATION TO BID (IB)**

### 5.3.1 Legal Reference

**IRR Section 21** specifies the rules in relation to the advertising and posting of the **Invitation to Bid (IB)**.

### 5.3.2 Document to be Advertised and Posted

The **IB** prepared in Section 4.7 of this Manual shall be finalized and signed by the BAC Chairman for advertisement and posting

### 5.3.3 Time and Place for Advertising and Posting IB

- a. Except as otherwise provided in Section 5.3.3-b of this Volume II of the Manual, the BAC, through its Secretariat, must undertake the following (**IRR Section 21.2**):
  - (1) Advertise the **IB** at least once in one (1) newspaper of general nationwide circulation as prescribed by the DPWH, which has been regularly published for at least two (2) years before the date of issue of the advertisement;
  - (2) Post the **IB** on the website of the DPWH continuously, starting on the date of advertisement of the **IB** until the deadline for submission and receipt of bids; and on the website of the PhilGEPS and, if applicable, the website prescribed by the concerned foreign government/foreign or international financing institution or IFI (e.g., United Nations Development Business (UNDB), dgMarket), continuously for seven (7) calendar days starting on the date of advertisement of the **IB**.
  - (3) Together with the **IB**, post the other parts of the **BDs** for the contract on the three websites mentioned over the same respective periods (**IRR Sections 17.3 and 17.4**).
  - (3) Post the **IB** at any conspicuous place reserved for this purpose in the premises of the Procuring Entity concerned, as certified by the Head of the BAC Secretariat of the Procuring Entity, for seven (7) calendar days starting on the date of advertisement of the **IB**.
- b. Advertisement of the **IB** in a newspaper of general nationwide circulation provided in Section 5.3.3-a(1) of this Manual Volume II shall not be required for contracts to be bid with an ABC of PhP 15 million and below for the procurement of infrastructure projects.
- c. Two (2) years after the effectivity of the Revised RA 9184-IRR approved in 2016, advertisement in a newspaper of general nationwide circulation shall no longer be required. However, a Procuring Entity that cannot post its opportunities in the PhilGEPS for justifiable reasons shall continue to publish its advertisements in a newspaper of general circulation (**IRR Section 21.2.1**).

### 5.3.4 Procedure for IB using Electronic Bidding

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Procuring Entity shall observe the following procedure with regard to the **IB**:

- a. The Procuring Entity, through its Bid Notice Creator (as defined in the Glossary of Terms in Manual Volume I), shall create an electronic **IB** in accordance with the contents provided under Section 21.1 of the IRR of RA 9184 (as discussed in Section 4.7 of this Manual Volume II) to provide prospective bidders sufficient information for the contract to be bid (“Bid Notices”) using the electronic bid facility under PhilGEPS. Only Bid Notices that have been verified and approved by the Bid Notice Approver shall be posted in the PhilGEPS Electronic Bulletin Board.
- b. The Procuring Entity shall upload a complete set of the **BDs**, in PDF format, in the PhilGEPS website which will be available from the time the Bid Notice is posted, and which PDF version can be downloaded free of charge by Registered Merchants until the deadline for the submission and receipt of bids.
- c. Registered Merchants who have set their bid-match profiles shall automatically be notified through electronic mail (e-mail) and/or through the Registered Merchant’s respective PhilGEPS “Pending Task” page of posted Bid Notices.
- d. Only Registered Merchants who pay the **BDs** Fee through the Bid GPPB Payment Modality shall be allowed to download complete **BDs** and bid response forms.

### 5.3.5 Specific Activities in Advertisement and Posting of IB

**Table 9. Activities in the Advertisement and Posting of ITB**

Activity	Responsible Performer	Time Frame	Rules
1. Sign the <b>IB</b> .	BAC Chair	1 cd	
2. If ABC is more than P5M, send <b>IB</b> to newspaper for advertisement.	BAC Secretariat	1 cd	Advertise at least once in DPWH designated news-paper of nationwide circulation for at least 2 yrs.
3. Post <b>IB</b> in the websites of DPWH, PhilGEPS, and IFI.	BAC Secretariat	½ cd	Post continuously on DPWH website from date of advt until deadline for bids submission, and on PhilGEPS and IFI websites from date of advt for 7 cd.
5. Post <b>IB</b> in conspicuous place in the premises of Procuring Entity	-do-	1 cd	Post for 7 days starting on the date of advertisement.
<b>Total</b>		<b>3½ cd</b>	

## 5.4 ISSUANCE OF CONTRACT-SPECIFIC BDs

### 5.4.1 Legal Reference

IRR Sections 17 and 21 provide the rules in relation to the issuance of the Contract-Specific Bidding Documents (**BDs**).

### 5.4.2 Availability of Contract-Specific BDs

Prospective bidders may obtain hard copies of the Contract-Specific **BDs** from the BAC Secretariat, upon payment of the fee therefor, from the first day of advertisement of the **IB** until the deadline for receipt of bids.

Prospective bidders, as well as other interested parties, may also download the **BDs** from the websites of the DPWH and the PhilGEPS.

### 5.4.3 Fee for Contract-Specific BDs

The BAC shall require prospective bidders that obtain the **BDs** to pay a non-refundable fee at the following standard rates (**IRR Appendix 25**):

**Table 10. Schedule of Fees for BDs**

<b>ABC in PhP</b>	<b>Max. Fee for BDs in PhP</b>
500,000 and below	500
More than 500,000 up to 1 M	1,000
More than 1 M up to 5 M	5,000
More than 5M up to 10 M	10,000
More than 10M up to 50M	25,000
More than 50M up to 500M	50,000
More than 500M	75,000

Bidders shall pay the BAC the fee upon securing hard copies of the **BDs**. Bidders that download the **BDs** from the DPWH website shall pay the fee upon submission of their bids (**IRR Section 17.4**).

### 5.4.4 Responsibilities of Prospective Bidder on Contract-Specific BDs

A prospective bidder must be responsible for (**IRR Section 25.2b)iv)(6)** as referred to in **ITB Section 6.1**):

- a. having taken steps to carefully examine all of the Contract-Specific **BDs**;
- b. having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
- c. having made an estimate of the facilities available and needed for the contract to be bid, if any;
- d. having complied with its responsibility under **IRR Section 22.5.3**, to inquire and secure Supplemental/Bid Bulletins (Addenda) that may be issued by the BAC.
- e. ensuring that it is not “blacklisted” or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;

- f. ensuring that 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;
- g. authorizing the HoPE or its duly authorized representative/s to verify all the documents submitted;
- h. ensuring that the signatory is the duly authorized representative of the bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
- i. complying with the disclosure provision under Section 47 of RA 9184 in relation to other provisions of RA 3019;
- j. complying with existing labor laws and standards, if applicable;
- k. ensuring that it 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; and
- l. being familiar with all existing Philippine laws, ordinances, and regulations that may affect the contract in any way.

#### **5.4.5 Specific Activities in Issuance of Contract-Specific BDs**

**Table 11. Activities in Issuance of BDs**

<b>Activity</b>	<b>Responsible Performer</b>	<b>Time Frame</b>	<b>Rules</b>
1. Post <b>BDs</b> at DPWH website for info of, and downloading by, prospective bidders and other parties.	Central BAC with IMS	From 1 <sup>st</sup> day of IB advt/posting up to deadline for bids receipt (Day 20-66).	Bidders that downloaded <b>BDs</b> from DPWH website shall pay the fee for <b>BDs</b> when they submit bids.
2. Issue hard copies of <b>BDs</b> to prospective bidders upon payment of fees and issue Official Receipt.	BAC-Secretariat	-do-	
3. Record all prospective bidders that purchased and paid for <b>BDs</b>	BAC-Secretariat	-do-	
<b>Total</b>		<b>20-66 cd</b>	

#### **5.5 PRE-BID CONFERENCE (PBC) AND ISSUANCE OF BID BULLETINS**



### 5.5.1 Legal Reference

**IRR Section 22** specifies the rules in relation to the conduct of a Pre-Bid Conference (PBC).

### 5.5.2 Purpose and Agenda of PBC

A PBC is the initial forum where the representatives of the DPWH Procuring Entity and the prospective bidders shall discuss, clarify and explain the different aspects of the procurement at hand. These include, among other things, the eligibility requirements and technical and financial components of the contract to be bid, including questions and clarifications raised by prospective bidders before and during the PBC (**IRR Section 22.3**). Any statement made at the PBC, however, should not modify the terms of the **BDs**, unless such statement is specifically identified in writing as an amendment of the **BDs** and issued as a Bid Bulletin or Addendum (**IRR Sec. 22.4**).

The agenda of the PBC shall be based on **Form DPWH-INFR-24** and include a discussion of the following items:

- a. Basic contract data.
- b. Requirements of the **BDs**.
- c. Documents to be submitted by the bidder, including Technical and Financial Proposals.
- d. Criteria and procedures for the preliminary examination of bids, detailed evaluation of bids, post-qualification, and award.
- e. Questions/Comments from Bidders and Replies of BAC and other Representatives of Procuring Entity.
- f. Other matters.
- g. Summary of proceedings, including Bid Bulletins (Addenda) to be issued.

It is important that responsible and knowledgeable officials attend the conference. The persons who actually formulated the scope of work, drawings/plans and specifications for the project shall be present among those representing the Procuring Entity.

The PBC is open to prospective bidders, but attendance is not mandatory (**IRR Section 22.3**). Prospective bidders should be encouraged to send representatives who are legally and technically knowledgeable about the requirements of the procurement at hand. It is also important that the prospective bidders are given ample time to review the **BDs** before the PBC.

### 5.5.3 Conditions for Holding PBC

For every contract with an ABC of at least PhP1 million, the BAC must hold at least one PBC to clarify and/or explain any of its requirements, terms, conditions, and specifications stipulated in the **BDs**. For a contract with an ABC of less than PhP1 million, a PBC may be conducted at the

discretion of the BAC. Subject to the approval of the BAC, a PBC may also be conducted upon the written request of any prospective bidder (**IRR Section 22.1**).

The PBC must be held at least twelve (12) calendar days before the deadline for the receipt of bids, but not earlier than seven (7) calendar days from the posting of the **IB** and **BDs**. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the PBC shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids (**IRR Section 22.2**).

#### **5.5.4 Conduct of Participants in PBC**

The BAC, BAC Secretariat, TWG, and other officials involved in procurement are expected to act in an impartial, courteous and professional manner in all their dealings and interactions with the prospective bidders during all stages of the procurement. The representatives of the bidder are likewise enjoined to adopt the same professional manner in their dealings with the officials of the Procuring Entity. Communications between the parties must, as much as possible, be made in writing, except during the PBC when verbal clarifications may be allowed, keeping in mind, however, that any statement made at the PBC would not modify the terms of the **BDs**, unless it is specifically written as an amendment of the **BDs** and issued as a Bid Bulletin.

#### **5.5.5 Minutes of PBC, Clarification of BDs and Bid Bulletins**

As required in **IRR Section 22.4**, the BAC Secretariat shall record and prepare the minutes of the PBC not later than five (5) calendar days after the PBC. Not later than five (5) days after a written request, the BAC Secretariat shall make the minutes available to prospective bidders. The BAC Secretariat shall also post the BAC minutes on the DPWH website.

The BAC may issue a Supplemental Bulletin to amend provisions of the Bidding Documents (**BDs**), using **Form DPWH-INFRA-27**, at least seven (7) calendar days before the deadline for the receipt of bids (**IRR Section 22.5.1**).

The BAC may also issue, using **Form DPWH-INFRA-28**, a Bid Bulletin to clarify any provision of the BDs in response to a request or query from prospective bidders, provided that this request or query is in writing, and is submitted to the BAC at least ten (10) calendar days before the deadline for the receipt of bids (**IRR Section 22.5.1**). The BAC may, at its own initiative, also issue a Bid Bulletin to clarify any provision of the **BDs**. In all cases, the Bid Bulletin shall be issued at least seven (7) calendar days before the deadline for the receipt of bids. (**IRR Section 22.5.2**).

The BAC shall, through its BAC Secretariat, post the Bid Bulletins on the websites of the DPWH and the PhilGEPS and at any conspicuous place within the same timetable.

Nonetheless, it shall be the responsibility of prospective bidders to ask for, and secure, these bulletins.

A Supplemental/Bid Bulletin must contain a brief but comprehensive and accurate summary of the issue that the BAC wishes to address. If a prospective bidder raises the issue addressed by the Bulletin, then the Bulletin ought to contain a summary of the request of that bidder for clarification or interpretation, without identifying the bidder.

Bidders that have submitted bids before a Supplemental/Bid Bulletin is issued must be informed in writing by the BAC of the Bulletin and allowed to modify or withdraw their respective bids (**IRR Section 22.5.3**).

### **5.5.6 Procedure for PBC under Electronic Bidding**

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Procuring Entity shall observe following procedure with regard to the **PBC**:

- a. For contracts to be bid where the conduct of PBC is required under Section 22 of RA 9184-IRR (Section 5.5.3 of this Manual Volume II), the same procedure governing the manual method will also apply.
- b. A Procuring Entity with capabilities in videoconferencing, webcasting, or similar technology, may conduct its PBC conferences electronically, provided that its Registered Merchants shall also have similar capabilities and facilities (**IRR Section 22.3**).
- c. During the conduct of the PBC, Registered Merchants may send requests for clarification through the PhilGEPS online facility, which shall be read during the meeting and shall form part of the minutes, unless the Procuring Entity has previously decided that only those who have purchased the Bidding Documents shall be allowed to participate in the PBC and raise or submit written queries or clarifications.
- d. The minutes of the PBC shall be recorded as an electronic document made electronically available to all participating Registered Merchants through the PhilGEPS Electronic Bulletin Board not later than three (3) calendar days after the PBC.
- e. Requests for clarification(s) on any part of the **BDs** or for an interpretation must be in writing and submitted to the BAC of the Procuring Entity, either electronically through the PhilGEPS or otherwise, at least ten (10) calendar days before the deadline set for the submission and receipt of bids.
- f. Only Bid Bulletins/Supplements approved by the Bid Notice Approver shall be posted in the PhilGEPS at least seven (7) calendar days before the deadline for the submission and receipt of bids. The PhilGEPS shall automatically notify through e-mail all Registered Merchants who have downloaded the bidding documents and paid the **BDs** Fee.

### **5.5.7 Specific Activities for PBC and Bid Bulletins**

**Table 12. Activities for PBC and Bid Bulletins**

<b>Activity</b>	<b>Responsible Performer</b>	<b>Time Frame</b>	<b>Rules</b>
1. Prepare the agenda for the Pre-Bid Conference (PBC)	BAC-Sec	1 cd	1. Use <b>Form DPWH-INFR-24</b> .

Activity	Responsible Performer	Time Frame	Rules
2. Issue Notices for the PBC, with the agenda, to the participants	BAC-Sec	1 cd ≥ 3 cd before PBC	2. Use <b>Form DPWH-INFR-25</b> . Send Notices to the following who must attend the PBC: a. BAC Members b. BAC Secretariat c. TWG Members, Consultant d. IU  Send Notices to the following, whose attendance is not mandatory: a. Prospective bidders b. Observers
3. Conduct the PBC	BAC assisted by BAC-Sec with bidders	1 cd ≥ 12 cd before deadline for bids receipt	Follow the agenda. The BAC Chairman may call on any concerned officials – BAC, TWG, IU, and Sec, to explain/clarify items in the agenda and respond to queries/ comments from bidders. The BAC-Sec shall record the proceedings by audio facilities and manually.
4. Prepare the Minutes of the PBC	BAC-Sec	< 3 cd after PBC	Use <b>Form DPWH-INFR-26</b> .
5. Receive written requests for clarification before/after the PBC from prospective bidders	BAC-Sec	≤ 10 cd before deadline for bids receipt	
6. Prepare Bid Bulletins, if any, (a) based on the PBC, or (b) in response to written request for clarification from a bidder, or (c) at the initiative of the BAC	BAC-TWG with IU and BAC-Secretariat	≤ 2 cd after PBC & ≤ 7 cd before deadline for bids receipt	Issued (a) in accordance with PBC discussions, (b) in response to written requests for clarification, and (c) at the initiative of the BAC – to clarify or modify any provision of the <b>BDs</b> . Use <b>Form DPWH-INFR-27</b>
7. Approve Bid Bulletins	BAC	<7 cd before deadline for bids receipt	
8. Sign the Minutes of PBC	BAC Chairman	≤ 3 cd after PBC and <7 cd before deadline for bids receipt	
9. Issue signed Minutes of PBC and Bid Bulletins	BAC-Secretariat	≤3 cd after signing	Send to all eligible bidders and PBC participants

Activity	Responsible Performer	Time Frame	Rules
10. Post Bid Bulletins on websites of DPWH and PhilGEPS	BAC-Sec upon request	1 cd after signing	
<b>Total</b>		<b>13 cd</b>	

## **5.6 RECEIPT OF BIDS, ELIGIBILITY CHECK, AND OPENING AND PRELIMINARY EXAMINATION OF BIDS**

### **5.6.1 Legal Reference**

**IRR Section 23** sets the rules pertaining to eligibility check, **Section 25** defines the rules for submission and receipt of bids, and **Sections 29 to 31** prescribe the rules for opening and preliminary examination of bids.

### **5.6.2 Receipt of Bids**

The Bidders should prepare their bids strictly in accordance with the requirements of the **ITB** and **BDS** as discussed in Sections 4.10 and 4.11 and **ANNEXES II-1.1D and IA-1.1E** of this Manual Volume II. These include the prescribed contents and forms of the Technical and Financial Proposals comprising each bid (**Form DPWH-INFR-09**), which are recapitulated below:

- a. Technical Proposal – This shall include the following:
  - (1) PhilGEPS Certificate of Registration and Membership in accordance with **Section 8.5.2 of the IRR**.
  - (2) If the bidder is not previously enrolled in the CWR: the bidder’s Class “A” and Class “B” Documents, together with the CCASR, in accordance with Section 4.8.2 of this Manual Volume II. These Documents should include, among others, the following information required in **IRR Section 25.2b**:
    - (a) PCAB License and Registration
    - (b) Statement of all On-going Government and Private Contracts
    - (c) SLCC
    - (d) NFCC
    - (e) JVA, if applicable
  - (3) Bid Security in the prescribed form, amount and validity period (**Form DPWH-INFR-10, DPWH-INFR 11, or DPWH-INFR-12**).
  - (4) Project Requirements, which shall include the following:

- (a) Contractor's organizational chart for the contract to be bid (**Form DPWH-INFR-13**).
  - (b) List of contractor's key personnel – e.g., Project Manager, Project Engineers, Materials Engineers, Construction Safety Officer, and Foremen - to be assigned to the contract, with their complete qualification and experience data (**Form DPWH-INFR-14**).
  - (c) List of contractor's major construction and laboratory equipment units to be used for the contract – which are owned, leased, and/or under purchase agreements, supported by certification of availability of the equipment from the equipment lessor/vendor for the duration of the project (**Form DPWH-INFR-15**).
- (4) Omnibus sworn statement by the prospective bidder or its duly authorized representative as to the following, using **Form DPWH-INFR-16 (IRR Section 25.3)**:
- (a) It is not “blacklisted” or barred from bidding by the government or any of its agencies, offices, corporations, or local government units (LGUs), including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB.
  - (b) 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.
  - (c) It is authorizing the HoPE or his duly authorized representative(s) to verify all the documents submitted.
  - (d) The signatory is the duly authorized representative of the prospective bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the prospective bidder in the viding, with the duly notarized Secretary's Certificate attesting to such fact, if the prospective bidder is a corporation, or duly notarized Special Power of Attorney in case of sole proprietorship, partnership or joint venture.
  - (e) It complies with the disclosure provision under Section 47 of RA 9184 in relation to the provisions of RA 3019.
  - (f) It complies with the responsibilities of a bidder provided in the **BDs**.
  - (g) It complies with existing labor laws and standards.
  - (h) It did not give or pay any, 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 or activity.

i. Financial Proposal

- (1) Bid Form indicating the Total Bid Price, using **Form DPWH INFR-09**.

- (2) Bid prices in the **Bill of Quantities (BOQ) (Forms DPWH-INFR-16 and DPWH-INFR-18)**.
- (3) Detailed estimates.
- (4) Cash flow by quarter (**Form DPWH-INFR-19**).

The concerned BAC shall receive from the Bidders their bids in two (2) separate sealed bid envelopes which shall be submitted simultaneously. The first envelope shall contain the Technical Proposal, and the second envelope shall contain the Financial Proposal.

### **5.6.3 Time Frame for Receipt of Bids**

Bids should be received by the BAC on or before the specified time and date of the deadline stated in the **BDs**, and within the following maximum periods from the date of advertisement of the **IB** up to the deadline for the receipt of bids (**IRR Section 25.4**):

**Table 13. Allowable Time for the Receipt of Bids**

<b>Approved Budget for the Contract, in Pesos</b>	<b>Period from Date of IB Advt up to Deadline for Bids Receipt</b>
Fifty (50) million and below	50 calendar days
Above fifty (50) million	65 calendar days

Bids submitted after the specified deadline shall not be received by the BAC. The BAC shall record in the minutes the bidder's name, its representative, and the time the late bid was submitted (**IRR Section 25.5**).

To ensure transparency and accurate presentation of the bids submission, the BAC, through its Secretariat, shall notify, in writing, all bidders whose bids it has received. The notice shall be issued within seven (7) calendar days from the date of bid opening (**IRR Section 25.6**).

The original copy of the Bid Form shall be typed or written in ink and shall be signed by the bidder or its duly authorized representative (**IRR Section 25.7**).

Bid envelopes that are not properly sealed and marked, as required in the **BDs**, shall not be rejected, but the bidder or its duly authorized representative shall acknowledge such condition of the bid as submitted. The BAC or the Procuring Entity shall assume no responsibility for the misplacement of the contents of the unsealed or improperly marked bid, or for its premature opening (**IRR Section 25.8**).

In case of unforeseeable or unavoidable circumstances, the BAC may re-schedule the deadline for the receipt and opening of bids through the issuance of a Bid Bulletin, which shall be posted in the DPWH and PhilGEPS websites and at any conspicuous place for the purpose at least one (1) day before the new schedule.

### **5.6.4 Modification and Withdrawal of Bids**

A bidder shall be allowed to modify its bid, provided that this is done before the deadline for the submission and receipt of bids. Where a bidder modifies its bid, it shall not be allowed to retrieve its original bid, but shall only be allowed to send another bid equally sealed, properly identified, linked to its original bid and marked as a “modification,” thereof, and stamped “received” by the BAC. Bid modifications submitted after the applicable deadline shall not be considered and shall be returned to the bidder unopened.

A bidder may, through a letter, be allowed to withdraw its bid before the deadline for the receipt of bids. Withdrawal of bids after the applicable deadline shall be subject to appropriate sanctions as prescribed in the IRR of RA 9184. A bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped received by the BAC before the deadline for the receipt of bids. A bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract. Moreover, an eligible bidder that withdraws its bid without any justifiable cause therefor shall be subject to the administrative sanctions provided in **Section 69.1 of the IRR**.

A bidder that withdraws its bid prior to the deadline for submission of bids, for a justifiable cause, does not forfeit its Bid Security.

### **5.6.5 Receipt of Bids under Electronic Bidding**

In case the Procuring Entity adopts Electronic Bidding pursuant to GPPB Resolution No. 23-2013, the following procedure shall be observed with regard to the submission and receipt of bids:

- a. On-line Bidders may submit their eligibility requirements to the Procuring Entity through the e-bidding facility of PhilGEPS.
- b. Joint Ventures
  - a. In case of joint venture, each partner of the joint venture must: (i) be registered in the PhilGEPS, (ii) secure Certified Membership Status, and (iii) electronically send its respective eligibility documents.
  - b. The joint venture partners must identify and designate the Primary and Secondary Partner(s).
  - c. Before the PhilGEPS will accept submissions of Technical and Financial Proposals from the Primary Partner, there must be a confirmation from the Secondary Partner(s) as to existence of, or agreement to enter into, a joint venture.
  - d. Upon Confirmation, the Primary Partner shall be required by the PhilGEPS to upload the Joint Venture Agreement or a duly notarized statement.
- c. With regard to the requirement for a Bid Security as part of the Technical Proposal under Section 5.6.2a(2) above, the following guidelines shall be observed:
  - ii. On-line bidders may submit the Bid Security in cash through the PhilGEPS electronic payment facility.



- iii. In case of other forms of Bid Security, the on-line bidder shall prepare and submit a scanned copy of the Bid Security together with the electronic bid. However, the original Bid Security must be submitted to the BAC concerned before the end of business hours on the day of bid submission, a failure of which shall automatically render the bid submission as non-compliant.
- iv. If the on-line bidder sends the original Bid security through registered mail or private courier, the indicated date of receipt by the postal service or private courier shall be considered as the date of submission to the BAC concerned, without prejudice to any verifications during post-qualification.
- d. On-line Bidders, or the Primary Partner in the case of Joint Ventures, shall electronically submit their bids through the Bidder's On-line Nominee, at any time before the closing date and time specified in the **BDS**.
- e. The actual time of bid submission of an On-line Bidder shall be the time indicated on the PhilGEPS Server when the bidder clicks the "Submit" button which shall be automatically recorded by the PhilGEPS. Upon receipt of a bid, the PhilGEPS shall automatically generate a bid receipt page that can be printed by the on-line bidder. This contains the recorded "submission time" which shall be considered as the Official Submission Time of the bidder.
- f. An On-line Bidder may modify its bid at any time before the closing date and time for the submission and receipt of bids.
- g. An On-line Bidder may withdraw its bid before the deadline for the submission and receipt of bids.
- h. The PhilGEPS shall bar all incoming bids after the closing date and time.

### **5.6.6 Participants in Receipt and Opening of Bids**

The following shall participate in the receipt and opening of the bids:

- a. BAC
- b. TWG
- c. BAC Secretariat
- d. Bidders
- e. Observers
- f. Any other person who wishes to attend the opening of the bids.

### **5.6.7 Convening of BAC for Opening of Bids**

On the designated date and time for the opening of bids, the BAC Chair shall convene the Committee and proceed with the deliberations which shall consist of the following activities:

- a. Eligibility Check of Bidders
- b. Opening and Preliminary Examination of Bids
- c. Announcement of Results

The Abstract of Bids shall be made available to the participating bidders. The minutes of the bid opening shall be made available to the public upon written request and payment of a specified fee to recover cost of materials.

### **5.6.8 Eligibility Check**

After determining the names of the bidders that submitted bids for the contract at hand, the BAC, assisted by its BAC Secretariat, shall check if each bidder that submitted bids is eligible to bid for the contract being procured. This shall be done electronically using the DPWH CWR.

The Central Office (CO) Procurement Service, Regional Offices (ROs) and District Engineering Offices (DEOs) connected to the DPWH Wide Area Network (WAN) shall conduct their own electronic Eligibility Check. The RO BAC shall conduct the electronic Eligibility Check for contracts of its DEOs that are not yet connected to the DPWH WAN until such time that connection of those DEOs is established. For these unconnected DEOs, the DEO BAC shall submit to the RO BAC the list of the contractors that submitted bids and the Contract Profile (CP) immediately after the deadline for submission of bids. On the same day, the RO BAC shall submit to the DEOs the results of the electronic Eligibility Check of contractors before the time set for the opening of bids. In cases where the WAN is not operating in the DEO or RO, the eligibility check may be done by the Procurement Service

In case a bidder is already enrolled in the CWR and submits, together with its bid, the Original Receipt (OR) for payment of Bidding Documents (**BDs**) for the contract issued by any DPWH office, the BAC Secretariat shall enter into the CWR the PCAB License Number and/or name of the bidder.

In case a bidder is not previously enrolled in the CWR and submits its Eligibility Requirements – i.e., Class “A” and Class “B” Documents under its CCASR - as part of its bid, together with the Original Receipt (OR) for payment of Bidding Documents (**BDs**) for the contract issued by any DPWH office, the BAC Secretariat shall immediately encode and enter into the CWR the appropriate data and information – e.g., SLCC, NFCC, etc. - from the submitted Documents.

In both cases, the CWR program will then electronically process and match the bidder’s capability or eligibility data in the CWR – e.g., value of the SLCC for major/similar categories of works, and actual NFCC – against the eligibility requirements for the contract derived from the CP earlier entered into the CWR (Section 4.8.2) – e.g., required SLCC costing at least 50% of ABC, and NFCC at least equal to ABC. The computer program will automatically determine if the bidder meets the following eligibility requirements:

- a. The cost of the bidder’s SLCC is at least 50% of the ABC of the project to be procured.

- b. The bidder's NFCC is at least equal to ABC of the project to be procured.

The program will also automatically generate the results of the Eligibility Check (Use **Form DPWH-INFR-29**) including, if applicable, Notices of Ineligibility (Use **Form DPWH-INFR-30**). The reasons for ineligibility will also be automatically shown in the Notices of Ineligibility.

During the bids opening session, the BAC will issue the Notices of Ineligibility to the bidders concerned. If a bidder immediately agrees to its ineligibility as indicated in the Notice, the BAC shall promptly not consider its bid and thus return its Bid (Technical and Financial Proposals) to the bidder unopened.

If, on the other hand, a bidder indicates its intent to seek a reconsideration of its declared ineligibility, the BAC shall set aside its sealed Bid which shall be signed/initialed on its cover by the bidder and other competing bidders and members of the BAC, and the BAC shall then apply the provisions of Section 5.6.13 pertaining to requests for reconsideration.

If, after evaluating the bidder's request for reconsideration, the BAC finds the bidder to be eligible for the contract at hand, the BAC shall set the date and time for the opening of the bids of the ineligible bidders concerned.

In either case - i.e., the ineligible bidder accepting its ineligibility or expressing its intent to seek a reconsideration of its ineligibility - the BAC shall promptly proceed with the opening and preliminary examination of the bids of the bidders that are declared eligible.

### **5.6.9 Illustrative Example of Eligibility Check**

While the eligibility check is done electronically using the DPWH CWR, this *example* is presented here to illustrate the application of the basic criteria and rules underlying the computerized determination of eligibility.

Given:

Contract description: Construction of concrete pavement, 6.7 m wide, 23 mm thick, 15 km long, with 1.5-m wide gravel shoulders.

Contract duration : 360 days

ABC : Php 213,794,000

**Table 14. Data in Example of Eligibility Check**

Eligibility Requirement	Contractor-Applicant				
	A	B	C	D	E
Single largest similar project	P122 M gravel road	P178 M concrete road rehabilitation	P85M new concrete rd; P150M bldg	P91M concrete road rehab	P154M new concrete road
Financial information	Current assets =P35M Current liabilities=P13M Outstanding works =P150M	Current assets =P52M Current liabilities = P18M Outstanding works=P203M	Current assets =P45M Current liabilities= P16M Outstanding wor =P170M	Current assets =Php40M Current liabilities=P21M Outstanding works =P110M	Current assets =Php48M Current liabilities=Php19M Outstanding wor =P117M

Analysis:

- Contractor A: (i) Fails single largest similar project requirement: Gravel road is not similar to concrete road.  
(ii) Fails NFCC requirement:  $NFCC = (\text{current assets} - \text{current liabilities})(K) - \text{value of outstanding works} = (35M - 13M)(15) - 150M = 180M$  which is less than ABC of Php 213,794,000
- Contractor B: (i) Passes single largest similar project requirement (50% of ABC): Contractor's completed contract – rehab of concrete road – is similar to construction of concrete road. Value is Php 178 M which is more than the required 50% of ABC or Php 106.897 M.  
(ii) Passes NFCC requirement:  $NFCC = (\text{current assets} - \text{current liabilities})(K) - \text{value of outstanding works} = (52M - 18M)(15) - 203M = 307M$  which exceeds the ABC of Php 213,794,000.
- Contractor C: (i) Fails single largest similar project requirement: Similar project is road which had a cost of Php 95 M – lower than the required 50% of ABC or Php 106.897 M.  
(ii) Passes NFCC requirement:  $NFCC = (\text{current assets} - \text{current liabilities})(K) - \text{value of outstanding works} = (45M - 16M)(15) - 170M = 265M$  which exceeds the ABC of Php 213,794,000..
- Contractor D: (i) Fails single largest similar project requirement: Contractor's Php 91 M is short of the required Php 106.897 M.  
(ii) Fails NFCC requirement:  $NFCC = (\text{current assets} - \text{current liabilities})(K) - \text{value of outstanding works} = (40M - 21M)(15) - 110M = 175M$  which is less than the ABC of Php 213,794,000.
- Contractor E: (i) Passes single largest similar project requirement: Contractor's completed contract for new concrete road is Php 154 M, which exceeds the required 50% of ABC or Php 106.897 M.  
(ii) Passes NFCC requirement:  $NFCC = (\text{current assets} - \text{current liabilities})(K) - \text{value of outstanding works} = (48M - 19M)(15) - 117M = 318M$  which exceeds the ABC of Php 213,794,000M.

### **5.6.10 Opening and Preliminary Examination of Bids (IRR Sections 29 and 30).**

The BAC of the Procuring Entity shall open the Bid envelopes in the presence of Bidders' representatives who choose to attend, at the time, on the date, and at the place specified in the BDS. Bidders' representatives who are present shall sign a register evidencing their attendance.

In case the bids cannot be opened as scheduled due to justifiable reasons, the BAC shall take custody of the bids submitted and reschedule the opening of bids on the next working day or at the soonest possible time through the issuance of a bid bulletin to be posted in the DPWH and PhilGEPS websites (**IRR Section 29**).

The BAC shall read out and record letters of withdrawal, and return the unopened envelopes containing the corresponding withdrawn Bid to the Bidders concerned. If the withdrawing

Bidder's representative is present, the BAC shall return the original Bid and all copies thereof to that representative during the Bid opening. If the representative is absent, the BAC shall notify the bidder in writing to retrieve its unopened Bid from the BAC Secretariat. The Bidder may withdraw its Bid before the deadline for submission and receipt of Bids, provided that its letter of withdrawal contains a valid justification requesting such withdrawal, subject to appropriate administrative sanctions.

The Procuring Entity shall not accept Bids of ineligible Bidders. The Procuring Entity shall open the Bids of eligible Bidders only, in accordance with the following provisions.

Outer envelopes marked "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" shall be identified but not opened. The Procuring Entity shall announce the presence and type of modification from the information contained on the outer envelope.

The BAC shall then conduct the Preliminary Examination of the Bids. The purpose of this examination is solely to determine the "presence-or-absence" of each of the required documents comprising the bid, as stated in Section 3.5.2 above, using a simple non-discretionary "pass (if present) - or - fail (if absent)" criterion, with the aid of checklists.

The BAC shall first open and undertake the Preliminary Examination of the envelopes containing the Technical Proposals, one at a time, reading out and recording the following:

- a. Name of the Bidder.
- b. Whether there is a technical modification or substitution.
- c. Presence, amount and validity of the Bid Security.
- d. Presence or absence of each document comprising the Technical Proposal vis-à-vis a checklist of the required documents.

The BAC shall determine each Bidder's compliance with the documents required to be submitted for the Technical Proposal, as prescribed in **ITB** Clause 10. For this purpose, the BAC shall check the submitted documents in the Technical Proposal against a checklist (**Form DPWH-INFR-312**) of required documents to ascertain if the latter are all present in the Technical Proposal. If the required document is present, the Technical Proposal shall be rated as "passed" for that particular requirement. On the other hand, if the required document is absent, i.e., missing, incomplete or patently insufficient, the Technical Proposal shall be rated as "failed" for that particular requirement. In case one or more of the required documents in the Technical Proposal of a particular Bid is absent - i.e., missing, incomplete, or patently insufficient - the BAC shall rate the Technical Proposal as "failed" and immediately return to the Bidder concerned its second envelope (Financial Proposal) unopened. If all of the required documents in the Technical Proposal are present, the Technical Proposal is rated as "passed."

On the same day, the BAC shall then open the Financial Proposal (second envelope) of each bidder whose Technical Proposal was rated as "passed." The BAC shall check the submitted documents in the Financial Proposal against a checklist of required documents (**Form DPWH-INFR-31**) to ascertain if the latter are all present in the Financial Proposal. If the required document is present, the Financial Proposal shall be rated as "passed" for that particular requirement. In case one or more of the required documents in the Financial Proposal (second envelope) of a particular Bid is absent - i.e., missing, incomplete or patently insufficient - and/or

if the submitted total bid price exceeds the ABC, the BAC shall rate the Financial Proposal and, thus, the entire bid, as “failed.” If all of the required documents in the Financial Proposal are present, the entire bid is rated as “passed.” Bids that are so rated as “passed” shall immediately be considered for detailed evaluation.

The BAC shall prepare the minutes of the proceedings of the Bid opening that shall include, as a minimum: (a) the Abstract of Bids as Read including the name of each Bidder, its Bid prices, Bid Security, and findings of the Preliminary Examination of Bids; and (b) the attendance sheet.

The BAC members shall sign the Abstract of Bids as Read and the BAC Observers may witness the same. The Abstract of Bids as Read and the minutes of the Bid opening shall be available to the public upon written request and payment of a specified fee to cover the cost of materials (IRR Section 29).

### 5.6.11 Illustrative Example of Preliminary Examination of Bids

Given:

Contract description: Construction of concrete pavement, 6.7 m wide, 23 mm thick, 15 km long, with 1.5-m wide gravel shoulders.

ABC : Php 213,794,000

Bid Security : Cash, Check, Letter of Credit = 2% of ABC; Surety Bond = 5% of ABC, Bid Securing Declaration; Validity = 120 days

**Table 15. Data in Example of Preliminary Examination of Bids**

Requirement	Contractor-Bidder				
	B	E	F	G	H
Bid Security	Bid Securing Declaration	P4,275,880 check, valid for 120 days	Bid Securing Declaration	P10,689,000 surety bond valid for 120 days	P4,275,880 surety bond valid for 117 days
Other requirements	Sworn statement not notarized	Present	Total Bid Price is P215,637,000	Present	Pass

Analysis:

Contractor B: Fails because the sworn statement is not notarized.

Contractor E: Passes.

Contractor F: Fails because the Total Bid Price exceeds the ABC.

Contractor G: Passes.

Contractor H: Fails because the Bid Security in the form of Surety Bond is only 2% of the ABC as against the required 5% of ABC, and its validity period is 117 days which is short of the required 120 days.

### 5.6.12 Opening and Preliminary Examination under Electronic Bidding

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the following procedure shall be observed with regard to the opening and preliminary examination:

- a. Upon receipt of manually-filed bids, the Bid Opener, before the Bid Opening, but immediately after the deadline for submission of bids, shall record and input into the PhilGEPS E-bidding module the date and time each of the bid was manually received, including the name of the bidder's authorized representative.
- b. The BAC shall open the bids immediately after the deadline for submission and receipt of bids, and on the bid opening date.
- c. Before the decryption of electronic bids, the Bid Opener must first login to the PhilGEPS and only then can BAC members input their respective USER IDs and Passwords, provided however, that PhilGEPS decryption will not take place unless all the members present and logging in constitute quorum.
- d. The Bid Opener shall publicly open the first bid envelopes of bidders who submitted bids manually to determine each bidder's compliance with the documents required to be submitted for eligibility, that is, legal, technical and financial eligibility documents; and for the technical requirements. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the BAC shall rate the bidder "passed" in relation to the eligibility and technical documents in the first envelope.
- e. After all the manually submitted first envelopes of bidders were opened, and the results and findings were encoded in the PhilGEPS Preliminary Examination Report facility, the Bid Opener shall thereafter proceed to decrypt the electronic First Bid Envelopes submitted by the On-line Bidders to determine each bidder's compliance with the required eligibility and technical documents following the steps and procedures outlined in Section 5.6.9d above. Thereafter, the Bid Opener shall input the findings and results into the PhilGEPS' Preliminary Examination Report facility.
- f. Immediately after determining compliance with the requirements in the first envelope, the Bid Opener shall forthwith open the manually submitted second bid envelope of each eligible bidder whose first bid envelope was rated "passed." The second envelope of each complying bidder shall be opened within the same day.
- g. After all the manually submitted second envelopes of bidders were opened, and the results and findings were encoded in the PhilGEPS Preliminary Examination Report facility, the Bid Opener shall thereafter proceed to decrypt the electronic Second Bid Envelopes of each On-line Bidders whose electronic first bid envelope was rated "passed" to determine each bidder's compliance with the required financial documents following the steps and procedures outlined in Section 5.6.9f above.

- h. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC, the BAC shall rate the bid concerned as “failed”. The Bid Opener shall then input the findings and results into the PhilGEPS’ Preliminary Examination Report facility.
- i. Only bids that are determined to contain all the bid requirements for both components shall be rated “passed” and shall immediately be considered for evaluation and comparison.
- j. The PhilGEPS shall automatically send an electronic mail to all bidders who failed in the preliminary examination of the first and/or second envelope.

### **5.6.13 Request for Reconsideration of Ineligible Bidder**

A prospective bidder that is found ineligible has three (3) calendar days from receipt of the Notice of Ineligibility, within which to file a written request for reconsideration before the BAC. The BAC shall resolve such request within seven (7) calendar days after it receives it (**IRR Section 55.1**).

If its request for reconsideration is denied, the ineligible bidder may protest the decision in writing to the HoPE within seven (7) calendar days from receipt of the BAC decision. A protest may be made by filing a verified position paper with the HoPE concerned, accompanied by the payment of a non-refundable protest fee equivalent to no less than one-tenth percent (0.1%) of the ABC (**IRR Section 55.1**).

The protests shall be resolved strictly based on records of the BAC. The HoPE shall resolve a protest within seven (7) calendar days from receipt thereof. Subject to the provisions of existing laws on the authority of the DPWH Secretary and the heads of agencies to approve contracts, the decisions of the HoPE shall be final up to the limit of his contract approving authority (**IRR Section 56**).

### **5.6.14 Misrepresentation or Change in Capability of Bidder**

Notwithstanding the eligibility of a prospective bidder, the Procuring Entity reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said prospective bidder, or that there has been a change in the prospective bidder’s capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility requirements, statements or documents, or any changes in the situation of the prospective bidder that will affect the capability of the bidder to undertake the project so that it fails the preset eligibility criteria, the Procuring Entity shall declare the said prospective bidder ineligible and disqualify it from submitting a bid or from obtaining an award or contract (**IRR Section 23.4**). A prospective bidder found guilty of false information faces imprisonment of not less than six (6) years and one (1) day but not more than 15 years (**IRR Section 65.3**).

### **5.6.15 One or No Eligible Bidder**



Even if only one eligible bidder submits a bid, the bidding process shall proceed. If, after going through the bid opening, evaluation and post-qualification, its bid is found to be responsive to the bidding requirements, its bid will be declared as a Single Calculated and Responsive Bid (SCRB) and considered for contract award (**IRR Section 36**) as provided in Section 5.9.5.

If several bidders submit a bid but all are ineligible, the BAC shall declare the bidding a failure and follow the procedure in Section 5.11.3.

### **5.6.16 Non-Compliance with Technical and Financial Requirements**

During the Preliminary Examination of bids, an eligible bidder that has failed to comply with any required document of the Technical Proposal or Financial Proposal shall be rated as “non-complying” by the BAC and disqualified from participating therein. Similar to the case of ineligible bidders, it may file with the BAC a written request for reconsideration within seven (7) calendar days from the receipt of notice of its non-compliance (**IRR Section 30.3**).

### **5.6.17 Specific Activities in Receipt of Bids, Eligibility Check, and Opening and Preliminary Examination of Bids**

**Table 16. Activities in Bids Receipt, Eligibility Check, And Bids Opening and Preliminary Examination**

<b>Activity</b>	<b>Responsible Performer</b>	<b>Time Frame</b>	<b>Rules</b>
<b><i>1. Receive Bids</i></b>		1 cd	
a. Stamp-receive and record bids as they are submitted.	BAC-Secretariat	Up to deadline for bids receipt per <b>BDs</b>	Use official logbook to record bids/documents. Bidders must submit their bids through authorized representatives in two separate sealed bid envelopes: Technical Proposal and Financial Proposal ( <b>IRR Section 25.1</b> ). The two envelopes shall be placed in an outer envelope/container, sealed and addressed to the BAC. The BAC shall receive the bids not later than the time and at the place specified in the <b>BDs</b> . Upon receipt, the BAC Secretariat must stamp the face of the outer envelope/container as “RECEIVED,” indicating the date and time of receipt, and have the stamp counter-signed by the bidder’s authorized representative.
b. Stamp-receive and record modifications of bids submitted	BAC-Secretariat	-do-	A bidder may modify its bid, provided this is done before the deadline for the receipt of

Activity	Responsible Performer	Time Frame	Rules
			bids. If a bidder modifies its bid, it shall not be allowed to retrieve its original bid, but only allowed to send another bid sealed, identified, linked or related to its original bid and marked as a “MODIFICATION” of the original, and stamped “RECEIVED” by the BAC ( <b>IRR Section 26.1</b> ). Any discount shall form part of the bid in the Financial Envelope.
c. Stamp-receive and record letters of withdrawal of bids	BAC-Secretariat	-do-	A bidder may, through a letter, withdraw its bid before the deadline for receipt of bids. A bidder that withdraws its bid shall not be permitted to submit another bid for the same contract ( <b>IRR Section 26.2</b> ). A bidder that withdraws its bid without any justifiable cause shall be subject to admin sanctions in <b>Section 69.1 of the IRR</b> .
d. Stamp-receive and record letters of non-participation	BAC-Secretariat	-do-	A bidder may express its intention not to participate in the bidding through a letter which should reach and be stamped “RECEIVED” by the BAC before the deadline for the receipt of bids
e. Record late bids, modifications, letters of withdrawal and letters of non-participation	BAC-Secretariat	Immediately upon presentation	All bids, modifications, letters of withdrawal and letters of non-participation presented after the set deadline shall not be considered, but shall be recorded as “late” and returned unopened, subject to appropriate sanctions provided in <b>IRR Section 65</b> .
f. Drop or store received bids and modifications in designated Bids Box or Container with padlocks	BAC-Secretariat	Immediately after receipt and recording	Bids Box/ Container must be secured by two padlocks, with keys held by the BAC Chair and COA representative.
<ul style="list-style-type: none"> <li>• <b>Convene BAC for Bid Opening Session</b></li> </ul>		1 cd	
a. Convene, on Bids Opening	BAC-Chair		Presence of the majority of

Activity	Responsible Performer	Time Frame	Rules
Date, the BAC Members, Observers, Secretariat, TWG, and representative of eligible bidder.	with BAC-Sec		BAC members shall constitute a quorum, provided the Chair or Vice-Chair is present. Bid opening shall be open to the public.
b. Record all proceedings of Bids Opening	BAC-Sec		Use audio/video recorder and notes.
• <b>Conduct Eligibility Check</b>		1 cd	
a. Enter into CWR the PCAB License No. and/or name of bidders that submitted bids.	BAC-Sec		
b. Determine eligible and ineligible bidders through electronic processing of bidders' capability (in Contractor's Information) vs. contract requirements (in Contract Profile).	BAC-Sec		This is done electronically through the CWR.
• <b>Open Bids and Conduct Preliminary Examination</b>	BAC-Secretariat	1 cd	
a. Prepare Checklist of Bid Requirements for Technical and Financial Envelopes.	BAC-Sec		Use <b>Forms DPWH-INFR-31</b> and <b>DPWH-INFR-32</b> .
b. Open Bids Box/Container and take out all bids.	BAC-Sec		
c. Open the Technical Envelope (Technical Proposal) of the first bidder.	BAC-Sec		
d. Conduct Preliminary Examination by determining the presence of each of the required documents in this Technical Envelope vs. the checklist.  i. Check Bid Security if present in/with allowable form, amount, validity period and, in case of a security bond, if callable on demand.	BAC Members assisted by BAC-Sec		The BAC shall check the submitted documents in the Technical Proposal of each bidder against the checklist of required documents in <b>Form DPWH-INFR-31</b> to ascertain if they are all present, using non-discretionary "pass/fail" criteria. ( <b>IRR Section 30.1</b> )  If the Bid Security is present in/with allowable form, amount, validity period and, if Surety Bond, is callable on demand, consider the Bid Security as "passed" and initial in the appropriate box in the checklist. If not, consider the Bid Security as "failed" and

Activity	Responsible Performer	Time Frame	Rules
ii. Check each of the other required documents is present.			<p>mark “x” in the box and write reason for failure.</p> <p>If the document is present, consider it as “passed” and initial in the corresponding box in the checklist. If not, consider it as “failed” and mark “x” in the box. Do not consider the quality of the document at this stage; quality will be considered in the post-qualification of the Lowest Calculated Bid.</p>
e. Determine if, overall, the Technical Proposal of the first bidder “passed” or “failed”	BAC Members assisted by BAC-Sec		Check the box marked overall rating: “passed” if all documents in the checklist “passed” (initialed by BAC Members). If not, check the box marked overall rating: “failed”.
f. Repeat the process, viz., activities 4-c to e, for each of the other bids.	BAC Members w/ BAC-Sec		
g. Announce the results of the Preliminary Examination of all Technical Envelopes – both complying and non-complying	BAC Chair		Reflect the results in the Minutes of the Bids Opening
h. Return to the bidders whose Technical Proposals are rated overall “failed” their unopened Financial Envelopes.	BAC-Sec		
i. Open the Financial Envelope (Financial Proposal) of the first bidder that complied with the Technical Proposal requirement	BAC-Sec		
<p>i. Conduct Preliminary Examination by determining the presence of each of the three required documents in this Financial Envelope vs. the checklist.</p> <p>(1) Check if the first document – i.e., Form of Bid (Form DPWH INFR-08 - is present, and if the Total</p>	BAC Members with BAC-Sec		<p>Use the checklist in <b>Form DPWH-INFR-32</b>.</p> <p>If the Form of Bid is present, and if the Total Bid Price therein does not exceed the ABC, consider this document</p>

Activity	Responsible Performer	Time Frame	Rules
<p>Bid Price therein does not exceed the ABC</p> <p>(2) Check if the three other documents – viz., Bid Prices in the BOQ, Detailed Estimates and Cash Flow, are present.</p>			<p>“passed” and initial in the appropriate box in the checklist. If not, consider the doc “failed” and put “x” in the box.</p> <p>If present, initial in the appropriate boxes in the checklist. If not, put “x” in the boxes.</p>
<p>k. Determine if, overall, the Financial Proposal of the first bidder “passed” or “failed.”</p>	<p>BAC Members with BAC</p>		<p>Check the box marked overall rating: “passed” if all documents in the checklist “passed” (initialed by BAC Members). If not, check the box marked overall rating: “failed”.</p>
<p>l. Repeat the process, viz., activities 4-c to k for each of the other bidder that complied with the Technical Proposal requirements.</p>	<p>BAC Members with BAC</p>		
<p><b>5. Announce and Summarize Results</b></p>			
<p>a. Announce the results of the Preliminary Examination of the Financial Envelopes, with overall rating “passed” and “failed.”</p>	<p>BAC Chair</p>		<p>Reflect the results in the Minutes of the Bids Opening</p>
<p>b. Read the Total Bid prices and Bid Security of the bidders found “passed” for both Technical and Financial Proposal requirements and enter the information in the “Abstract of Bids as Read.”</p>	<p>BAC-Sec</p>		<p>Use <b>Form DPWH-INFR-33.</b></p>
<p>d. Initial every page of all bids received and opened.</p>	<p>BAC Members</p>		
<p>e. Sign the Abstract of Bids as Read.</p>	<p>BAC Members and Observers</p>		<p>Observers may sign if they concur in the proceedings. They should submit their Procurement Observation Report to the BAC Chairman.</p>
<p>f. Prepare Minutes of the Bid Opening and send copies to BAC Members, Observers, bidders, and other interested parties.</p>	<p>BAC-Sec</p>		<p>Use <b>Form DPWH-INFR-34.</b> Attach Observers’ Procurement Observation Report.</p>

Activity	Responsible Performer	Time Frame	Rules
			Copies of minutes shall be made available to the public upon written request and payment of a specified fee to recover cost of materials.
<b>Total</b>		<b>5 cd</b>	

## 5.7 DETAILED EVALUATION OF BIDS

### 5.7.1 Legal Reference

IRR Section 32 specifies the rules and guidelines relative to the detailed evaluation of bids.

### 5.7.2 Purpose of Detailed Evaluation of Bids

The BAC shall evaluate, in detail, the bids that passed the preliminary examination in order to determine the Lowest Calculated Bid (LCB) (IRR Section 32.1). This is done by:

- a. establishing the correct calculated prices of the bids, through a detailed evaluation of the Financial Proposal of the bids; and
- b. ranking the total bid prices so calculated from the lowest to the highest.

The bid with the lowest price shall be identified as the LCB.

### 5.7.3 Participants in Bids Evaluation

The following shall participate in the bids evaluation process:

- a. BAC
- b. TWG
- c. BAC Secretariat
- d. Observers

### 5.7.4 Criteria for Detailed Evaluation of Bids

In the detailed evaluation of the bids that passed the preliminary examination, the BAC shall apply non-discretionary criteria, including the following:

- a. Completeness of bids. Unless the ITB specifically allows partial bids, bids not addressing or providing all of the required items in the BIDs including, where applicable, the BOQ, shall be considered non-responsive and, thus, automatically disqualified. Where a required item is provided, but no price is indicated, the same shall be considered as non-

responsive; specifying, however, a “0” (zero) or a dash (“-”) for the said item would mean that it is being offered for free to the Government, except those required by law or regulations to be provided for (**IRR Section 32.2.1a**).

- b. Arithmetical corrections. The BAC shall “correct” the bid for any arithmetical or computational errors, inconsistencies, omissions, and allowed discounts. The BAC shall also consider bid modifications if expressly allowed in the **BDs**. Any corrections and adjustments shall be expressed in monetary terms to determine the “calculated” bid prices.

For evaluation purposes, in allowed instances of bids denominated in foreign currency, the bids must be converted into Philippine currency based on the BSP reference exchange rate prevailing on the day of the bid opening (**IRR Section 61.1**).

In case a bid offers a discount on the total bid price without specifying the pay items where the discount will be applied, the discount to the total bid price shall be applied proportionally to all pay items for purposes of evaluating and paying the value of work accomplished during the implementation stage.

- c. Evaluation on equal footing. The BAC shall evaluate all bids on an equal footing to ensure fair and competitive bid comparison. For this purpose, all bidders shall be required to include the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the Bid Form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.
- d. Rule on discrepancies. In case of discrepancies between: (a) bid prices in figures and in words, the latter shall prevail; (b) total price per item and unit price for the item as extended or multiplied by the quantity of that item, the latter shall prevail; (c) stated total price and the actual sum of prices of component items, the latter shall prevail; (d) unit cost in the detailed estimate and unit cost in the **BOQ**, the latter of each shall prevail. The corrected per item cost for all items shall be the basis for the corrected grand total cost.
- e. Total calculated bid prices. The total calculated bid prices are obtained after making the detailed evaluation and corrections according to the abovementioned criteria. The bids shall then be ranked in the ascending order of their calculated bid prices. Total calculated bid prices which exceed the ABC shall be disqualified, unless otherwise specified in **BDS 14.3** for foreign-assisted projects.

After all bids have been received, opened, examined, evaluated, and ranked, the BAC shall prepare the corresponding Abstract of Bids. All members of the BAC shall sign the Abstract of Bids and attach thereto all the bids with their corresponding Bid Securities and the minutes or proceedings of the bidding. The Abstract of Bids shall contain the following:

- a. Name of the contract and its location.
- b. Time, date and place of bid opening.
- c. Names of bidders and their corresponding calculated bid prices, arranged from lowest to highest, the amount of Bid Security and the name of the issuing entity.

The provision in this paragraph is not to be considered in the evaluation of the bids to determine the technically complying bid or the lowest calculated bid, but shall be applied by the Procuring Entity during the implementation of the contract, particularly in making contract payments:

- a. During the evaluation of the bids, the BAC shall take note of any unbalanced bids on early works and other items for unit-priced contracts.
- b. Unbalanced bids are defined as those where the total bid price for a major pay item is more than fifty percent (50%) of the corresponding cost of that pay item in the ABC. A major pay item is defined as that whose cost in the ABC is 20% or more of the total ABC; if there is no such pay item, then major pay items are defined as the two pay items in the ABC with the highest total costs.
- c. Unbalanced bids also include those with a minor pay item whose cost in the ABC is more than five percent (5%) of the total ABC and where the corresponding bid price for that pay item is more than one hundred percent (100%) of the ABC for that item.
- d. For unbalanced bids, during the implementation of the contract works, the payment for these major and minor pay items shall be made initially at the unit prices in the ABC, and the remainder - i.e., contract unit price minus ABC unit price for the major pay item - shall be paid when the work under the major pay item is completed.

### 5.7.5 Illustrative Example of Detailed Evaluation of Bids: Arithmetical Corrections

Given:

**Table 17. Data in Example of Bids Evaluation (Arithmetical Corrections):  
Bids as Submitted and Read**

Columns (1 to (4) are to be filled up by Procuring Entity			Columns (5) and (6) are to be filled up by Bidder	
Description	Unit	Quantity	Unit Bid Price (Pesos)	Total Bid Price (Pesos)
(2)	(3)	(4)	(5)	(6)
Bridge excavation above ordinary water level	164	cu. m	In words: Six hundred eighty seven pesos and ninety four centavos  In figures: 667.94	In figures: 109,542.16
Reinforcing steel	36,344	kg	In words: One hundred twenty four pesos and fifty five centavos  In figures: 124.55	In figures: 4,536,645.20
Structural concrete, class	228	cu. m	In words: Twelve thousand fifty eight	



Columns (1 to (4) are to be filled up by Procuring Entity			Columns (5) and (6) are to be filled up by Bidder	
“A”			pesos and eighty five centavos In figures: 12,058.85	In figures: 2,749,417.80
Total				In figures: 7,395,609.16

Analysis:

**Table 18. Data in Example of Bids Evaluation (Arithmetical Corrections):  
Bids as Evaluated (Note: Corrections are in Bold Font)**

Columns (1 to (4) are to be filled up by Procuring Entity			Columns (5) and (6) are to be filled up by Bidder	
Description	Unit	Quantity	Unit Bid Price (Pesos)	Total Bid Price (Pesos)
(2)	(3)	(4)	(5)	(6)
Bridge excavation above ordinary water level	164	cu. m	In words: Six hundred eighty seven pesos and ninety four centavos  In figures: <del>667.94</del> <b>687.94</b>  <b>Note: Amount in words prevail</b>	In figures: <del>109,542.16</del> <b>112,822.16</b>  <b>Note: Corrected Total Bid is product of quantity and corrected unit price - i.e., 164 x 687.94 = 112,822.16</b>
Reinforcing steel	36,344	kg	In words: One hundred twenty four pesos and fifty five centavos  In figures: 124.55	In figures: <del>4,536,645.20</del> <b>4,526,645.20</b>  <b>Note: Corrected Total Bid is product of quantity and unit price – i.e., 36,344 x 124.55 =4,526,645.20</b>
Structural concrete, class “A”	228	cu. m	In words: Twelve thousand fifty eight pesos and eighty five centavos  In figures:12,058.85	In figures: 2,749,417.80
Total				In words: Seven million three

				<p>hundred <del>ninety five</del><b>eighty eight</b> thousand <del>six</del><b>eight</b> hundred <del>nine</del><b>eighty five</b> pesos and sixteen centavos.</p> <p>In figures: <del>7,395,609.16</del> <b>7,388.885.16</b></p> <p><b>Note: Corrected Arithmetical Total</b></p>
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### **5.7.6 Procedure for Detailed Evaluation of Bids under Electronic Bidding**

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Procuring Entity shall apply the manual procedure for the detailed evaluation of bids prescribed under Section 5.7.4 above. In addition, the Procuring Entity shall observe the following guidelines:

- a. After conducting the detailed evaluation of all bids using non-discretionary criterion, the Bid Opener shall input and record the results of the evaluation into the PhilGEPS' Evaluation Summary Report facility.
- b. The PhilGEPS shall automatically rank the bidders in ascending order based on their total calculated bid prices to identify the LCB as evaluated and corrected for computational errors, and other bid modifications. Total calculated bid prices, as evaluated and corrected for computational errors, and other bid modifications, which exceed the ABC shall be disqualified. After all bids have been received, opened, examined, evaluated, and ranked, the system shall thereafter generate the Abstract of Bids in the form of PhilGEPS Evaluation Summary Report.
- c. The BAC shall manually prepare a Resolution whether approving or denying the Abstract of Bids generated by the system. However, after the BAC Resolution approving the Abstract of Bids is uploaded in the PhilGEPS, an electronic message shall be automatically sent to all bidders who participated informing them that the Abstract of Bids is available for downloading.

### **5.7.7 Time Frame for Bids Evaluation**

The TWG, with the assistance of the BAC Secretariat, when directed by the BAC, should prepare the Bids Evaluation Report, containing the details of the evaluation conducted, preferably within three (3) calendar days from the date the evaluation was concluded.

The BAC must complete the entire process for Bids Evaluation within seven (7) days from the deadline for receipt of the bids (**IRR Section 32.4**).

### **5.7.8 Non-Acceptance of Arithmetical Corrections in Bid**

If a bidder does not accept the arithmetical corrections done by the BAC in its bid, the BAC must disqualify the bid and forfeit its Bid Security.

### 5.7.9 Specific Activities in Detailed Evaluation of Bids

**Table 19. Activities in Detailed Evaluation of Bids**

Activity	Responsible Performer	Time Frame	Rules
<p>1. Evaluate the Fin. Component of the first bid:</p> <p>a. Check if the Financial Component of the bid is complete.</p> <p>b. Check and correct bid prices for any computational errors, inconsistencies, omissions or discounts.</p> <p>c. Determine the calculated bids, after making above corrections and adjustments.</p> <p>d. Check if any total calculated bid exceeds the ABC, if so, recommend disqualification.</p> <p>e. Rank the total</p>	<p>BAC-TWG</p> <p>BAC-TWG</p> <p>BAC-TWG</p> <p>BAC-TWG</p> <p>BAC-TWG</p>	<p>1-2 days</p> <p></p> <p></p> <p></p> <p>1 cd</p>	<p>Unless the <b>ITB</b> allows partial bids, bids not providing all required items in the <b>BDs</b>, including the <b>BOQ</b>, shall be disqualified. Where a required item is provided, but no price is indicated, the bid shall be considered as non-responsive, but specifying a “0” or dash (“-”) for the item would mean that it is offered for free to the Govt.</p> <p>Any adjustment shall be calculated in monetary terms to determine the calculated prices (<b>IRR Section 32.4.1 [b]</b>). In case of discrepancies between: (a) bid prices in figures and in words, (b) total prices per item and unit prices as applied to the quantities per item; (c) stated total price and actual sum of prices of component items; (d) unit cost in the detailed estimate and unit cost in the <b>BOQ</b>; the latter shall prevail (<b>IRR Section 32.4.3</b>). The corrected per item cost for all items shall be the basis for the corrected grand total cost.</p> <p>Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications.</p> <p>Total calculated bids which exceed the ABC shall be disqualified (<b>IRR Section 32.4.4</b>).</p>

Activity	Responsible Performer	Time Frame	Rules
calculated bid prices from lowest to highest.			
2. Prepare Abstract of Bids as Calculated	BAC-TWG reviewed by BAC-Sec	1 cd	Use <b>Form DPWH-INFR-35</b> .
3. Sign Abstract of Bids as Calculated.	BAC	1 cd	All BAC members shall sign the Abstract of Bids as Calculated. Attach all bids with Bid Securities and minutes of the bidding ( <b>IRR Section 32.5</b> ). Observers shall also sign the Abstract if, in their observation, the bidding followed the correct procedure under RA 9184-IRR. They shall submit their Procurement Observation Reports.
4. Prepare Bid Evaluation Report (BER) and submit it to BAC Chairman.	BAC-TWG to prepare, BAC-Sec to review and submit to BAC Chair	1-2 days after Activity 3	Use <b>Form DPWH-INFR-36</b> .
<b>Total</b>		<b>5-7 cd</b>	

## **5.8 POST-QUALIFICATION OF BIDDER WITH LOWEST CALCULATED BID (LCB)**

### **5.8.1 Legal Reference**

**IRR Section 34** specifies the rules and guidelines for the conduct of Post-Qualification.

### **5.8.2 Scope of Post-Qualification**

Post-Qualification is the process of verifying, validating and ascertaining all the statements made and documents submitted by the bidder with the Lowest Calculated Bid (LCB) using non-discretionary criteria. The purpose of Post-Qualification is to confirm that the said bidder indeed complies and is responsive to all requirements and conditions specified in the **BDs**.

These criteria for Post-Qualification shall consider, but not be limited to the bidder's compliance with the legal, financial and technical requirements of the bid.

If the BAC determines that the bidder with the LCB passes all the criteria for Post-Qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid (LCRB), and recommend to the HoPE the award of contract to the said bidder at its calculated bid price (**IRR Section 34.4**).

### 5.8.3 Requirements from Bidder with LCB

Upon the signing and submission of the Bids Evaluation Report, the BAC shall issue a Notice to the bidder with the LCB to submit, within five (5) calendar days from its receipt of the Notice, the following documentary requirements to the BAC (**IRR Section 34.2**):

- a. Latest income and business tax returns.
- b. Other appropriate licenses and permits required by law and stated in the **BDs**.

Failure to submit the above requirements on time shall disqualify the bidder for award. If a finding against the veracity of any of the documents submitted is made, the Procuring Entity shall cause the forfeiture of the Bid Security in accordance with Section 69 of the IRR (**IRR Section 34.2**).

### 5.8.4 Criteria and Procedure for Post-Qualification

The Post-Qualification shall verify, validate, and ascertain all statements made and documents submitted by the bidder with the LCB, using non-discretionary criteria, as stated in the **BDs**. These criteria shall consider, but shall not be limited to, the following (**IRR Section 34.3**):

- a. Legal Requirements. The BAC shall verify, validate, and ascertain licenses, certificates, permits, and agreements submitted by the bidder, and the fact that it is not included in the “blacklist” of contractors provided by the DPWH and the GPPB.
- b. Technical Requirements. The BAC shall determine compliance of the infrastructure projects offered with the requirements specified in the Bidding Documents, including, where applicable, the following:
  - (1) Verification and validation of the bidder’s stated competence and experience, including the declared Single Largest Completed Contract (SLCC) similar to the contract being procured.
  - (2) Verification of competence and experience of the bidder’s key personnel to be assigned to the contract, as against the minimum requirements under the Bid Data Sheet (BDS).
  - (3) Verification of availability and commitment, and/or inspection and testing for the required capacities and operating conditions, of major equipment units to be owned/leased/under purchase by the bidder for use in the contract under bidding.
  - (4) Checking the performance of the bidder in its on-going government and private contracts. If any of these on-going contracts shows:
    - (a) a reported negative slippage of at least fifteen percent(15%) in a single contract, or
    - (b) a reported negative slippage of at least ten percent (10%) in two (2) or more contracts, or

- (c) failure of the contractor to commence repair works on on-going contracts within seven (7) days and to complete them within thirty (30) days after receipt of the procuring entity's notice of defects and deficiencies, or
- (d) failure of the contractor to commence repair works on contracts with pending certificates of acceptance within thirty (30) days and to complete the works within ninety (90) days after receipt of the procuring entity's notice of defects and failures, or
- (e) substandard quality of work as per contract plans and specifications, or
- (f) unsatisfactory performance of the contractor's obligations as per contract terms and conditions, at the time of inspection, or
- (g) liquidated damages currently imposed on the contractor;

and if the BAC verifies any of these deficiencies to be due to the contractor's fault or negligence, the Procuring Entity shall disqualify the contractor from the award for the procurement of infrastructure contract.

- (3) Ascertainment of the sufficiency of the Bid Security as to type, amount, form and wording, and validity period as required in the Bidding Documents.
- c. Financial Requirements. The BAC shall verify, validate and ascertain the bid price proposal of the bidder, the bidder's stated net worth and liquid assets, net working capital, the value of all outstanding or unfinished works under contract, and the bidder's NFCC, as recalculated considering developments in the bidders' other projects, whenever applicable. This is done to ensure that the bidder can sustain the operating cash flow of the transaction. This process involves the following:
- (1) Examination of the latest audited financial statement, especially current assets and liabilities.
  - (2) Checking of up-to-date value of all outstanding or uncompleted works under ongoing and awarded contracts coinciding with the contract being procured.
  - (3) Ascertaining of the updated NFCC versus ABC.

The BAC shall complete the post-qualification process within twelve (12) calendar days from the determination of the LCB. In exceptional cases, the HoPE may extend the post-qualification period up to maximum of forty five (45) calendar days (**IRR Section 34.8**).

In case the bidder with the LCB fails the post-qualification, the BAC shall be given a similar fresh period to conduct the post-qualification of the bidder with the second LCB. Taking into consideration the Bid Validity Period, the BAC shall request the extension of the Bid Validity Period and the Bid Security Validity Period of the bidder with the second LCB in accordance with Section 28.2 of the IRR.

Each Procuring Entity of the DPWH shall promptly post all on-going contracts with negative slippages of at least ten percent (10%) in the DPWH websites for reference of all other Procuring Entities in the post-qualification process.

### **5.8.5 Failure of Bidding**

The BAC shall declare the bidding a failure when (**IRR Section 35.1**):

- a. No bids are received;
- b. All prospective bidders are declared ineligible;
- c. All bids fail to comply with all the bid requirements or fail post-qualification; or
- d. The bidder with the Lowest Calculated Responsive Bid refuses, without justifiable cause, to accept the award of contract, and no award is made in accordance with Section 40 of RA 9184 and its IRR.

In order to determine the reason for the failed bidding, the BAC shall conduct a mandatory review and evaluation of the terms, conditions, and specifications in the **BDs**, including its cost estimates.

Based on its findings, the BAC shall revise the terms, conditions, and specifications, and if necessary, adjust the ABC, subject to the required approvals, and conduct a re-bidding with re-advertisement and/or posting, as provided for in Section 21.2 of RA 9184-IRR.

All bidders who have initially responded to the Invitation to Bid and have been declared eligible or short listed in the previous biddings shall be allowed to submit new bids. The BAC shall observe the same process and set the new periods according to the same rules followed during the previous biddings.

Should there occur a second failure of bidding, the Procuring Entity may resort to negotiated procurement, as provided for in Section 53.1 of RA 9184-IRR and discussed in Section 6.2.4 of this Manual **Volume II**.

### **5.8.6 Failure of Bidder with LCB in Post-Qualification**

If the bidder with the LCB fails to pass Post-Qualification, the BAC shall immediately notify the said bidder in writing of its Post-Disqualification and the grounds for it (**IRR Section 34.5**). The post-disqualified bidder shall have three (3) calendar days from receipt of the said notice to request from the BAC, if it so wishes, a reconsideration of this decision. The BAC shall evaluate the request for reconsideration, if any, using the same non-discretionary criteria as in the Post-Qualification process, and shall issue its final determination of the said request within seven (7) calendar days from receipt thereof. The bidder with the LCB that fails to pass Post-Qualification may likewise file with the HoPE a protest with the corresponding fee in case the BAC denies its request for reconsideration.

Immediately after the BAC has notified the first bidder of its Post-Disqualification, and notwithstanding any pending request for reconsideration thereof, the BAC shall initiate and

complete the same Post-Qualification process on the bidder with the second LCB. If the second bidder passes the Post-Qualification, and provided that the request for reconsideration of the first bidder has been denied, the BAC shall declare the second bidder as the bidder with the LCRB. The HoPE shall then award the contract to it (**IRR Section 34.6**).

If the second bidder fails the Post-Qualification, the procedure for Post-Qualification shall be repeated for the bidder with the next LCB, and so on until the LCRB is determined for award (**IRR Section 34.7**).

If no bidder passes Post-Qualification, the BAC shall declare a failure of bidding. It shall then review the terms and conditions stated in the IB, changing any of such terms and conditions if needed. It may wish to change the cost estimates or specifications, but without increasing the ABC. It then must conduct a re-bidding, in the process formulating a new IB and advertising and posting this as required (**IRR Section 35**). All bidders that have initially responded to the IB in the first bidding shall be allowed to submit new bids.

If a second failure of bidding occurs, the Procuring Entity may enter into a negotiated procurement (**IRR Section 35.3**).

### **5.8.7 Post-Qualification under Electronic Bidding**

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Procuring Entity shall observe the following procedure with regard to the post-qualification:

- a. Within one (1) day after the approval of the Abstract of Bids, the bidder with the Lowest Calculated Bid (LCB) should be notified through electronic mail that the bidder shall undergo post-qualification and submit the post-qualification requirements within three (3) calendar days as provided for under Section 34.2 of RA 9184-IRR.
- b. If the BAC determines that the bidder with the LCB passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid (LCRB), and recommend to the HoPE the award of contract to the said bidder at its submitted bid price or its calculated bid price, whichever is lower or, in the case of quality-based evaluation procedure, submitted bid price or its negotiated price, whichever is lower.
- c. If, however, the BAC determines that the bidder with the LCB fails the criteria for post-qualification, it shall immediately notify the said bidder electronically in writing of its post-disqualification and the grounds for it.
- d. Immediately after the BAC has electronically notified the first bidder of its post-disqualification, and notwithstanding any pending request for reconsideration thereof, the BAC shall initiate and complete the same post-qualification process on the bidder with the second LCB. If the second bidder passes the post-qualification, and provided that the request for reconsideration of the first bidder has been denied, the second bidder shall be post-qualified as the bidder with the LCRB.



- e. If the second bidder, however, fails the post-qualification, the procedure for post-qualification shall be repeated for the bidder with the next LCB, and so on until the LCRB, as the case may be, is determined for award, subject to Section 37 of the IRR.
- f. The post-qualification process shall be completed in not more than twelve (12) calendar days from the determination of the LCB. In exceptional cases, the post-qualification period may be extended by the HoPE, but in no case shall the aggregate period exceed forty five (45) calendar days.
- g. The BAC or its Bid Opener shall record and encode the post-qualification results of manually submitted documents in the PhilGEPS. For electronic documents submitted online, the BAC or its Bid Opener shall decrypt the documents and the results recorded automatically.
- h. After recording the post-qualification summary and uploading the BAC resolution declaring the bidder with the LCRB in the PhilGEPS, an electronic message shall be automatically sent to all bidders who participated informing them that the Notice of LCRB is available for downloading.

### 5.8.8 Specific Activities in Post-Qualification

**Table 20. Activities in Post-Qualification**

Activity	Responsible Performer	Time Frame	Rules
1. Obtain the Post-Qualification Report Form, Bidder's CRC with CI, Technical Proposal and Financial Proposal of the bidder with the LCB	BAC-Sec	½ cd	Use <b>Form DPWH-INFR-37</b> . Download bidder's CI from DPWH CWR.
2. Verify and validate the following items and record findings in the Post-Qualification Report Form	BAC-TWG	2½ cd	Refer to CI in the computerized DPWH CWR. Enter findings in <b>Form DPWH-INFR-37</b> . For each item below, if the finding is favorable, mark "passed" in the form. If adverse, mark "failed" and indicate the reasons.
a. <u>Legal Aspects</u> <ul style="list-style-type: none"> <li>• PCAB License</li> <li>• DTI Registration, if single/ proprietorship, or</li> <li>• SEC Registration, if partnership or corporation, or</li> </ul>			Verify with PCAB if license is valid, current and applicable to the contract.  Verify validity with DTI.  Verify validity with SEC.

Activity	Responsible Performer	Time Frame	Rules
<ul style="list-style-type: none"> <li>• CDA Registration, if cooperative</li> <li>• Mayor's/Business Permit</li> <li>• Latest Income and Business Tax Returns</li> <li>• JVA if applicable</li> <li>• Sub-contract agreements</li> </ul>			<p>Validate with CDA</p> <p>Verify validity with Municipal/City Government.</p> <p>Verify with BIR</p> <p>Verify if authentic and valid</p> <p>Verify if authentic and valid</p>
<p>b. <u>Technical Aspects</u></p> <ul style="list-style-type: none"> <li>• Bidder's stated competence and experience, including SLCC</li> <li>• Key personnel's competence and experience</li> <li>• Availability, commitment, capacities and operating conditions of equipment owned/leased/under purchase for the contract</li> <li>• Performance in on-going projects</li> </ul>			<p>Verify with project owner if bidder's SLCC is similar to subject contract, was completed satisfactorily, and with as-built cost of at least 50% of ABC.</p> <p>Verify qualifications, including years of relevant experience vs requirements.</p> <p>Validate these vs. minimum major construction and laboratory equipment requirements under the BDS. Check that there are no overlaps with other projects.</p> <p>Verify with project owners and by inspection if contractor:</p> <ul style="list-style-type: none"> <li>• has an on-going project with a slippage of at least 15%, or</li> <li>• has 2 or more on-going projects with at least 10% slippage each, or</li> <li>• fails to repair defective work within 7 days and complete it within 30 days, or</li> <li>• fails to repair defective completed but not yet accepted work within 15 days and complete it within 60 days, or</li> <li>• has sub-standard work, or</li> <li>• has performance unsatisfactory to the owner, or</li> </ul>

Activity	Responsible Performer	Time Frame	Rules
<ul style="list-style-type: none"> <li>• Bid Security</li> </ul>			<ul style="list-style-type: none"> <li>• imposed liquidated damages</li> </ul> <p>Verify with issuing bank/company, OIC, and DPWH if bank/company is not blacklisted, Bid Security is authentic, and the form, amount, validity period and terms (including being callable on demand) are sufficient.</p>
<p>c. <u>Financial Aspects</u></p> <ul style="list-style-type: none"> <li>• Latest Financial Statement</li> <li>• Uncompleted portions of ongoing contracts coinciding with subject contract</li> <li>• Updated NFCC</li> </ul>			<p>Verify with Auditor et al if there are changes in current assets and liabilities.</p> <p>Verify latest value of on-going/awarded works coinciding with subject contract</p> <p>Check if updated NFCC is at least equal to ABC.</p>
<p>3. Indicate overall findings in, and sign, Post-Qualification Report Form.</p>	BAC-TWG	½ cd	<p>Enter findings in <b>Form DPWH-INFR-37</b>. If the bidder with the LCB passes all post-qualification requirements, check box marked “responsive”. If the bidder fails in one or more of above post-qualification requirements, check box marked “non-responsive.”</p>
<p>4. If the bidder has a nominated sub-contractor, conduct the same process in Activity 2 for each subcontractor.</p>	BAC-TWG	1½ cd	<p>Indicate the findings in <b>Form DPWH-INFR-37</b>. In case the sub-contractor is declared ineligible or post-disqualified, the bidder with the lowest calculated bid shall directly undertake the portions of the work supposed to be done by that sub-contractor.</p>
<p>7. Review PQR and declare bidder with the LCB as “post-qualified” and its bid as “LCRB;” or declare the bidder as “post-disqualified,” as the case may be, and sign PQR.</p>	BAC Members	1 cd	<p>a. If PQR shows that the LCB is “responsive”, declare its bidder as “post-qualified” and its bid as the LCRB.</p> <p>b. If PQR shows that the LCB is “non-responsive,” declare it its bidder as “post-disqualified,” citing the reasons therefor</p>
<p>8. If the bidder with LCB is post-qualified and its bid declared as</p>	BAC-Sec	½ cd	<p>Use <b>Form DPWH-INFR-38</b>.</p>

<b>Activity</b>	<b>Responsible Performer</b>	<b>Time Frame</b>	<b>Rules</b>
LRCB, send Notice of Post-qualification to the bidder			
10. If the bidder with LCB is post-disqualified, send Notice of Post-disqualification (NPD) to the bidder.	BAC-Sec	½ cd	Use <b>Form DPWH-INFR-39.</b>
11. In case of No. 10, repeat the process in Activities 2-8 for the bidder with the second LCB, and so on, until the LCRB is determined	BAC with BAC-TWG and BAC-Sec	same as for 2-8	Same as for Activities 2-8.
12. Receive request for reconsideration, if any, from post-disqualified bidder	BAC with BAC-TWG and BAC-Sec	≤7 cd after bidder's receipt of NPD	
13. Evaluate request for reconsideration, decide, and repeat activities 8-11	BAC with BAC-TWG and BAC-Sec	7 cd after receipt of request	Use non-discretionary criteria and decide based on verifiable facts.
<b>Total</b>		<b>10 cd for Act. 1-8</b>	

## **5.9 AWARD OF CONTRACT**

### **5.9.1 Legal Reference**

**IRR Section 37** specifies the rules and guidelines for awarding the contract.

### **5.9.2 Rule on Contract Award**

The Procuring Entity shall award the contract to the bidder with the Lowest Calculated Responsive Bid (LCRB) at its submitted bid price or its calculated bid price, whichever is lower (**IRR Section 34.4**).

In case the submitted total bid price is lower than the total calculated bid price, the BAC shall compute the ratio of the latter to the former, and multiply this ratio with all submitted unit prices, for purposes of evaluating and paying the value of work accomplished during the implementation stage.

Before the expiration of the period of bid validity, the Procuring Entity shall notify the successful bidder in writing that its bid has been accepted, through a Notice of Award (NOA) received by the bidder personally or by registered mail or electronically. In case the NOA is not received

personally, its receipt must be confirmed in writing within two (2) calendar days by the successful bidder and submitted personally or sent by registered mail or electronically to the Procuring Entity.

### **5.9.3 Notice of Award (NOA)**

Based on the Bid Evaluation Report and Post-Qualification Report, the BAC shall declare the LCRB and recommend the award of the contract to the Bidder with the LCRB (**IRR Section 37.1.1**). This decision shall be embodied in a BAC Resolution using **Form DPWH-INFR-40**, to be submitted to the HoPE for approval.

Within three (3) calendar days from the submission of such Resolution recommending award of the contract to the Bidder with the LCRB, the BAC shall notify all other bidders, writing, of its recommendation (**IRR Section 37.1.1**).

To facilitate the approval of the award, the BAC shall submit the following documents to the HoPE:

- a. Resolution of the BAC recommending award;
- b. Abstract of Bids;
- c. Duly approved program of work and Cost Estimates;
- d. Document issued by appropriate entity authorizing the Procuring Entity to incur obligations for a specified amount; and
- e. Other pertinent documents required by existing laws, rules, and/or the Procuring Entity.

The HoPE shall approve or disapprove the said BAC Resolution recommending the award within fifteen (15) calendar days from the receipt of that Resolution (**IRR Section 37.1.2**).

Immediately upon the approval of the BAC Resolution for award and before the expiration of the period of bid validity as specified in the **BDS** of the **BDs**, the HoPE shall issue the Notice of Award (NOA) to the bidder with the LCRB, using **Form DPWH-INFR-41 (IRR Section 37.1.3)**. Simultaneously, the HoPE will issue a notice of the results of the bidding to the losing bidders, using **Form DPWH-INFR-42**.

In case the Procuring Entity uses electronic bidding pursuant to GPPB Resolution No. 23-2013, upon approval by the HoPE of the BAC recommendation to award the contract to the LCRB, the NOA shall be created by the Bid Notice Creator in the PhilGEPS upon instruction of the HoPE, provided however, that the NOA shall only be created and issued to the LCRB if no request for reconsideration or protest is received by, or inputted in PhilGEPS. Upon issuance of the NOA to the LCRB, an electronic message shall be automatically sent to all bidders who participated informing them of the results of the bidding process.

Within three (3) calendar days from the issuance of the NOA, the BAC, through its Secretariat, shall post the NOA at the websites of the DPWH and PhilGEPS, at a conspicuous place in the premises of the Procuring Entity, and at the DPWH-CWR.

Disapproval by the HoPE of the BAC Resolution shall be based on valid, reasonable, and justifiable grounds. The HoPE shall accordingly notify the BAC in writing, which shall in turn notify the bidder in writing, consistent with RA 9184-IRR Section 34.5. The BAC may conduct the post-qualification of the bidder with the next LCB as provided in RA 9184-IRR Section **34.6**, provided that the Bid Security of that bidder is still valid (**IRR Section 37.1.3**).

A request for reconsideration may be filed by the bidder with the HoPE within three (3) calendar days from receipt of the notice of disapproval. The HoPE shall resolve with finality the request for reconsideration within seven (7) calendar days from the filing thereof and furnish the bidder a copy of the resolution immediately from its promulgation. In no case shall the request for reconsideration stay or delay the bidding process. However, the request for reconsideration must first be resolved before any award is made (**IRR Section 37.1.3**).

In accordance with DO 156, series of 2015, and RA 9194-IRR Section 37.1.4, the NOA shall require the bidder with the LCRB to submit to the Procuring Entity, within ten (10) calendar days, from the bidder's receipt of the NOA, the following documents as conditions for the signing of the Contract:

- a. Notice of Award (NOA) with the bidder's signed "conforme"
- b. Authority of Signing Official/Board Resolution/Secretary's Certificate
- c. For a joint venture (JV), Contractor's PCAB Special JV License and JV Agreement.
- d. Performance Security in accordance with Section 3.9.3 of this Manual (Use **Form DPWH-INFR-43 or DPWH-INFR-44**, as applicable).
- e. Construction Methods (Use **Form DPWH-INFR-45**)
- f. Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve, or other approved tools of project scheduling, and Cash Flow (Use **Form DPWH-INFR-46**).
- g. Manpower Schedule (Use **Form DPWH-INFR-47**).
- h. Equipment Utilization Schedule (Use **Form DPWH-INFR-48**).
- i. Construction Safety and Health Program (Use **Form DPWH-INFR-49**) initially approved by the HoPE in accordance with DPWH-DOLE Memorandum of Agreement under DPWH Memorandum Circular No. 29, series of 2015.
- j. Contractor's All Risk Insurance (CARI).
- k. Latest Income Tax and Business Returns duly stamped and received by BIR and duly validated with the tax payments made. Tax Clearance from the BIR to prove full and timely payment of taxes.
- l. For a local contractor, Certification under oath stating that the Contractor is free and clean of all tax liabilities.

- m. For a foreign bidder, valid PCAB License and Registration for the type and cost of the contract to be bid, when the Treaty or International or Executive Agreement expressly allows submission of the PCAB License and Registration for the type and cost of the contract to be bid as a pre-condition to the NOA.
- n. Integrity Pledge in accordance with Department Order No. 86, series of 2013.

The NOA shall also require the bidder with the LCRB to formally sign the Contract Agreement within the said ten (10) calendar days.

#### **5.9.4 Non-Acceptance by Bidder Considered for Award**

If the bidder with the LCRB refuses to accept the NOA, the BAC must disqualify that bidder and forfeit its Bid Security. The BAC must then initiate and complete the post-qualification of the bidder with the second LCB. This bidder shall then be awarded the contract, if found to be post-qualified. This procedure is repeated until the LCRB is determined. Should all eligible bidders fail post-qualification, the BAC must declare the bidding a failure. It must then review the terms and conditions stated in the **IB**, changing any of such terms and conditions if needed. It may wish to adjust the cost estimates or specifications, but without increasing the ABC. It then must conduct a re-bidding with re-advertisement, in the process formulating a new **IB** and posting and publishing this as required (**IRR Section 35**). All bidders that have initially responded to the **IB** in the first bidding shall be allowed to submit new bids.

If a second failure of bidding occurs, the Procuring Entity may enter into a negotiated procurement (**IRR Section 35.3**).

Refusal by the bidder with the LCRB to accept an award, without just cause or for the purpose of forcing the Procuring Entity to award the contract to another bidder, if proven, is meted with a penalty of imprisonment of not less than six (6) years and one (1) day by not more than fifteen (15) years (**IRR Section 65.3.4**). In addition, administrative penalties of suspension for one (1) year from participation in government procurement for the first offense, and suspension for two (2) years for the second offense shall be imposed on the bidder (**IRR Section 69.1**).

#### **5.9.5 Single Calculated Responsive Bid**

A single calculated responsive bid shall be considered for award if it falls under either of the following circumstances (**IRR Section 36**):

- a. If after advertisement, only one prospective bidder applies for eligibility check, in accordance with the provisions of this Procurement Manual, and it meets the eligibility requirements or criteria, after which it submits a bid which is found to be responsive to the bidding requirements.
- b. If after advertisement, more than one prospective bidder applies for eligibility check, in accordance with the provisions of this Procurement Manual, but only one bidder meets the eligibility requirements or criteria, after which it submits a bid which is found to be responsive to the bidding requirements.

- c. If after the eligibility check, more than one bidder meets the eligibility requirements or criteria, but only one bidder submits a bid, and its bid is found to be responsive to the bidding requirements.

## 5.9.6 Specific Activities in Awarding Contract

**Table 21. Activities in Awarding Contract**

Activity	Responsible Performer	Time Frame	Rules
1. Prepare BAC Resolution declaring the LCRB and recommending award, attach BER and PQR, and submit these to the BAC.	BAC-Sec	1 cd	Use <b>Form DPWH-INFR-40</b> .
2. Sign the BAC Resolution and submit it to the HoPE.	BAC	2 cd	
3. Approve or disapprove the BAC Resolution.	HoPE	1-7 cd	If disapproved, HoPE shall state the reasons and instruct the BAC on steps to be taken.
4. Prepare (a) Notice of Award (NOA) to the winning bidder and (b) Notice of Bidding Results (NOBR) to the losing bidders.	BAC-Sec, reviewed by BAC-Chair	1 cd	For (a), use <b>Form DPWH-INFR-41</b> . For (b), use <b>Form DPWH-INFR-42</b> .
5. Sign NOA and NOBR.	HoPE	1 cd	
6. Issue NOA to the winning bidder and NOBR to the losing bidders.	BAC-Sec	1 cd; w/in Bid validity period	
7. Post the NOA at the websites of DPWH and PhilGEPS and at conspicuous place in Procuring Entity premises.	BAC-Sec	1 cd	
<b>Total</b>		<b>8-14 cd</b>	

## 5.10 FINALIZATION, SIGNING AND APPROVAL OF CONTRACT AND ISSUANCE OF NOTICE TO PROCEED

### 5.10.1 Legal Reference

IRR Section 37 specifies the rules regarding contract documentation, signing and approval.

### 5.10.2 Contract Documents and Supporting Documents

The BAC and the winning bidder shall use the checklist in **Form DPWH-INFR-50** to ensure the completeness of the documents comprising the contract as well as the supporting documents (**IRR Section 37.2.4**).



**a. Contract Documents.** These shall consist of the following documents which shall be interpreted in the following order of priority:

- (1) Contract Agreement (Use **Form DPWH-INFR-51**)
- (2) Documents forming part of the Contract Agreement in the following order of priority:
  2. Notice of Award with the Contractor's signed "conforme"
  - (b) Contractor's Bid comprised of its Technical and Financial Proposals, as calculated by the Procuring Entity and conformed to by the Contractor through the NOA
  - (c) Bidding Documents (**BDs**), other than items (2)(d) to (2)g below for the Contract, with Bulletins
  - (d) Specifications
  - (e) Drawings
  - (f) Special Conditions of Contract (**SCC**)
  - (g) General Conditions of Contract (**GCC**)
  - (h) Performance Security
  - (i) Integrity Pledge under Department Order No. 86, series of 2013
  - (j) Other Contract Documents
    - i. Construction Methods
    - ii. Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve, or other approved tools of project scheduling, and Cash Flow
    - iii. Manpower Schedule
    - iv. Equipment Utilization Schedule
    - v. Construction Safety and Health Program, as initially approved by the HoPE
    - vi. Contractor's All Risk Insurance (CARI)

The documents in items (1) and (2)-(b) to (2)-(c) above shall be provided by the Procuring Entity. As indicated in the NOA, the documents in items (2)-(a), (2)-(h) to 2(j)-i to vi shall be submitted by the winning bidder to the Procuring Entity within ten (10) calendar days from the date of its receipt of the NOA.

**b. Supporting Documents.** These shall consist of the following:

- (1) Approved Program of Work (POW)
- (2) Certificate of Availability of Funds (CAF)
- (3) Abstract of Bids as Calculated
- (4) Approved BAC Resolution declaring the LCRB and Recommending Award

### 5.10.3 Performance Security

- a. Definition of Performance Security. A Performance Security is a guarantee that the winning bidder shall faithfully perform its obligations under the contract prepared in accordance with the Bidding Documents (**IRR Section 39.1**), up to the end of the Defects Liability Period. The Performance Security shall also guarantee the recoupment of any advance payment to the contractor as authorized in “Annex E” of the IRR. The Performance Security must be posted in favor of the Procuring Entity, and shall be forfeited in the latter’s favor if it is established that the winning bidder is in default in any of its obligations under the contract (**IRR Section 39.2**)
- b. Responsibility for Posting of Security. The Performance Security shall be posted by the bidder with the LCRB before the signing of the contract by both parties (**IRR Section 39.1**). It is one of the requirements to be submitted by the winning bidder to form part of the Contract (**IRR Section 37.2.3**).
- c. Forms and Amounts of Security. The Performance Security must be in any of the following forms with the corresponding required amounts not less than the percentage of the total contract price in accordance with the following schedule (**IRR Section 39.2**):

**Table 22. Forms and Amounts of Performance Security**

<b>FORM OF PERFORMANCE SECURITY</b>	<b>AMOUNT</b>
(1)Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank	10% of contract price
(2)Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; provided that it shall be confirmed or authenticated by a Universal or Commercial Bank if issued by a foreign bank ( <b>Use Form DPWH-INFR-43</b> )	10% of contract price
(3)Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security ( <b>Use Form DPWH-INFR-44</b> )	30% of contract price
(4) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

The required amounts of the Performance Security stated above shall be increased by the amount of any advance payment not exceeding fifteen percent (15%) of the contract price that the contractor may avail itself of under the terms of the contract.

- d. Conditions of Performance Security. The bidder with the LCRB shall post a Performance Security which complies with the following conditions:
- (1) The Performance Security must be executed in the form prescribed by the Procuring Entity in the **ITB**.
  - (2) The Performance Security must at least be co-terminus with the period of the contract up to the issuance of the Certificate of Acceptance at the end of the Defects Liability Period.
  - (3) The following provisions shall form part of the Performance Security: “The right to institute action on the penal bond pursuant to Act No. 3688 of any individual, firm, partnership, corporation and association supplying the Contractor with labor and materials for the prosecution of the work is hereby acknowledged and confirmed.”

#### **5.10.4 Contract Signing**

Within ten (10) calendar days from its receipt of the NOA, the winning bidder must submit all documentary requirements prescribed in Section 3.8.3 of this Manual Volume III and enter into a Contract with the Procuring Entity. The Procuring Entity shall enter into contract with the winning bidder within the same ten (10) calendar day period provided that all documentary requirements are complied with (**IRR Section 37.2**).

The authorized contract signatory of the Procuring Entity is encouraged to sign the Contract within the same day as the signing by the bidder as there are penalties against delaying, without justifiable cause, the award of the contract (**IRR Section 65.1**). Moreover, it would be best for the winning bidder and the authorized contract signatory, to sign/execute the contract together – provided that all contract documents and requirements are complete – so that both may personally appear before a Notary Public.

#### **5.10.5 Refusal or Inability of Bidder to Submit Required Contract Documents and to Sign Contract**

If the bidder with the LCRB or SCRB refuses to, or is unable, through its own fault, to completely submit the documents required in items (2)-(d) to (2)-(k) of Section 3.9.2.1 of this Manual and sign the contract within the prescribed period of ten (10) days after its receipt of the Notice of Award:

- a. its Bid Security shall be forfeited;
- b. it shall be disqualified from further participating in the bidding at hand;
- c. pursuant to Section 65.3d) of the IRR, for refusal to accept an award without just cause for the purpose of forcing the Procuring Entity to award the contract to another bidder, upon conviction, its Authorized Managing Officer (AMO) shall suffer the penalty of imprisonment of not less than six (6) and one (1) day and not more than fifteen (15) years; and

- d. pursuant to Section 69.1d) of the IRR, for refusal to accept an award or enter into contract with the Government without justifiable cause, upon determination of administrative liability, it shall suffer the administrative penalties of suspension for one (1) year from participation in Government procurement for the first offense, and suspension for two (2) years for the second offense.

The BAC must then initiate and complete the Post-Qualification of the bidder with the second LCB. This procedure must be repeated until the LCRB is determined for award. If no bidder passes Post-Qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-posting and re-advertisement. Should there be another failure of bidding after the conduct of the re-bidding, the Procuring Entity may enter into a negotiated procurement (**IRR Section 40.2**).

If the bidder that fails to post the Performance Security and sign the contract is the one with the SCRB, the BAC must declare the bidding a failure. It shall then conduct a re-bidding with re-posting and re-advertisement. Should there be another failure of bidding after the conduct of the re-bidding, the Procuring Entity may enter into a negotiated procurement (**IRR Section 40.3**).

If, however, the failure of the bidder with the LCRB or SCRB to sign the contract within the prescribed period is not due to its fault, the sanctions mentioned above shall not be imposed (**IRR Section 40.1**).

#### **5.10.6 Contract Approval**

When further approval of the contract by a higher authority is required, the approving authority is given a maximum of twenty (20) calendar days from receipt thereof to approve or disapprove it.

Upon approval of the Contract, the Procuring Entity shall notify the other Bidders that their bids were unsuccessful.

Within three (3) calendar days after contract approval, the Procuring Entity, through its Procurement Unit, shall reflect the approved contract in the PCMA.

If no action on the contract is taken by the HoPE or the appropriate approving authority within the specified periods, the contract concerned shall be deemed approved. However, where further approval by the Office of the President is required, the contract shall not be deemed approved unless and until the Office of the President gives actual approval to the contract concerned (**IRR Section 38.3**).

#### **5.10.7 Notice to Proceed (NTP)**

The Procuring Entity shall issue the Notice to Proceed (NTP), using **Form DPWH-INFR-52**, together with a copy of the approved contract, to the successful bidder within seven (7) calendar days from the date of approval of the contract. All notices, including the NTP, called for by the terms of the contract shall be effective only at the time of receipt thereof by the successful bidder (**IRR Section 37.4**).

Within fifteen (15) calendar days from the issuance of the NTP, the Procuring Entity, through the BAC Secretariat, shall post a copy of the NTP, together with the approved Contract Agreement, in the websites of the DPWH and the PhilGEPs.

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Bid Notice Creator shall update the “proceed date” and the “contract start and end dates” and upload a copy of the Notice to Proceed and approved Contract in the PhilGEPs.

### **5.10.8 Activities to Finalize, Sign and Approve Contract, and to Issue NTP**

**Table 23. Activities in Finalizing, Signing and Approving Contract**

<b>Activity</b>		<b>Responsible Performer</b>	<b>Time Frame</b>	<b>Rules</b>
1. Prepare a checklist of documents to comprise the contract.		IU	½ cd	<b>Use Form DPWH-INFR-49 and Form DPWH-INFR-50.</b>
2. Receive documents 2-(d) to 2-(g) in Section 3.9.2.1-a above from the winning bidder.		IU	10 cd	
3. Compile all documents 2-a to 2-g in Section 3.9.2.1-a above to form the contract.		IU	½ cd	
4. Transmit the Contract documents to the Budget Officer for Obligation Request.		IU	½ cd	
5. Issue Obligation Request for the contract.		Chief Budget Officer	1 cd	
6. Transmit Contract documents to the Chief Accountant for Certificate of Availability of Funds (CAF).		IU	½ cd	
7. Issue CAF for the Contract.		Chief Accountant	1 cd	
8. Submit the Contract documents with supporting documents to the Chief Legal Officer for review and initial.		IU	½ cd	
9. Review and initial the Contract and transmit this to the authorized DPWH contract signatory.		Chief Legal Officer	1 cd	
10. Review and sign, together with the Contractor, the Contract, and send		Authorized signatories of PE	1 cd	

Activity		Responsible Performer	Time Frame	Rules
it to the approving authority.		and Contractor, witnessed by Chief Acct		for CO, ARD for RO, and ADE for DO.
11. Review and approve the Contract.		HoPE, after review by Asst HoPE	3 cd-DO 5 cd-RO 10 cd- CO	Within limits of delegated approving authority.
12. Issue Notice to Proceed (NTP) to the Contractor		HoPE or authorized representative	1-5 cd from contract approval	Use <b>Form DPWH-INF-52</b> .
<b>Total</b>			<b>20.5-31.5 cd</b>	

## 5.11 RESERVATION CLAUSE

### 5.11.1 Legal Reference

IRR Section 41 provides the rules governing the Reservation Clause.

### 5.11.2 Right of Procuring Entity to Reject Bids, Declare a Failure of Bidding, or Not to Award

The Procuring Entity reserves the right to reject any and all bids, to declare a failure of bidding, or not to award the contract in any of the following situations, without incurring any liability to the affected bidders:

- a. If there is prima facie evidence of collusion among appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition.
- b. If the BAC is found to have failed in following the prescribed bidding procedures, for which the applicable sanctions shall be applied to the erring officers. The following are some instances when a BAC fails to follow procedures:
  - (1) Prescribing an insufficient number of days in the advertisement/posting of the IB.
  - (2) Exceeding the required periods for eligibility check, bid evaluation, post-qualification or awarding the contract, without justifiable cause.
  - (3) Conducting the Pre-Bid Conference or issuing the Bidding Documents in less than the required number of days before the deadline for the receipt and opening of bids.
  - (4) Requiring or allowing a bidder to submit additional documents after the deadline which is tantamount to improving its bid.

- (5) Allowing a bidder to be declared eligible or pass the post-qualification with incomplete documents.
- c. If, for any of the following justifiable and reasonable ground, the award of the contract will not redound to the benefit of the Government:
  - (1) The physical and economic conditions have significantly changed so as to render the contract works no longer economically, financially or technically feasible as determined by the HoPE.
  - (2) The contract works are no longer necessary as determined by the HoPE.
  - (3) The source of funds for the contract has been cancelled, withheld or reduced through no fault of the Procuring Entity.

If the HoPE is proven to have exerted undue influence or pressure on any member of the BAC or any officer or employee of the Procuring Entity to take a particular action which favors or tends to favor a particular bidder, or abuses his power to reject any and all bids, as provided by the Reservation Clause, with manifest preference to any bidder who is closely related to him in accordance with **IRR Section 47**, he shall be meted with the penalties provided in IRR Section 65 (**IRR Section 65.1c and e**).

### **5.11.3 Failure of Bidding**

- a. The BAC shall declare the bidding a failure when any of the following situations take place (**IRR Section 35**):
  - (1) No bids are received.
  - (2) All prospective bidders are declared ineligible.
  - (3) All bids fail to comply with all the bid requirements or fail post-qualification.
  - (4) The bidder with the Lowest Calculated Responsive Bid refuses, without justifiable cause, to accept the award of contract, and no award is made in accordance with **Section 40 of RA9184 and its IRR**).
- b. To determine the reason for the failed bidding, the BAC shall conduct a mandatory review and evaluation of the terms, conditions, and specifications in the Bidding Documents, including its cost estimates.
- c. Based on its findings, the BAC shall revise the terms, conditions, and specifications, and if necessary, adjust the ABC, subject to the required approvals, and conduct a re-bidding with re-advertisement and/or posting(**IRR Section 21.2**).
- d. All bidders who have initially responded to the IB and have been declared eligible in the previous biddings shall be allowed to submit new bids. The BAC shall observe the same process and set the new periods according to the same rules followed during the previous biddings.

- e. Should there occur a second failure of bidding, the Procuring Entity may resort to negotiated procurement (**IRR Section 53.1**).

## **SECTION 6**

### **ALTERNATIVE MODES OF PROCUREMENT**



## **6.1 DESIGN-AND-BUILD (DB) SCHEME**

### **6.1.1 Legal Reference**

The Design-and-Build (DB) scheme is authorized **in Section 17.6 of the IRR**. The procurement and contract implementation of infrastructure projects using DB should be done according to the Guidelines provided in **Annex “G” of the IRR**.

### **6.1.2 Basic Concept and Benefits of DB**

DB is a method of project delivery in which one entity – i.e., the designer-builder – concludes a single contract with the DPWH to provide Detailed Engineering Design (DED) services and Construction services. By contrast, in the traditional design-bid-build approach, the DPWH prepares the DED, by itself or through a design consultant, and subsequently selects a construction contractor, normally by competitive bidding, to build the facility under a construction contract.

In the DB modality, the design-construct technology proposed by the DB contractor must comply with the generic Minimum Performance Standards and Specifications (MPSS) for the project prescribed by the DPWH.

There are significant benefits in using the DB scheme:

- **Singular responsibility.** Since both design and construction are in the hands of the contractor, there is a single point of responsibility for quality, cost and schedule compliance. This precludes buck-passing and finger-pointing. The DPWH can focus on definition of project scope and requirements definition and timely decision-making, rather than on coordination between the designer and the builder.
- **Quality.** The bigger responsibility inherent in DB provides a motivation for high quality and proper performance of the facility to be provided by the contractor. Based on the requirements of the DPWH which are defined in performance terms, the designer-builder is responsible for producing the results accordingly. The designer-builder guarantees to

the DPWH that the design documents are complete and free from error. By contrast, in the traditional design-bid-build approach, the DPWH guarantees to the contractor that the design documents are complete and free from error; consequently, this approach relies on restrictive contract language, extensive audit and inspection by the DPWH's Engineer or construction supervision consultant, and sometimes on cumbersome legal clarification, to assure project quality.

- Time Savings. Because design and construction overlap, the overall design and construction time can be significantly reduced. DB is especially useful for fast-track projects. Construction is allowed to start in advance of the working drawings being fully completed. The time savings translate into substantial cost savings and earlier use of the facility. By comparison, in the traditional design-bid-build scheme, considerable time is spent in hiring the design consultant, reviewing the design documents, and procuring the construction contract.
- Reduced Administrative Burden. After award, the DPWH does not need to spend much time and money, through its in-house staff or consultants, in seeing to it that the work is done by the contractor precisely as required by the design documents prepared by the designer, and in coordinating and arbitrating between separate design and construction contracts.
- Firm Costs. Because the contractor responsible for design is simultaneously conceptualizing the completed project and estimating construction costs at an early stage, and is required to submit fixed bid prices for the project, guaranteed construction costs are known sooner. This obviates variation orders and cost overruns due to faulty design.
- Less Connivance. DB is less prone to collusion because bidders will have their own designs.

### **6.1.3 DB Applications**

The Procuring Entity may adopt DB in the following cases, among others:

- a. For priority projects as determined by the Secretary of the DPWH and/or those under the DPWH Medium Term Public Investment Program (MTPIP) that need to be completed within a tight completion schedule.
- b. For infrastructure projects requiring advanced engineering or construction technologies or whose intellectual property rights belong to private companies.
- c. For infrastructure projects where design, equipment, plant and construction can be provided exclusively by a company or where manufacturer's know-how is important in the construction of such facility.
- d. For projects where there are previously approved standard designs but where an innovation in design and construction methods under the DB scheme is likely to result in lower costs and higher quality projects. Examples of these are school buildings and bridges.

#### **6.1.4 Preliminary/Conceptual Design of Procuring Entity**

No bidding and award of DB contracts shall be made unless the required preliminary/conceptual design and construction studies have been sufficiently carried out and duly approved by the HoPE (**Section 7, Annex “G” of IRR**). These studies shall include, among other things, the following data:

- a. Project Description
- b. DPWH Procuring Entity’s Conceptual Design (Preliminary Design)
- c. Minimum Performance Standards and Specifications (MPSS)
- d. Preliminary Survey and Mapping
- e. Preliminary Investigations
- f. Utility Locations
- g. Approved Budget for the Contract (ABC)
- h. Proposed Design and Construction Schedule
- i. Minimum requirements for a Construction Safety and Health Program for the project.
- j. Bidding Documents, including Instructions to Bidders and Conditions of Contract

The above data are for the bidder’s/contractor’s reference only. The Procuring Entity does not guarantee that these data are fully correct, up to date, and applicable to the project at hand. The contractor is responsible for adopting its own design under the DB scheme. The contractor is responsible for the accuracy and applicability of all data, including the above, that it will use in its DB proposal and services.

The Procuring Entity shall be responsible for the acquisition of the right-of-way and shall provide a budget for this purpose.

#### **6.1.5 DB Bidding Documents**

For a specific project to be procured through the DB scheme, the DPWH shall prepare the Bidding Documents (**BDs**) using, as template, the Standard Bidding Documents for DB projects (**SBDs-DB**) given in **ANNEX II-1.3**.

The **SBDs-DB** has the following components:

- Section I - Invitation to Bid (**IB**)
- Section II - Instructions to Bidders (**ITB**)
- Section III - Bid Data Sheet (**BDS**)

Section IV - General Conditions of Contract (**GCC**)

Section V - Special Conditions of Contract (**SCC**)

Section VI - Minimum Performance Standards and Specifications (**MPSS**)

Section VII - Procuring Entity's Concept Design Drawings and Other Reference Data

Section VIII - Terms of Reference (**TOR**)

Section IX - Forms and Qualification Information

The contents of these Sections of the **SBDs-DB** are essentially patterned after the corresponding Sections for the procurement of regular (non-DB) contracts as discussed in Section 4 of this Manual Volume II, but modified and customized to suit the particular requirements of DB projects of the DPWH.

### **6.1.6 DB Minimum Performance Standards and Specifications (MPSS)**

The Procuring Entity shall prepare the Minimum Performance Standards and Specifications (MPSS) as part of the **BDs** for a specific DB project, in accordance with Section 4-e of the DB Guidelines in **Annex "G" of the IRR**.

The purpose of the MPSS is to establish the minimum performance or functional requirements that the DB contractor must comply with in the design and construction of the project.

The MPSS for DB must be outcome-based. The MPSS shall define what and how the infrastructure facility should perform (outcome) – without specifying exactly what it should look like and how it should be produced. (This is in contrast to the conventional scheme where the detailed design is defined and prescribed by the DPWH and the bidder constructs the facility following that design. This conventional scheme is output- and input-based: it specifies what the facility should look like (output) and how it should be produced (inputs)).

For typical infrastructure projects of the DPWH, the MPSS for DB shall usually provide the following standards:

- a. Basic Configuration – e.g., width of river to be crossed by a bridge, points to be connected by a road, number of stories of a school building and floor area of each classroom, etc.
- b. Geometric and Structural Capacity and Service Level to Meet Demand– e.g., road capacity to allow projected traffic to travel at 80-100 kph with a traffic volume-capacity ratio not exceeding 0.6, 20-ton truck loading, earthquake load with aseismic acceleration coefficient of 0.4 g, wind load of 250 kph, major flood with a return period of 1 in 100 years, classroom to fit 40 pupils, etc.
- c. Safety and Environmental Standards – e.g., fire resistance rating, no asbestos/carcinogenic materials, accident response system, inside temperature for school

buildings, ventilation and lighting requirements, noise levels, impact on air and water pollution.

An illustrative example of MPSS for a DB project is given in ANNEX IIC, Section VI.

### **6.1.7 DB Eligibility Requirements and Criteria**

#### **a. Eligibility Requirements (ER) for DB**

The ER shall include the following:

1. For the construction component, the bidder shall meet all of the **ER** provided in Section 2.6 of this Manual for infrastructure (**IRR Section 23.5**). These include the following:
  - (a) Registration in the DPWH Civil Works Registry (CWR)
  - (b) Legal Requirements – particularly as to the contractor being a Filipino citizen/ proprietorship, partnership, corporation, cooperative, or JV.
  - l. Technical Requirements – particularly Contractor’s PCAB license, work experience in similar contracts, and CPES Rating or Owner’s Certificate of Final Acceptance.
  - m. Financial Requirements – particularly Net Financial Constructing Capacity (NFCC)
- a. In addition, for the design component, the bidder must meet the following supplemental ER:
  - (a) Documentary Requirements
    - (1) Relevant statements of all ongoing, completed, and awarded but not yet started design and DB-related contracts. The statements shall include, for each contract, the following:

- (1-a) Name and location of the contract.
  - (1-b) Date of award of the contract.
  - (1-c) Brief description of design and DB-related services.
  - (1-d) Consultant's role (whether main consultant, subcontractor, or JV partner) and the specific services it provided.
  - (1-e) Amount of contract.
  - (1-f) Contract duration.
  - (1-g) Certificate of satisfactory completion, in the case of a completed contract.
- (2) Curriculum vitae of key staff, partners or principal officers of designer.
  - (3) Valid licenses issued by the Professional Regulatory Commission (PRC) for design professionals in accordance with the provisions under **Section 24.1(a)(iv) of RA 9184-IRR.**
- (b) Technical Requirements
- (1) The DB bidder-contractor - as solo or in joint venture (JV)/consortia - should comply with the experience requirement under the IRR of RA 9184, where one of the parties in a joint venture/consortium should have satisfactorily completed the design of at least one similar project, both in design and construction, costing at least 50% of the ABC of the DB project to be procured.
  - (2) If the bidder has no experience in DB projects on its own, it may enter into sub-contracting, partnership, or JV with design or engineering firms for the design portion of the contract. The design or engineering firm must, however, have satisfactorily completed the design of a similar project costing at least 50% of the ABC of the DB project to be procured.
  - (3) JVs/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 RA 9184-IRR. The JV/consortium shall be jointly and severally responsible for the obligations and the civil liabilities arising from the DB contract. Filipino ownership or interest thereof, however, shall be at least seventy five percent (75%). A JV/consortium in which Filipino ownership or interest is less than seventy-five percent (75%) may be eligible where the structure to be built requires 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%).

- (4) When the design services in which the JV wishes to engage involve the practice of professions regulated by law, all those who will actually perform the services must be Filipino citizens and registered professionals authorized by the appropriate regulatory body to practice those professions and allied professions. Where foreign designers are required, the foreign designer must be authorized by the appropriate Philippine Government professional regulatory body to engage in the practice of those professions and allied professions. In accordance with DPWH DO 195, series of 1992, pursuant to the provisions of RA 544, the procurement and employment of corporations as consultants for the practice of civil engineering under locally-funded projects is not allowed.
- (5) The bidder's design manager must have a minimum experience of eight (8) years of design work in the same position and/or on project categories similar to those of the DB contract at hand, and a minimum total design experience of twelve (12) years regardless of position or project category, as determined by the Procuring Entity depending on the nature, size, and complexity of the contract to be procured.

### **6.1.8 Conditions of DB Contract**

The Procuring Entity shall use the General Conditions of Contract (GCC) and Special Conditions of Contract (SCC) for DB contracts provided in Annex IIC, Sections IV and V. The Procuring Entity may also refer to the Model Contract for DB (Yellow Book) of the Federation Internationale des Ingenieurs Conseils (FIDIC) or International Federation of Consulting Engineers for additional conditions which should, however, be customized to fit the requirements of the DPWH DB contract at hand.

### **6.1.9 Content of DB Bid**

For a particular project to be procured under DB, the Procuring Entity shall require the bidder to submit his bid consisting of the following components in two sealed envelopes:

a. **First Envelope - Technical Proposal.**

The Technical Proposal shall include all requirements for infrastructure projects under **Section 25.2b of RA 9184-IRR** as provided in Section of this Manual, recapitulated as follows (**Section 10, Annex G of IRR**):

- (1) All Eligibility Requirements stated in Section 4.1.7a above.
- (2) In the case of a JV, a PCAB Special JV License applicable to the type and cost of contract to be procured, unless otherwise provided in the loan/grant agreements for foreign-assisted projects.
- (3) Bid Security in the prescribed form, amount and validity period (**Form DPWH-INFR-10, DPWH-INFR 11, or DPWH-INFR-12**).
- (4) Project Requirements, which shall include the following:

1. Contractor's organizational chart for the contract to be bid (**Form DPWH-INFR-13**).
  2. List of contractor's key personnel– e.g., Project Manager, Design Manager, Project Engineers, Materials Engineers, and Foremen - to be assigned to the contract, with their complete qualification and experience data (**Form DPWH-INFR-14**).
- (c) List of contractor's major construction and laboratory equipment units to be used for the contract – which are owned, leased, and/or under purchase agreements, supported by certification of availability of the equipment from the equipment lessor/vendor for the duration of the project (**Form DPWH-INFR-15**).
- (d) Omnibus sworn statement by the prospective bidder or its duly authorized representative as to the following (**Form DPWH-INFR-16**):
- i. It is not “blacklisted” or barred from bidding by the government or any of its agencies, offices, corporations, or local government units (LGUs), including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB.
  - ii. 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.
  - ii. It is authorizing the HoPE or his duly authorized representative(s) to verify all the documents submitted.
  - iii. The signatory is the duly authorized representative of the prospective bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the prospective bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the prospective bidder is a corporation, partnership or joint venture.
  - iv. It complies with the disclosure provision under Section 47 of RA 9184 in relation to the provisions of RA 3019.
  - v. It complies with the responsibilities of a bidder provided in the **BDs**.
  - vi. It complies with existing labor laws and standards.
  - vii. It did not and shall not give or pay any, 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 or activity.

In addition to the above, the Technical Proposal shall include the following requirements:

- (5) Bidder's Preliminary Engineering Design Plan for the Project which shall comply with the MPSS and show (a) the overall configuration of the facility when completed,



(b) the scope and components, and (c) the functions, service levels, and performance characteristics of the Project outputs, - with a degree of detail within +/- 15-20 % of the final quantities of the Project components. Section VII of **ANNEX II-1.3**, which shows the SBDs for DB projects, gives the required content of the Preliminary Engineering Design Plans.

- (6) Design and construction methods which shall conform to the MPSS.
- (7) List of design personnel to be assigned to the contract to be bid, with their complete qualification and experience data.
- (8) Value engineering (VE) analysis of design and construction methods, which shall be undertaken in accordance with the DPWH Guidelines for VE given in **Appendix 2.1** of the Main Guidelines of this Manual Volume II.

b. **Second Envelope - Financial Proposal**

The Financial Proposal of each bidder shall consist of the following (**Section 10, Annex G of IRR**):

- (1) Lump sum bid prices, which shall include the detailed engineering cost, in the prescribed Bid Form.
- (2) Detailed estimates, including a summary sheet, indicating the detailed engineering costs, unit prices of construction materials, labor rates and equipment rentals used in coming up with the bid.
- (3) Cash flow by the quarter and payments schedule based on deliverable outputs.

### **6.1.10 Opening and Preliminary Examination of DB Bids**

Similar to the procedure for regular (non-DB) contracts discussed in Section 3.5.8 of this Manual Volume II, the BAC shall open in public and conduct a preliminary examination of the first bid envelope – i.e., Technical Proposal– of each bidder for the DB contract. The purpose of this examination is solely to determine the “presence-or-absence” of each of the required documents comprising the Technical Proposal, as stated in Section 4.1.9-a above, using a simple non-discretionary “pass (if present) – or - fail (if absent)” criterion, with the aid of a checklist (**Form DPWH-INFR-31**). Thus, if a required technical document is present, the BAC shall rate it “passed” for that particular requirement. If all of the required technical documents are present, the BAC shall be rated as “passed” overall during the preliminary examination of the Technical Proposal. On the other hand, if any of the required technical document is absent - i.e., missing, incomplete, or patently insufficient - the BAC shall rate the bidder as “failed” overall in the preliminary examination of the Technical Proposal.

On the same day, the BAC shall then open in public and similarly conduct a preliminary examination of the second bid envelope – i.e., Financial Proposal – of each remaining eligible bidder whose first bid envelope (Technical Proposal) was rated “passed” during the preliminary examination. The BAC shall examine the submitted documents comprising the Financial Proposal, as stated in Section 4.9-b above, against a checklist of required documents – using **Form DPWH-INFR-32**– to determine their “presence-or-absence,” using a non-discretionary

“pass (if present) /fail (if absent)” criterion. If all of the required financial documents are present, the BAC shall be rated as “passed” overall during the preliminary examination of the Financial Proposal. If, however, at least one of the required documents in the Financial Proposal is absent – i.e., missing, incomplete or patently insufficient, the BAC shall rate the bid concerned as “failed.” Furthermore, if the submitted total bid price exceeds the ABC, the BAC shall rate the bid concerned as “failed” in the preliminary examination of the Financial Proposal.

In summary, only bids that are determined to contain all the required documents for both Technical and Financial Proposals shall be rated as “passed” during the preliminary examination of bids for the DB contract.

### **6.1.11 Evaluation of DB Bids**

- a. The BAC shall first conduct a detailed evaluation of the Technical Proposal of each bidder for the DB contract, using **Form DPWH-INFR-53**.
  - (1) The BAC shall check if the bidder complies with the Eligibility Criteria mentioned in Section 4.1.7a for the contract being procured.
    - (a) For the construction component, the BAC shall undertake the Eligibility Check electronically using the data and program in the DPWH Civil Works Registry (CWR). The BAC shall enter into the CWR the PCAB License Number and/or name of each bidder for the contract to be procured. At this time, it is presumed that the BAC had already approved the Bidding Documents for the contract to be procured, and that the BAC Secretariat had already entered into the CWR the Contract Profile (CP) which provides the basic contract data, including the ABC, works similar to those of the contract to be bid, and contract duration. The CWR program will then electronically process and determine if the bidder meets the following eligibility requirements:
      - (a-1) The cost of the bidder’s largest completed similar contract is at least 50% of the ABC of the project to be procured.
      - (a-2) The bidder’s NFCC is at least equal to ABC of the project to be procured.
    - (b) For the design component, the BAC shall check if the bidder meets the following eligibility requirements:
      - (b-1) The DB contractor - as solo or as one of the parties in a JV/consortium –has satisfactorily completed the design of at least one similar project costing at least 50% of the cost of the ABC of the DB project to be procured.
      - (b-2) The designated design professionals possess valid licenses issued by the PRC.
      - (b-3) The designated design manager has a minimum experience of eight (8) years of design work in the same position and/or on project categories similar to the contract at hand, and a minimum total design experience of twelve (12) years regardless of position or structure category.

- (c) If the bidder complies with the criteria in Section 4.1.11-a(1)(a) and (b) above, the BAC shall consider the bidder as eligible.
- (2) The BAC shall then evaluate if the bidder meets all of the other Technical Proposal requirements, particularly the following:
- (a) Adherence of Bidder’s Preliminary Engineering Design Plans to the required MPSS, including degree of detail. The BAC shall also rate the bidder on this criterion on a “pass/fail” basis. Hence, if the BAC finds that all of the bidder’s Preliminary Engineering Design Plans comply or adhere to the MPSS, the BAC shall rate the bidder “passed.” If the BAC finds that any of the bidder’s Preliminary Engineering Design Plans does not adhere to the MPSS, the BAC shall rate the bidder “failed.”

*For example, the BAC shall check compliance of the following plans with the MPSS:*

Bridge Design Plan

1. *Location plan/vicinity map*
2. *General Notes on Design Parameters and construction Procedures*
3. *General plan and elevation*
4. *Typical details of superstructure*
5. *Typical details of piers and abutments*
6. *Typical details of foundations*
7. *Typical details of abutment and pier protection works*
8. *Typical detail of temporary structures, such as craneway, cofferdam, etc.*
9. *Summary of quantities*
10. *Typical lighting facilities*
11. *Other structures*

Road Design Plan

1. *Design criteria*
2. *Plans, profile and cross sections*
3. *Typical details of slope protection works*
4. *Traffic data/information*
5. *Typical details of drainage structures*
6. *Summary of quantities*
7. *Typical road section*

- (b) Adequacy of concept of approach and methodology for detailed engineering design and construction, with emphasis on the clarity, feasibility, innovativeness and comprehensiveness of the plan approach, and the quality of interpretation of project problems, risks, and suggested solutions. The BAC shall rate the bidder on this criterion using the following rating system, which gives the maximum possible points for each sub-criterion. To qualify, the bidder must obtain a minimum or passing rating of 50 points on this criterion.

**Table 24. Rating System for Adequacy of Approach and Methodology for Design**

<b>Sub-Criterion and Characteristics</b>	<b>Maximum Points</b>
<b>A. Plan Approach</b>	<b>80</b>
1. <u>Clarity</u> – quality of narrative description of methodology and work plan in the submitted TPF3	20
a. The description discussed fully all aspects of the Design Services in TPF3.	(7)
b. The work plan is described in proper order of work activities in TPF3.	(7)
c. There are no significant errors and irrelevant discussions in TPF3.	(6)
2. <u>Feasibility</u> - do ability of work plan	30
a. The proposed team includes all required key personnel, and the tasks of each key personnel are clearly defined in TPF4 – Team Composition and Tasks	(6)
n. The work activities are achievable and given in logical sequence in TPF7 - Activity Work Schedule	(7)
o. The assignment of personnel in TPF6 – Time Schedule of Proposed Professional Staff is consistent with the work activities in TPF7 – Activity Work Schedule	(7)
p. Each of the key personnel has a letter of commitment to work on the project.	(10)
3. <u>Innovativeness</u> – adoption of quality standards or new technology or tools of approach	10
a. There is innovation with discussion on how the methodology will enhance the quality of work outputs and ensure the timely completion of the Design Services in TPF3-Description of the Methodology and Work Plan.	(5)
b. The methodology completely describes the technology and tools to be used in TPF3.	(5)
4. <u>Comprehensiveness</u> - completeness and adequate level of detail of the work plan as to how the Design Services shall be carried out in the Minimum Standards and Specifications (MPSS)	20
a. All works required in the Design are sufficiently covered in TPF7 – Activity Work Schedule.	(5)
b. All of the required key personnel are covered in TPF4- Team Composition and Tasks	(5)
c. There is a clear presentation of interdependency of work activities, such as PERT/CPM, as shown in TPF7.	(5)
c. The work plan integrates interactions among the bidder, concerned DPWH offices, LGUs, and other government offices, in TPF3 - Description of the Methodology and Work Plan, and/or TPF7 – Activity Work Schedule.	(5)
<b>B. Interpretation of Project Problems, Risks and Suggested Solutions</b>	<b>20</b>
1. Interpretation of problems and risks that may be encountered in performing the Design Services.	10
There is a clear discussion on possible problems and risks based on actual site inspection.	(10)

2. Appropriateness or doability of suggested solutions to the problems and risks.	10
a. The suggested solutions are responsive to the problems and practicable, as stated in TPF2 – Comments and Suggestions of designer in the MPSS provided by the Procuring Entity.	(5)
b. There is clear discussion on how the proposed solutions shall be carried out in TPF2 and TPF3.	(5)
<b>Grand Total</b>	<b>100</b>

- (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. For this purpose, the bidder must meet the following minimum requirements for education and experience of the key personnel:

(c-1) Education: Specified relevant Bachelor’s Degree as minimum requirement

(c-2) Experience: Minimum Years of Service

**Table 25. Example: Required Minimum Years of Services of Key Personnel**

Position	Required Minimum Years of Similar Experience	Reqd. Min. Years of Total (Similar + Related) Experience
A. Design Personnel		
Design Manager	8	12
Other Key Design Personnel	5	8
B. Construction Personnel		
Project Manager	8	12
Other Key Construction Personnel	5	8

Similar experience means design/construction experience in the same position and/or in the same/similar project category. Total experience means total design/construction experience regardless of position or project category. The BAC shall also rate the bidder on this criterion on a “pass/fail” basis.

All bidders that pass all of the Technical Evaluation criteria under Section 4.1.10-a(1) and a(2) shall be considered on equal footing. No bonus points shall be given to a bidder that submits a Conceptual Design and Methodology that exceeds the requirements of the MPSS or key personnel whose education and experience exceed the minimum required.

- b. The BAC shall then conduct a detailed evaluation of the Financial Proposal of each bidder that passes the Technical Proposal requirements. The BAC shall use non-discretionary criteria - including arithmetical corrections for computational errors - as stated in the Section 3.6.4 of this Manual Volume II, and thus determine the correct total calculated bid prices. The BAC shall automatically disqualify any total 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, and recorded in the Abstract of Bids as Calculated, using **Form DPWH-INFR-35**.

The bid with the lowest total calculated bid price shall be identified as the Lowest Calculated Bid (LCB).

### **6.1.12 Post-Qualification and Award of DB Contract**

The BAC shall conduct the post-qualification on the LCB for the DB contract in accordance with the provisions of Section 3.7 of this Manual Volume II. If the bidder with the LCB passes the post-qualification, the BAC shall declare that bid as the Lowest Complying Responsive Bid (LCRB) and recommend to the HoPE the award of the DB contract to that bidder pursuant to Section 3.7. The other relevant provisions of this Manual Volume II shall apply.

### **6.1.13 DB Contract Implementation**

As a rule, contract implementation guidelines for the procurement of DB infrastructure contracts shall comply with Annex “E” of RA 9184-IRR. The following provisions shall supplement those guidelines:

- a. No works shall commence unless the DB Contractor has submitted the required documentary requirements and the Procuring Entity has given its written acceptance of the Contractor’s DED. Work execution shall be in accordance with reviewed and accepted DED and related documents.
- b. The Contractor shall be responsible for obtaining all necessary information as to risks, contingencies and other circumstances which may affect the works and shall prepare and submit all necessary documents specified by the procuring entity to meet all regulatory approvals as specified in the contract documents.
- c. The Contractor shall submit a detailed program of work within fourteen (14) calendar days after the issuance of the Notice to Proceed for approval by the Procuring Entity that shall include, among others:
  - (1) The order in which it intends to carry out the work including anticipated timing for each stage of design/detailed engineering and construction;
  - (2) Periods for review of specific outputs and any other submissions and approvals;
  - (3) Sequence of timing for inspections and tests as specified in the contract documents;
  - (4) General description of the design and construction methods to be adopted;
  - (5) Number and names of personnel to be assigned for each stage of the work;
  - (6) List of major equipment required on site for each major stage of the work; and
  - (7) Description of the quality control system to be utilized for the project.
- d. Upon award of the DB contract, the Contractor shall be responsible for the conduct of all necessary detailed engineering investigations, surveys and the preparation of the detailed

engineering design (DED) in accordance with the provisions of Annex “A” of RA 9184-IRR.

- e. The Procuring Entity shall ensure that all the necessary schedules with regard to the submission, certification as to compliance with the MPSS, and acceptance of the DED and the details of the construction methods and procedures shall be included in the contract documents.
- f. The Procuring Entity shall review, order rectification, and certify (as to compliance with the MPSS) and accept or reject the submitted DED within these schedules. All instructions for rectification shall be in writing stating the reasons for such rectification. The Contractor shall be solely responsible for the integrity of its DED and the performance of the structure, notwithstanding the certification and acceptance of the DED by the Procuring Entity.
- g. Any errors, omissions, inconsistencies, inadequacies or failure submitted by the Contractor that do not comply with the requirements shall be rectified, resubmitted and reviewed at the Contractor’s cost. If the Contractor wishes to modify any design or document which has been previously submitted, reviewed, certified as to compliance with the MPSS, and accepted by the Procuring Entity, the Contractor shall notify the Procuring Entity within a reasonable period of time and shall shoulder the cost of such changes. The changes shall be subject to the review, certification as to compliance with the MPSS, and acceptance by the Procuring Entity before the Contractor can execute changes.
- h. The Procuring Entity may allow partial or sectional review, certification, and acceptance of the Contractor’s DED and issuance of sectional of corresponding partial Notices to Proceed (NTPs).
- i. As a rule, changes in design and construction requirements shall be limited only to those that have not been anticipated in the contract documents prior to contract signing and approval. The following guidelines shall govern approval for Variation Orders (VOs):
  - (1) VOs shall be referred to the DPWH-accepted DED.
  - (2) VOs resulting from design errors, omissions or non-conformance with the MPSS and the contract documents by the Contractor shall be implemented by the Contractor at no additional cost to the Procuring Entity.
  - (3) Provided that the Contractor suffers delay and/or incurs costs due to changes or errors in the Procuring Entity’s MPSS, he shall be entitled to either one of the following:
    - (a) An extension of time for any such delays under Section 10 of Annex “E” of RA 9184-IRR.
    - (b) Payment for such costs as specified in the contract documents, provided that the cumulative amount of the VOs does not exceed ten percent (10%) of the original contract price.

- (4) VOs initiated by the Procuring Entity shall not exceed ten percent (10%) of the original contract price. The cost of the VOs shall be based on applicable unit prices in the Contractor's detailed estimates submitted as part of its bid, or on negotiated unit prices if the work items are not in the detailed estimates, less cost of applicable mobilization.
- j. The contract documents shall include the manner and schedule of payment specifying the estimated contract amount and installments in which the contract price will be paid.
- k. The Contractor shall be entitled to advance payment subject to the provisions of Section 4 of Annex "E" of RA 9184-IRR.
- l. The Procuring Entity shall define the quality control procedures for the design and construction in accordance with agency guidelines and shall issue the proper certificates of acceptance for sections of the works or the whole of the works as provided for in the contract documents.
- m. The Contractor shall provide all necessary equipment, personnel, instruments, documents and others to carry out specified tests.
- n. All DB contracts 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 specification for a building sanctioned under Section 1723 of the New Civil Code of the Philippines.
- o. The Contractor shall be liable for design and structural defects and/or failure of the completed project within the warranty period specified in Section 62.2.3 of RA 9184-IRR.

## **6.2 NEGOTIATED PROCUREMENT**

### **6.2.1 Legal Reference**

Sections 48 and 53 of the IRR provides the legal basis for Negotiated Procurement.

### **6.2.2 General Principles**

- a. Subject to the prior approval of the HoPE, and whenever justified by the conditions provided in RA 9184-IRR, the Procuring Entity may, in order to promote economy and efficiency, resort to negotiated procurement as provided in this Section. In all instances, the Procuring Entity shall ensure that the most advantageous price and contract for the government is obtained.
- b. In accordance with Section 10 of RA 9184-IRR, as a general rule, the Procuring Entities shall adopt competitive bidding as the general mode of procurement and shall see to it that the PPMP and APP allow sufficient lead time for competitive bidding. Alternative methods of negotiated procurement shall be resorted to only in the highly exceptional cases provided for in this Section.



- c. The method of procurement to be used shall be as indicated in the approved APP. If the original mode of procurement in the APP cannot be ultimately pursued, the BAC, through a Resolution, shall justify and recommend the change in the mode of procurement to be approved by the HoPE. Such changes must be reflected in the APP and submitted to the GPPB.
- d. In all instances of negotiated procurement, the BAC, through the Secretariat, shall post, for information purposes, the notice of award or contract in the DPWH and PhilGEPS websites and at any conspicuous place reserved for this purpose in the premises of the Procuring Entity.

### **6.2.3 Applicable Cases**

Negotiated Procurement is a method of procurement of infrastructure contracts whereby the Procuring Entity negotiates a contract with a technically, legally and financially capable contractor in any of the following cases:

- a. Two Failed Biddings
- b. Emergency Cases
- c. Take-Over of Contracts
- d. Adjacent or Contiguous Project
- e. Agency-to-Agency Agreement
- f. Small Value Procurement
- g. Proprietary Rights

### **6.2.4 Two Failed Biddings**

- a. Instances of Two Failed Biddings

The Procuring Entity may resort to negotiated procurement in case there is a failure of public bidding for the second time as provided in Section 35 of RA 9184-IRR because of the following:

- (1) No bids are received.
- (2) All prospective bidders are declared ineligible.
- (3) All bids fail to comply with all the bid requirements or fail post-qualification.
- (4) The bidder with the Lowest Calculated Responsive Bid refuses, without justifiable cause, to accept the award of contract, and no award is made in accordance with Section 40 of RA 9184-IRR.

b. Procedure

- (1) After the mandatory review of the terms, conditions, specifications, and cost estimates, as prescribed in Section 35 of the IRR, the BAC, based on its findings, as assisted by the Secretariat, TWG and IU, may revise and agree on the technical, legal and financial eligibility requirements and technical specifications, and if necessary, adjust the ABC, subject to the required approvals. However, the ABC cannot be increased by more than twenty percent (20%) of the ABC for the last failed bidding. The adjusted ABC shall not exceed the appropriation in the GAA net of other authorized project expenses, e.g., costs of right-of-way, detailed engineering, construction supervision, and project management of the IO.
- (2) The BAC shall invite at least three (3) contractors, drawn from the DPWH CWR, including those disqualified in previous biddings for the project, for negotiations to ensure effective competition. Bona fide contractors licensed with the PCAB whose eligibility documents or and Membership are on file with the Procuring Entity and with a PhilGEPS Certificate of Registration, and who are eligible for the type of contract/project where the subject contract falls may be invited for negotiation. At the same time, the DPWH shall post the invitation for at least three (3) calendar days in the websites of the DPWH and the PhilGEPS and in any conspicuous place in the premises of the Procuring Entity, for other interested contractors registered with the CWR to conduct negotiations with the BAC. Even if only one bidder should respond to such invitation and posting, the Procuring Entity shall proceed with the negotiation subject to the rules prescribed hereunder.
- (3) Any requirements, guidelines, documents, clarifications, or other information relative to the negotiations that are communicated by the BAC to a contractor shall be communicated on an equal basis to all other contractors engaging in negotiations with the Procuring Entity relative to the procurement. The prospective bidders shall be given equal time and opportunity to negotiate and discuss the technical and financial requirements of the project to be able to submit a responsive bid.
- (4) Following completion of the negotiations, the Procuring Entity shall request all contractors remaining in the proceedings to submit, on a specified date, a best offer based on the final technical and financial requirements.
- (5) The Procuring Entity shall select the successful offer, which should meet the Procuring Entity's technical and financial requirements and determined to have the single/lowest calculated responsive offer.
- (6) Performance and Warranty Securities shall be required from the winning consultant.

### **6.2.5 Emergency Cases**

a. Allowed Instances for Negotiated Procurement under Emergency Cases:

- (1) In case of imminent danger to life or property during a state of calamity, or
- (2) When time is of the essence arising from natural or man-made calamities or

(3) Other causes where immediate action is necessary:

(a) to prevent damage to or loss of life or property, or

(b) to restore vital public services, infrastructure facilities and other public utilities.

b. Procedure

- (1) The IU shall submit to the BAC or the HoPE a Request, accompanied by appropriate supporting documents identifying the emergency sought to be addressed, and the necessary infrastructure works that have to be procured to address the emergency.
- (2) The BAC, assisted by its Secretariat, TWG and IU, shall immediately prepare the necessary Bidding Documents – DED, Specifications, Drawings, GCC, SCC – necessary to address the emergency.
- (3) The BAC may directly negotiate with a contractor, drawn from the DPWH CWR, with the technical, legal, and financial capability, including appropriate PCAB license, SLCC, and NFCC, to execute the works to address the emergency. Because of the emergency nature of the attending circumstances and the urgency to address the same, the identified contractor shall immediately submit the required documents to the BAC to demonstrate its technical, legal, and financial capability.
- (4) Upon confirmation and ascertainment of such capability to address the emergency, the HoPE, upon recommendation of the BAC, shall immediately award the contract to the contractor.
- (5) Because of the emergency nature of the attending circumstances, and the imminent danger to life, limb or property, the BAC and the HOPEHOPE, through an appropriate Resolution or Office Order, may authorize an official of the Procuring Entity to directly negotiate with a contractor to efficiently and expeditiously deal with emergency sought to be addressed.
- (6) In all instances of Negotiated Procurement through any of the Emergency modalities, the HoPE shall confirm in writing the existence and veracity of the ground or grounds relied upon before approving the ensuing contract.
- (7) Considering that the underlying reason to support a Negotiated Procurement through the Emergency modality relates to the “time element” as when there is (a) imminent danger to life or property, or (b) time is of the essence, or (c) immediate action is necessary, the Procuring Entity, through the HoPE, BAC, Secretariat and IU, should consider the appropriate timing or the proximity of time between the actual procurement activity to be conducted and the emergency sought to be addressed, such that when the reason or cause of the emergency has already been abated, adoption of competitive bidding as the primary mode of procurement shall be considered.
- (8) When the ground is based on imminent danger to life during a state of calamity, there must be a declaration by a competent authority of a state of calamity pursuant to existing laws, rules and regulations before any procurement activity may be

undertaken – e.g., Office of the President, National Disaster Risk Reduction Management Committee, Local Government Unit. (Sec. 16, RA 10121)

- (9) For Emergency Contracts, a Performance Security shall be required from the winning contractor. The Procuring Entity may require a Warranty Security depending on the nature of the procurement project.

### **6.2.6 Take-Over of Contracts**

a. Allowed Instances for Take-over of Contracts:

- (1) The contract, previously awarded through Competitive Bidding, has been rescinded or terminated for causes provided for in the contract and existing laws, and
- (2) Where immediate action is necessary:
- (a) to prevent damage to or loss of life or property, or
  - (b) to restore vital public services, infrastructure facilities and other public utilities.

b. Procedure

- (1) The BAC shall negotiate with and post-qualify the second Lowest Calculated Bidder for the project under consideration at the bidder's own original bid price, applicable to the remaining works to be done. Authority to negotiate contracts for projects under the foregoing exceptional cases shall be subject to prior approval by the HOPEHOPE concerned, within their respective limits of approving authority.
- (2) If negotiation fails, then the BAC shall negotiate with and post-qualify the next Lowest Calculated Bidder at his own original price.
- (3) If the negotiation fails another time, the process is repeated until all the bidders from the previous bidding have been considered.
- (4) If the negotiation fails and there is no bidder left from the previous bidding or if the original awardee is a Single Calculated Responsive Bidder, the BAC may either invite at least three (3) contractors, drawn from the CWR, with appropriate PCAB license, SLCC, and NFCC, to submit their bids and negotiation shall be made starting with the Lowest Calculated Bidder, or resort to any other alternative mode of procurement or to public bidding.
- (5) In case of successful negotiation, the HoPE, upon recommendation of the BAC, shall issue the NOA of Award and the contract to the Lowest Calculated Responsive Bidder who meets the technical requirements for the project, in accordance with Section IV (I) of the Guidelines for Alternative Methods of Procurement under RA 9184-IRR.
- (6) For Take-Over Contracts, Performance and Warranty Securities shall be required from the winning contractor.

- (7) Contractors are mandated to register with the PhilGEPS and provide a PhilGEPS Registration number as a condition for award of the contract.

### **6.2.7 Adjacent or Contiguous Project**

a. Allowable Instances for Negotiated Procurement of Adjacent or Contiguous Contract

Where the subject contract is adjacent or contiguous to an on-going infrastructure project of the contractor, subject to the following conditions:

- (1) The original contract is the result of a competitive bidding.
- (2) The subject contract to be negotiated has scopes of work similar or related to those of the original contract.
- (3) The subject contract, plus the remaining works under the original contract, is within the contracting capacity of the contractor considering the legal, technical (e.g. PCAB license, SLCC) and financial (e.g. NFCC) requirements for eligibility.
- (4) In determining the required PCAB License, SLCC and NFCC, the sum of (a) the value of the remaining works under the original contract and (b) the ABC of the contiguous or adjacent work shall be considered.
- (5) The contractor uses unit prices which are the same as or lower than unit prices in the original contract less mobilization cost. New work items may be considered in the adjacent or contiguous contract provided that their cost does not exceed 10% of the original contract cost and provided that the direct costs of the new items are based on the contractor's estimate as validated by the Procuring Entity via a documented canvass of prices in accordance with existing rules and regulations. The direct cost of the new work item shall then be combined with the mark-up factor (e.g., overhead, contingencies, and miscellaneous, profit) allowed under DO 22, series of 2015.
- (5) The total cost of the adjacent or contiguous contract does not exceed the amount of the original contract.
- (6) The contractor has no negative slippage in its original contract during the time of negotiation.
- (7) Negotiations for the procurement are commenced before the expiry of the original contract.

In infrastructure projects, the phrase "adjacent or contiguous" refers to projects that are in actual physical contact with each other or in the immediate vicinity such that the required equipment and other resources can easily be mobilized.

b. Procedure

- (1) The BAC shall negotiate with the contractor of the on-going infrastructure project.

- (2) In case of successful negotiation, the BAC shall submit its recommendation to the HoPE together with all the supporting documents for the transaction.
- (8) (3) In case of approval, the HoPE shall immediately issue the Notice of Award (NOA) in accordance with **Section IV(I) of the Guidelines** for Alternative Methods of Procurement under RA 9184-IRR.
- (4) For Adjacent or Contiguous Contracts, Performance and Warranty Securities shall be required from the winning contractor.

## **6.2.8 Agency-to-Agency Agreement**

### a. Definition

Agency-to-Agency Agreements for consulting services involves procurement from another agency of the GOP that has the mandate to deliver goods or services or to undertake infrastructure projects or consultancy services as required by the procuring entity.

Agency-to-Agency Agreements shall be governed by the Guidelines, unless otherwise provided by a special law, such as in the case of Procurement of Printing Services from Recognized Government Printers and Procurement of Common-use Supplies and Equipment from PS-DBM.

All procurement to be undertaken by the Servicing Agency, including those required for the project, shall continue to be governed by the provisions of R.A. 9184.

All projects undertaken through Agency-to-Agency Agreements shall be subject to pertinent budgeting, accounting, and auditing rules.

### b. Types of Agency-to-Agency Agreements

(1) Type A involves the DPWH as the Servicing Agency for other Client Agencies. The Client Agencies may include non-infrastructure entities such as the Judiciary (e.g., Halls of Justice), Department of Health (e.g., hospitals), and State Universities (e.g., school buildings). The Client Agencies shall provide the funds for the projects covered by the Agency-to-Agency Agreement. The DPWH may provide services to these Client Agencies which range between the following extremes:

- Project management only, with the Client Agency handling bidding and contracting.
- Full project implementation, which includes detailed design, procurement, and construction management, with the Client Agency providing the funds.

(2) Type B involves the DPWH as the Client Agency for other Servicing Agencies. The Servicing Agencies may, for example, be LGUs (e.g., local projects), the Local Water Utilities Administration or LWUA (e.g., Level II water supply), and other specialized entities. As the Client Agency, the DPWH shall provide the funds for the contract.

c. Conditions

It is the general policy of government to purchase its requirements from the private sector. However, it acknowledges that, in some exceptional cases, procurement from another agency of the government is more efficient and economical for the government, subject to the following conditions:

- (1) Conduct of a Cost-Benefit Analysis by the Procuring Agency indicating that entering into an Agency-to-Agency Agreement with the Servicing Agency is more efficient and economical to the government.
- (2) The Servicing Agency has the mandate or by the nature of the function of its office is capable to undertake the consultancy required by the Procuring Agency.
- (3) The Servicing Agency must have a track record of having completed or supervised an infrastructure project, by administration or by contract, similar to and with a cost of at least fifty percent (50%) of the project at hand.
- (4) The Servicing Agency has the absorptive capacity to undertake the project by administration, i.e., by itself.
- (5) The Servicing Agency owns or has access to the necessary manpower, tools and equipment required for the project.
- (6) Sub-contracting is not allowed. The Servicing Agency may, however, implement the project in-house, by job order or through the pakyaw system.

d. Procedure

- (1) The IU shall undertake a Cost-Benefit Analysis, taking into consideration the following factors: prevailing standard cost for the project in the market, absorptive capacity of the Servicing Agency, and other relevant factors.
- (2) The IU shall likewise secure a certificate from the relevant officer of the Servicing Agency that the latter complies with all the conditions prescribed under items a and c of this Section 6.2.8.
- (3) Based on the assessment and recommendation of the IU, the BAC shall issue a resolution recommending the use of Agency-to-Agency Agreement to the HoPE.
- (4) Upon approval of the BAC Resolution, the Procuring Entity shall enter into a Memorandum of Agreement (MOA) with the Servicing Agency.

## **6.2.9 Small Value Procurement**

b. Definition.

The Procuring Entity may adopt small-value procurement for an infrastructure contract whose ABC does not exceed Php500,000.

There shall be no splitting of contracts under small value procurement. Splitting of contracts means the division or breaking up of contracts into smaller quantities and amounts, or dividing contract implementation into artificial phases or sub-contracts for the purpose of evading or circumventing the requirements of law and RA 9184-IRR, particularly the necessity of public bidding and the requirements for the alternative methods of procurement.

For infrastructure projects to be implemented by phases, the Procuring Entity shall ensure that there is a clear delineation of work for each phase, which must be usable, and structurally sound.

b. Procedure

- (1) The end-user shall submit a request to the BAC indicating therein the urgency of the requirement and the unforeseen contingency that caused its necessity.
- (2) The BAC shall prepare the Request for Quotation (RFQ), indicating the specifications, quantity, Approved Budget for the Contract (ABC), and other terms and conditions of the item to be procured.
- (3) Except for those with ABCs equal to Fifty Thousand Pesos (PhP 50,000.00) and below, RFQs shall be posted for a period of three (3) calendar days in the PhilGEPS website, website of the Procuring Entity, if available, and at any conspicuous place reserved for this purpose in the premises of the procuring entity.
- (4) The BAC shall send the RFQs to at least three (3) contractors of known qualifications, drawn from the DPWH CWR and found to meet the Eligibility Requirements (ER) for the subject contract, asking them to submit sealed bids consisting of the Technical and Financial Proposals as defined in Section 2.7 of this Manual Volume II. The Procuring Entity shall require the bidders to submit their bids within seven (7) calendar days from the date of advertisement.
- (7) At the same time, except for procurement with an ABC if PhP50,000 and below, the BAC shall post for a period of 3 calendar days the RFQ in the websites of the DPWH and the PhilGEPS and in a conspicuous place in the Procuring Entity's premises to invite other interested contractors registered in the DPWH CWR and found to meet the Eligibility Requirements (ER) to submit their sealed Technical and Financial Proposals within the same 7-day period.
- (8) After the deadline for submission of price quotations, the BAC shall receive and open the sealed bids at the designated date and time, then evaluate the bids (Technical and Financial Proposals), including validation, and determine the LCRB. Receipt of at least one (1) quotation is sufficient to proceed with the evaluation thereof. An Abstract of Quotations shall be prepared setting forth the names of those who responded to the RFQ, their corresponding price quotations, and the lowest quotation submitted.
- (7) Award of contract shall be made to the lowest quotation which complies with the specifications and other terms and conditions stated in the RFQ.



- (8) For Small Value Procurement, a Performance Security shall be required from the winning contractor. The Procuring Entity may require a Warranty Security depending on the nature of the procurement project.
- (9) Contractors are mandated to register with the PhilGEPS and provide a PhilGEPS Registration number as a condition for award of the contract.

### **6.2.10 Proprietary Rights**

In case of the construction or installation by a contractor of an infrastructure facility using a material, equipment, or technology under a proprietary right of that contractor, the Procuring Entity may directly negotiate the contract with that contractor, subject to the following conditions:

- a. The material, equipment, or technology proposed by the contractor for the project can be obtained only from a proprietary source, i.e., it is covered by a patent, trade secret, or copyright, approved by an authorized government regulatory body, which legally prohibits others from manufacturing and supplying the same material, equipment, or technology.
- b. The construction or installation of the facility by the contractor is a condition precedent to hold that contractor to guarantee the performance of the material, equipment, or technology under a proprietary right, in accordance with the provisions of law.
- c. The contractor must comply with the Minimum Performance Standards and Specifications for the project set by the Procuring Entity.
- d. The contractor shall meet the applicable provisions for eligibility requirements, bid submission, and bid evaluation for a design-build contract under Sections 9, 10, and 11 of Annex “G” of the IRR as stated in Section 4.1 of this Manual Volume II.
- e. The Procuring Entity must have undertaken a cost-benefit analysis on a life-cycle basis which clearly shows that the supply and construction or installation of the subject material, equipment, or technology under a proprietary right is more economically feasible than any alternative mode that will meet the purpose of the project.

## **SECTION 7**

### **MONITORING OF PROCUREMENT PERFORMANCE**

#### **7.1 PERFORMANCE INDICATORS FOR PROCUREMENT OF INFRASTRUCTURE CONTRACTS**

As mentioned in Section 10.4.4 of Volume I of the DPWH Procurement Manual, the DPWH, through the Procurement Service, shall pay special attention to monitoring the actual performance of each Procuring Entity in the procurement of infrastructure contracts using selected indicators derived from the larger set of Agency Procurement Compliance and Performance Indicator (APCPI) system. This to show the level of efficiency and effectiveness of the procurement for infrastructure works done by the Procuring Entity. These selected infrastructure related indicators are as follows:

**a. Adherence to Procurement Targets in APP**

As mentioned in Section 3.2 of this Manual Volume II, each Procuring Entity is required to set its procurement targets in terms of the total number and sizes of infrastructure contracts that it intends to procure during the year, and shall reflect these in its APP. The Procuring Entity must package contracts into sizes that are sufficiently attractive and viable to, and within the capability of, relevant contractors, and that will provide a significant impact on the users. The sizes and number of such contracts must be within the capacity of the Procuring Entity to efficiently procure, manage, monitor and supervise the contracts within the year.

The efficiency of the Procuring Entity in preparing doable procurement plans and in managing procurement implementation is measured by the percentage of the number of projects in the APP which have actually been successfully procured during the year. To be considered satisfactory in this indicator, the Procuring Entity must have actually procured at least 85% of the total number of projects in the APP.

**b. Extent of Bidders' Participation**

This indicates the effectiveness of competition and the level of confidence of the private sector in the bidding process. Competition induces efficiency and drives down bid prices.

This indicator is measured by the number of eligible bidders submitting bids in a particular bidding. For effective competition, there should an average of at least be three (3) participating bidders in the procurements conducted during the year by the Procuring Entity.

**c. Time for Bidding Process**

This indicates the efficiency in conducting public bidding.

This indicator is measured by the actual time spent in undertaking the entire bidding process from advertisement of the Invitation to Bid to award of the contract. This should not exceed the maximum allowable times of 95 days for contracts not exceeding PhP 50 million, and 110 days for contracts above PhP 50 million. To be considered satisfactory, the Procuring Entity must be within these periods for at least 75% of the number of contracts procured during the year.

**d. Variance Between Award Prices and ABC**

This indicates the extent to which the ABC is adequately prepared and is realistic. It also reflects the extent of real competition among the participating bidders.

This indicator is measured by the percentage difference/variance of the awarded bid prices below the ABC. To be satisfactory, this difference shall be between 5% and 20%.

e. **FAPs Award Prices Below ABC**

While awards for foreign-assisted projects (FAPs) may, in accordance with the provisions of the approved loan agreements, be made above the ABC which is usually considered an indicative amount, it is desirable that the Procuring Entity ensure that the ABC is prepared adequately according to the standards in Section 2.3.4 of this Manual Volume II and to encourage competition among bidders. The performance indicator in this regard is the extent to which prices of awarded contracts are below the ABC.

This indicator is measured by the percentage of the number of awarded FAP contracts which are below the ABC. To be considered satisfactory, at least 75% of all FAP biddings must result in lowest bids lower than the ABC.

The selected indicators of performance by each Procuring Entity for the procurement of infrastructure contracts are summarized in Columns (1) to (4) of Table 26 (also **Form DPWH-INF-54**).

## **7.2 EVALUATION OF PROCUREMENT PERFORMANCE**

At the end of each year, the Procurement Service shall evaluate the actual performance of the Procuring Entity in the procurement of infrastructure contracts, using Table 26, particularly Columns (5) to (8).

As mentioned in Section 10 of Volume 1, the Procuring Entity shall use the monitoring data submitted by the Procuring Entity in **Forms DPWH-Vol I-08** and **DPWH-Vol I-10** in evaluating the performance of that Entity.

Table 26. Selected Indicators of Procurement Performance

Indicator (1)	Indicates (2)	Measured by (3)	Satisfactory Threshold (4)	Actual Performance			
				Ratios of Nos. (5)	% Range (6)	Rating (7)	Score
Adherence to Procurement Targets in APP	Efficiency of procurement planning and management	% of projects in APP actually procured	Not less than 85% of no. of projects in APP	<u>No. of projects actually procured</u> <u>Total no. of projects in APP</u>	Above 85% 61-85% 40-60% Below 40%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Extent of Bidders' participation	Level of competition and Bidders' confidence in bidding	No. of bidders submitting bids	Average of 3 bidders or more per bidding	<u>No. of bidders submitting bids</u> <u>Total no. of biddings</u>	Above 5 3-5 2-3 Below 2	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Time for entire public bidding	Efficiency of bidding activities	No. of days between advertisement and award	Not > 95 days if ABC is not > P50M; not >110 days if ABC is > P50M - in at least 75% of no. of biddings	<u>No. of biddings completed in 95/110 days</u> <u>Total no. of biddings</u>	Above 90% 76-90% 60-75% Below 60%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Variance between Award Prices and ABC	Adequacy of ABC and competition	% difference of Award prices below ABC	Between 5% and 20% variance or difference	<u>No. of biddings within 5%-20% variance</u> <u>Total no. of biddings</u>	Below 5% 5-20% 21-30% Above 30%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Lowest bids of FAPs below ABC	Adequacy of ABC and competition	% of biddings with lowest bids lower than ABC	Not less than 75% of no. of FAPs biddings	<u>No. of FAPs biddings with lowest bids &lt; ABC</u> <u>Total no. of FAPs biddings</u>	Above 75% 61-75% 30-60% Below 30%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0

## **SECTION 8**

### **CASE STUDY**

## **CASE STUDY: PROCUREMENT OF INFRASTRUCTURE PROJECT**

A contract involving the concreting of a road with an ABC of PhP 110.0 million was advertised for bidding.

A total of 18 bidders submitted bids before the deadline specified in the Instructions to Bidders.

After the bids were opened, the BAC conducted an Eligibility Check/Screening which resulted in only 11 out of the 18 bidders declared eligible.

All Technical Proposals of the 11 eligible bidders were rated “passed” during the preliminary examination of bids. The Financial Proposals of the 11 bidders with passing Technical Proposals likewise passed the preliminary examination.

After all 11 Financial Proposals had been opened and preliminarily examined, Contractor A, which submitted a bid of PhP 96.2 million, turned out to have the lowest bid as read. The second lowest bid was PhP 98.6 million, submitted by Contractor B.

During the detailed evaluation of bids, the bid of Contractor A was corrected for arithmetical errors, resulting in a calculated bid of PhP100.3 million. Contractor B’s bid as evaluated remained at P98.6 million and would be the Lowest Calculated Bid (LCB).

During the Post-Qualification, the BAC learned that Contractor A has an on-going project with outstanding works of PhP23.7 million. This was not considered in Contractor A’s submitted calculation of its NFCC, a requirement for eligibility. If this were considered, the corrected NFCC would go down to PhP73.9 million, or below the ABC. In all other aspects, the bid of Contractor A seemed to be responsive, especially since it has all the required key personnel and major equipment needed for the contract, and has done all its previous contracts satisfactorily with no negative slippage.

In comparison, the bidder with the LCB, Contractor B, has completed all its previous projects satisfactorily, with one delayed on-going contract with a slippage of 6%. Moreover, its legal, technical and financial requirements passed the Post-Qualification. During the post-qualification, the BAC received a report that Contractor B’s owner is the first cousin of the BAC Chairman.

To whom should the contract be awarded?

### Analysis:

The BAC should consider the award to Contractor B, not to Contractor A, for the following reasons:

- a. Based on the post-qualification, Contractor A is not eligible in the first place. This is because Contractor A’s corrected NFCC based on the post-qualification is only PhP73.9 million which is less than the ABC, which is the minimum NFCC required for eligibility.
- b. Contractor A’s calculated bid of PhP 110.3 million is higher than Contractor B’s calculated bid of PhP 98.6 million.

- c. Contractor B has the LCB of PhP 98.6 million (lower than Contractor A's calculated bid) and passed the post-qualification and, thus, should be declared the bidder with the Lowest Calculated and Responsive Bid (LCRB).

In fact, Contractor A should be penalized in accordance with IRR Section 65.3 for submitting false information, i.e., for failing to report its on-going project. This section penalizes the act of submitting eligibility requirements of whatever kind and nature that contain false information or falsified documents calculated to influence the outcome of the eligibility screening process or conceal such information in the eligibility requirements when the information will lead to a declaration of ineligibility from participating in public bidding. If proven to be guilty of the above, the bidder may be penalized with imprisonment of not less than six years and one day, but not more than 15 years.

The BAC should post-disqualify Contractor A despite: (a) its apparent capability to undertake the contract as is shown by its other submitted requirements such as lists of key personnel and major equipment and its good track record; and (b) its bid being the lowest as submitted and read.

The BAC would have to award the contract to the bidder which submitted the second lowest bid as submitted and read, but which subsequently turned out to be the LCB - i.e., Contractor B. While this contractor has a slippage of 6% in an on-going contract, this is below the maximum 15% slippage for disqualification. While the owner of Contractor B is a first cousin of the BAC Chairman, this is not contrary to IRR Section 47 which prohibits the participation of bidders related to the members of the BAC within the third civil degree. A first cousin falls within the fourth civil degree.



## **SECTION 9**

### **ADDENDA ON NEW GUIDELINES AND ISSUANCES**

Section 9 (last section) of the Main Guidelines of Procurement Manual Volume II is reserved for future revisions or changes in procedures, forms, policies or new circulars, amendments to the IRR of RA 9184, GPPB resolutions, DPWH Department Orders and other issuance after the approval and release of this original Procurement Manual Volume II. The corresponding revisions shall be made in this Section to guide the users accordingly. The Procurement Service shall be responsible for updating the contents of the Procurement Manual Volume II, whenever new issuances or resolutions are issued by the relevant government agencies. It shall maintain a database of these issuances and guidelines in the DPWH website. Users are advised to refer to this Section 9 from time to time and as needed.

The prescribed format for each revision is as follows:

Section xxx: (Indicate the appropriate section of the Manual where the revision is to be made).

Sub-Section, Paragraph Number: (Indicate the appropriate sub-section and paragraph where the revision is to be made).

Page Number: (Indicate the appropriate page where the revision is to be made).

Applicable Amendment/Issuance: (Indicate the applicable issuance/ ruling supporting the revision)(e.g. GPPB Circular 20-2017 dated May 5, 2017 or DPWH Department Order 123 series of 2017)

Use the following format to show revisions: Where possible, use italicized font to show the change/revision.

Original Provision	Revised Provision

**DPWH Guidelines**

# **VALUE ENGINEERING**

**2015**



Republic of the Philippines  
Department of Public Works and Highways  
**BUREAU OF DESIGN**



## FOREWORD

The Department of Public Works and Highways (DPWH) functions as the engineering arm of the Government of the Republic of the Philippines and one of its responsibilities is the establishment of design standards for the purpose of ensuring safe and efficient public infrastructure.

The Philippine Development Plan 2011-2016 highlighted the need for value and risk engineering in project so that the infrastructure is cost effective to minimize cost-overruns and implementation delays. The Plan recommended the importance of implementing value and risk engineering within the National Economic Development Authority and other government agencies.

Value Engineering is the most effective technique known to improve value and eliminate unnecessary costs in design, construction and maintenance of infrastructure projects without compromising its safety and stability. The technique involves a number of steps to understand the project, apply professional creative techniques to determine other ways to perform the project's function, evaluate alternatives, develop designs and report on selected alternatives.

The benefits of Value Engineering are widely known and have been adopted by many countries around the world through the private and public sectors. Experience in the United States indicates that a value engineering study can generate recommendations to eliminate 10% to 30% of the project's construction costs. The designer and owner often accept about half of the cost saving resulting from the recommendations, and the net cost saving can be at least 5% of the construction cost.

The development and institutionalization of Value Engineering within DPWH will lead to improved design practices, resulting in better quality public infrastructure responsive to the needs of the Filipino people.

  
**ROGELIO L. SINGSON**  
Secretary



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# Abbreviations

Abbreviation	Definition
AGS	The Association of Geotechnical and Geoenvironmental Specialists (UK)
AusAID	Australian Agency for International Development
AVS	Associate Value Specialist (SAVE)
CVS	Certified Value Specialist (SAVE)
DBM	Department of Budget Management
DPWH	Department of Public Works and Highways
FAST	Function Analysis System Technique
FHWA	Federal Highway Administration (USA)
LRT1	Light Rail Transit 1 (Manila)
NEDA	National Economic and Development Authority
NEDA ICC	NEDA Investment Coordination Committee
NRIMP-II	National Roads Improvement and Management Program – Phase II
PICE	Philippine Institute of Civil Engineers
SAVE	Society of American Value Engineers
VA	Value Analysis
VE	Value Engineering
VM	Value Management or Value Methodology

# Glossary

Acronym	Definition
Function Analysis System Technique (FAST)	A method for analyzing, organizing, and graphically displaying the interrelation of the basic and secondary functions of a system, product, design, process, procedure, or facility.
Life-Cycle Cost	Total cost of an item's ownership. This includes initial acquisition costs (right-of-way, planning, design, and construction), operation, maintenance, modification, replacement, demolition, financing, taxes and disposal as applicable.
Value Engineering	The application of a value methodology to a planned or conceptual project or service to achieve value improvement.
Value Management	Recognizes that value principles are management tools applicable to a variety of problems only one of which is cost. Internationally, the term has been adopted in preference to <b>Value Analysis</b> or <b>Value Engineering</b> to differentiate the activity from the engineering functions in an organization.
Value Methodology	A systematic process used by a multidisciplinary team to improve the value of a product or project through the engineering of its functions.
Worth of Basic Function	An estimate of the least expensive way of performing a function, neglecting the actual application of that function.

# 1 Introduction

## 1.1 The Purpose of Value Engineering

This Guide draws on the content of the NEDA Value Engineering Handbook (NEDA, 2009) and maintains consistency with the requirements of that handbook, whilst focusing on activities relevant to DPWH and other agencies involved in infrastructure and building works. The GOAL Value Methodology Pocket Book (GOAL, 2008) has also been drawn on in drafting this Guide.

VE is the most effective technique known to improve value, and eliminate unnecessary costs in product design, testing, manufacturing, construction, operations, maintenance, data, and processes and practices. While its application to processes and practices is less well known, effectiveness in this area has been highly successful.

Saving money and, at the same time, providing better value is a concept that everyone can support. The benefits of optimizing infrastructure expenditures, constructing more with less money, increasing efficiency and reducing the amount of resource use must be recognized today and pursued in the future.

In the constant battle to find a better way to fight inflation, validate cost estimates, and assure all stakeholders that the solutions being proposed are cost effective, the application of VE comes to the forefront, for both government and private decision-makers. VE is a proven technique used to combat runaway costs and is a process proven by countless owners, manufacturers and government entities. More specifically, VE is defined by an international certification body (SAVE International) as: "the systematic application of recognized techniques by multi-disciplinary team(s) that identifies the function of a product or service; establishes a worth for that function; generates alternatives through the use of creative thinking; and provides the needed functions, reliably, at the lowest overall cost".

Section 1 of this Guide provides an introduction to VE and Section 2 provides a discussion on fundamentals of VE including history, benefits, techniques, and a complete procedure for conducting a Value Study. Section 3 describes the phases of a project and how VE can be applied in each phase. Section 4 deals with the selection of projects for VE. Section 5 provides a procedure for hiring and managing of VE Consultants.

The Guide provides specific guidance for analyzing VE studies to assure that the studies have been accomplished in accordance with internationally accepted standards and practices. Most importantly, the information included in these chapters provides basic guidance in certifying that the study was accomplished under the direction of a qualified expert, was accomplished by a multi-disciplinary and certified team of bona fide experts, and was performed following the Job Plan. The Job Plan is an internationally defined and accepted analytical process for VE.

## 1.2

**Definition of Value Engineering and Methodology**

Value Analysis was conceived during the Second World War, initially to tackle the problem of shortages of strategic materials.

Products were examined and options to replace materials in shortage with different materials were developed. This soon led to real VA and the concept of value:

$$\text{Value} = \text{Function}/\text{Cost}$$

From this simple equation we can see that value can be increased by:

- a) removing any part or activity which does not contribute to the intended function
- b) providing the same functionality for less cost
- c) improving the functionality for the same cost

From VA the ideas of VE were developed and have become fully institutionalized in the United States in the subsequent decades. Elsewhere in the world the term VE was considered less suitable to encourage adoption and the use of Value Management or VM has become more common. American practice is now to refer to VA/VE, and also more broadly to Value Methodology or VM. This Guide adopts SAVE terminology and the use of the term VE.

VE, as defined by the Society of American VE International, is "the systematic application of recognized techniques by multi-disciplined team (s) that identifies the function of a product or service; establishes a worth for that function; generates alternatives through the use of creative thinking; and provides the needed functions, reliably, at the lowest overall cost".

VE may be defined in other ways, as long as the definition contains the following three basic precepts:

- An organized review to improve value by using multi-disciplined teams of specialists knowing various aspects of the problem under study.
- A function-oriented approach to identify the essential functions of the system, product, process or service being studied and costs associated with those functions.
- Creative thinking, which uses recognized techniques to explore alternate ways of performing the functions at a lower overall cost or otherwise improve the design, process, service, or product effectiveness.

VE is predicated on the proposition that people spend their money on accomplishing functions rather than simply obtain ownership. Concern for our environment, energy and rising costs, requires that the functional needs of safe and efficient project implementation be carefully analyzed to obtain these functions in the most economical manner, with minimal disturbance to the environment.

VE is often considered a management tool for cost control. In practice, however, it really is a step-by-step process used in problem solving or in improving a product or process.

By definition, VE is a method for obtaining optimum value. The strength of VE lies in its ability to delineate clear design alternatives and suggest choices based on the necessity or desirability of a function, the availability of economic means of achieving that function, and cost-worth relationships without compromising essential functions, structural integrity, safety and security.

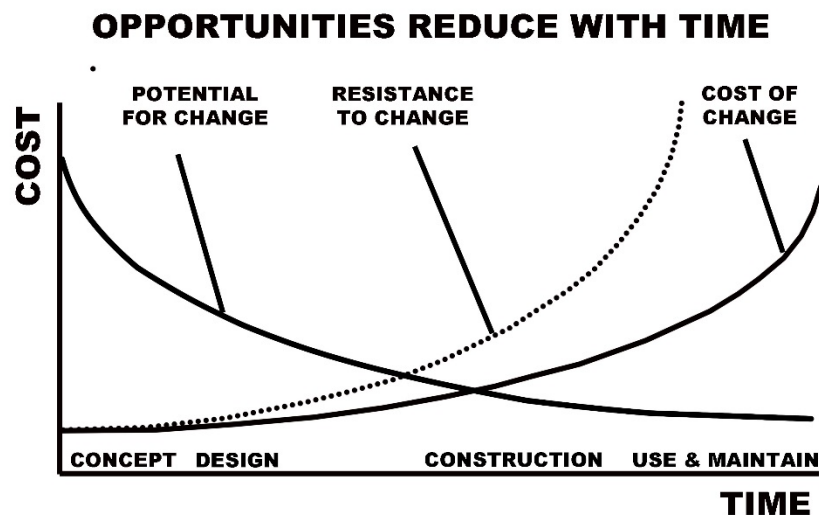
VE is not only effective for identifying and eliminating unnecessary costs; it is also effective when directed at the conservation of all resources. VE has also proven to be a valuable aid in improving the reliability, quality, safety, and performance of products and processes, and in ensuring compliance with an implementation schedule.

In order to effectively apply the principles of VE, the VE team members must be knowledgeable and trained in the use of the VE job plan. Value analysts can have varied backgrounds - a systems analyst, a shopkeeper, an engineer, an accountant, or a homemaker, but what is most important is that they are certified in the VE discipline.

A VE study done on a project is not likely to reveal anything startling to the VE team members. However, when applied at the proper time that is at the earliest stage of the project development cycle, the VE methodology will result in new and unique ideas that are value adding. This is what makes VE effective. VE leads to higher creativity in problem solving by following a precise sequence of steps known as the VE job plan.

VE has now been developed into a formal series of procedures, with interventions at key points in the project development cycle. The benefits of early intervention are now well recognized and Figure 1-1 shows why. The maximum benefits are obtained by starting the VM process at the concept development stage.

Figure 1-1 Opportunity – Cost – Time Schematic



The VE process is undertaken in the form of a series of workshops, bringing together expertise in technical areas and in other key areas such as marketing, logistics, construction and maintenance. The project or product is analyzed and its functions are identified. From this, ideas for improvement in the design or delivery can be developed and these are considered and ranked. The designer is then tasked

with developing the alternative ideas and costing them. Whole Life Costing approach is incorporated into the VE system.

The details of the workshop, the involvement and background of the facilitator, the scope of the VE and other detail varies both by country and by individual project. However the fundamental requirement is a facilitated structured engineering by an appropriate knowledge group, adequately briefed on the project, with clear goals and identified outcomes.

In order to deliver VE successfully there needs to be a culture within the organization and its consultants of “no blame”. It must be understood before the VE process starts that the benefits of VE outputs come from the combined efforts of the whole team, and that the original concept or detailed designs will change during the VM process. If the original designer is considered blameworthy for failing to identify the potential improvements, then the system will be resisted and its success will be compromised.

Where external consultants are involved in the design process, they must under their contract:

- Be required to take part in value workshops.
- Be required to undertake assessments, redesigns and costing of the alternatives identified during the VM process.
- Accept responsibility for the revised design.
- Be recompensed for the additional work they undertake.

If the outcome of the VE process identifies that the original design was below a reasonable standard then that issue should be dealt with completely separately and subsequently, so as not to damage the positive approach required in the VE process.

## 2 Fundamentals of Value Engineering

### 2.1 History of Development

Lawrence D. Miles, an engineer who was employed in the Purchasing Department at General Electric, conceived VA in the 1940s. He focused on the functions of manufactured components and created the process of function engineering, which evolved into a formal practice called VE.

The benefits of VA became readily apparent and the technique was adopted by many organizations and government agencies during the 1950s. Many applications beyond product design were developed during the early growth of the Value Methodology.

The Society of American Value Engineers was incorporated in 1959. The name of the value society was changed to SAVE International in 1996 to reflect the worldwide growth of the field of Value Methodology. The Value Methodology spread out from America in two ways: through the private sector (initially the car industry to Japan, Korea, India) and through public sector infrastructure. An estimated chronology of the spread is shown on Table 2-1.

**Table 2-1 Worldwide Development of Value Methodology**

Country	Year
United States	1940's
Canada	1950's
Japan	1957
United Kingdom	1966
India	1977
Hong Kong	1990
Australia	1991
Malaysia	2000
South Korea	2003
Singapore	2008

Many individuals and corporations have contributed greatly to the practice of VE by developing related techniques. These include:

- Function Analysis System Technique (FAST) Diagram, which was created by Charles Bytheway during the 1960s.
- Target Costing, which originated at Toyota in 1959.
- Quality Function Deployment which was introduced by Yoji Akao in 1966.
- Zero and First Look VE in new product development.
- VA/VE Tear-down, which General Motors and others developed as a competitive-engineering during the 1960s and Isuzu further refined during the 1970s.
- Theory of Inventive Problem Solving (TRIZ) Systematic Innovation Process, into which Genrich Altshuller incorporated principles of function engineering.



The Lawrence D. Miles Value Foundation<sup>1</sup> is a nonprofit foundation that strives to develop, apply, and promote the use of VM worldwide. Its mission-to educate, innovate, and advocate-is evidenced by the Foundation's work in bringing the study of VM to college and university undergraduate and graduate programs in engineering, architecture and business, as well as by its partnership with GOAL/QPC to create the Value Methodology pocket guide (GOAL, 2008).

The process of VE and the terminology used has diverged somewhat worldwide, particularly in UK where Male et al (2005, 2006) have researched the processes and recommended some alternative approaches. The UK Management of Value Toolbox (MOV, 2011) was adopted for Government. However the SAVE methodology remains the most widely adopted and is followed in this Guide.

### 2.1.1

#### **Value Methodology Policy in the Philippines**

The earliest identified activity relating to VE in the Philippines was a 40-hour workshop, undertaken by consultants for the US Navy Facilities Engineering Command Pacific Division, OICC SOWESTPAC, Philippines in 1985. It is reported that local civilian professionals were invited to this workshop. The Workbook from that workshop is still in circulation.

In 2006 under NRIMP-II 5 x 40-hour training courses, VA Workshop, and production of a DPWH project Workshop Manual were undertaken in DPWH by an external consultant over a period of three months.

In 2008-9 AusAID funded a project to introduce VA/VE into NEDA, and a VE Handbook was produced (NEDA, 2009). The AusAID input was provided by SAVE Certified Value Specialists. Training was given by a CVS under that project, both to NEDA staff and to external parties including academics.

According to NEDA procedures, projects over a certain threshold are required to be considered for VA/VE, and the decision is taken by NEDA Investment Coordination Committee (ICC). The thresholds are:

- Intended >PHP50M
- Current >PHP500M
- Proposed >PHP1B

RA9184: An Act providing for the Modernization, Standardization and Regulation of the Procurement Activities of the Government and For Other Purposes took effect in January 2003. Revised implementing Rules and Regulations for RA9184 were approved in Resolution 03-2009 and state, in Annex A: Detailed Engineering for the Procurement of Infrastructure Projects (page 78):

*Value Engineering – For major projects as specified by the agency, VE shall be conducted according to accepted standards and practices. VE shall analyze alternative schemes of achieving the projects objectives in order to delete or reduce non-essential features and lessen the life cycle costs of the projects without sacrificing the quality and integrity of the structure, while maintaining its essential function, performance, and safety.*

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<sup>1</sup> [www.valuefoundation.org](http://www.valuefoundation.org)

The Philippine Development Plan 2011-2016 states:

*..... the following policy reforms shall be implemented:*

- Strengthening the capacity of NEDA and other government agencies in VE / VA and Risk Engineering and Management to ensure that infrastructure projects are not over-designed or over-specified and to minimize cost-overruns, project implementation delays, and changes in scope of works;
- Incorporation of VE/VA and Risk Engineering in the guidelines and processes of the NEDA ICC;

These reforms were recommended under the 2009 Philippines-Australia Partnership for Economic Governance Reforms (PEGR)-funded Reform Agenda 006-07 on Institution Strengthening of the NEDA and other oversight agencies on VE, contract preparation, and performance monitoring of infrastructure projects.

It also notes that:

*Development initiatives across infrastructure subsectors shall be coordinated and integrated. Intended outcomes are better realized if there is a coordinated and integrated strategy for infrastructure initiatives.*

The development and institutionalization of VE within DPWH will therefore clearly contribute to the development goals of the country.

## 2.2

### **Benefits of Value Methodology to an Organization**

Benefits of the VM process are normally expressed in terms of cost savings, though this should not be the only measure.

Experience in the United States is that a VE study can generate recommendations to eliminate between 10% and 30% of the project's construction costs. The designer/ user usually accepts about half of these recommendations, providing a cost avoidance of at least 5% (FHWA, 2007). Historically, the cost of a VE study is usually less than 10% of the implemented savings, giving a benefit/cost ratio of around ten.

The FHWA in the United States collects information annually on VE accomplishments achieved within the Federal-aid Highway Program, including the projects administered by Federal Lands Highway. For VE studies conducted during the design phase of projects, the FHWA tracks the number of studies conducted; proposed and implemented recommendations. A summary of the VE study outcomes for the period 2008 – 2012 is shown in Table 2-2. Additionally, similar information is compiled for the VE change proposals (VECP) that are submitted by contractors during the construction of the projects. For 2012<sup>2</sup>, the average savings reduced to 3.8%; however, the most notable statistic is the acceptance level of recommended changes, which averages 41% but varies by state from 0% to 100%. The report prepared by FHWA in 2007 (FHWA, 2007) identified the lack of acceptance of VE recommendations as a major area of loss of benefit of the process.

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<sup>2</sup> <http://www.fhwa.dot.gov/ve/verepreport.cfm>

NEDA (2009) provide examples of cost savings achieved worldwide. Case studies in other countries have shown savings of 30% or more and benefit/cost ratios of VE of over 30.

A 2008 report<sup>3</sup> identified the Ho-Nam High Speed Railway project in Korea as having reduced cost by 3.8% but also increased performance by 6.1% to achieve an overall value improvement of over 10%. This assessment was undertaken using an extension of the Caltrans VE approach.

**Table 2-2 Examples of VE Study Outcomes (FHWA<sup>2</sup>)**

FHWA 2008 – 2012	Unit	Annual Average over 2008-2012	Proportion of Cost/Benefits as a Percentage Compared with Construction Cost
Number of VE Studies	Number	389	
Cost to Conduct VE Studies and Program Administration	US\$ Million	13.5	0.04%
Estimated Construction Cost of Projects Studied	US\$ Billion	31.2	100%
Total Number of Proposed Recommendations	Number	3045	
Total Value of Proposed Recommendations	US\$ Billion	4.4	14.1%
Number of Approved Recommendations	Number	1303	
Value of Approved Recommendations	US\$ Billion	1.7	5.4%
Return on Investment	n:1	125	

Examples of value analysis are provided in Annex A.

## 2.3 Techniques

### 2.3.1 General

Among many techniques used to solve problems, only the VE approach calls for function engineering followed by the application of creative thinking techniques.

Each step of the VE job plan (called phases) includes several tasks. To apply the VE job plan, two important factors must be recognized:

- An effective VE effort must include all phases of the job plan, as described below. Omission of any phase will hamper the accomplishment of the objectives. The amount of attention given to each phase, however, may differ from one project to another.
- A successful VE study requires a team effort. The cooperation and active participation of several people produces synergy. This group dynamic plays a key role in developing new ideas, and illustrates that the results of a team of experts is greater than the sum of the effort of a number of individuals.

<sup>3</sup> [http://www.value-eng.org/2008conference/Park\\_HM-Multi-Level\\_Performance\\_Measurement.pdf](http://www.value-eng.org/2008conference/Park_HM-Multi-Level_Performance_Measurement.pdf)

## **2.3.2 The Job Plan**

VE principles consist of key questions, techniques, and procedural tasks used in pursuing the objective of the VE job plan. The objective is to achieve design excellence by completing the seven phases described below; the outputs of these phases are expanded upon in Section 2.4.5.

### **2.3.2.1 Phase 1: The Information Phase**

The Value Team has reviewed the project design, objectives, and the preliminary cost information. They understand the limitations on the project as well as the expected benefits.

### **2.3.2.2 Phase 2: Function Analysis Phase**

The team has defined the project functions using a two-word active verb/measurable noun context. The team has reviewed and analyzed these functions to determine which need improvement, elimination, or creation to meet the project's goals.

### **2.3.2.3 Phase 3: Creative Phase**

The team has employed professional creative techniques to identify other ways to perform the project's function(s).

### **2.3.2.4 Phase 4: Evaluation Phase**

The team has followed a structured evaluation process to select those ideas that offer the potential for value improvement while delivering the project's function(s) and considering performance requirements and resource limits.

### **2.3.2.5 Phase 5: Design Development Phase**

The team has developed the selected ideas into alternatives (or proposals) with a sufficient level of documentation to allow decision makers to determine if the alternative should be implemented.

### **2.3.2.6 Phase 6: Presentation Phase**

The team leader has developed a workshop report and/or presentation that documents and conveys the adequacy of the alternative(s) developed by the Value Team to the decision-making body of the proponent agency (e.g. a Management Team or Executive Review Board).

### **2.3.2.7 Phase 7: Implementation Phase**

The Executive Management Team has selected the value alternative to be implemented and directs the proponent agency's project team to proceed with the next steps.

## **2.3.3 Functional Analysis**

The functional analysis requires the identification of function, modification to achieve clarity, and the development of the functional analysis diagram, as described in the following sections.

**2.3.3.1****Identify Functions**

A user purchases an item or service because it will provide certain functions at an acceptable cost. If something does not perform as intended, the item is of no use to the user, and no amount of cost savings will improve its value.

Actions that sacrifice needed utility of an item reduce its value to the user. On the other hand, functions beyond those that are needed also are of little value to the user. Thus, anything less than required performance is unacceptable; anything more is unnecessary and wasteful. To achieve the best value, carefully define functions so their associated costs may be quantified.

Often there is a temptation to look at an item and say that the function it performs is the required function. But this is not always true. Defining the function shows one precisely which characteristics of the design are required.

Determine functions as soon as sufficient information is available for accuracy. All members of the VE study group should participate in function analysis because the determination of the required function(s) is basic and vital to the successful application of the subsequent phases of the job plan.

After the team has developed the functional description, estimate the worth of performing each required function. Compare the determined worth against the estimate of the item's cost. This comparison indicates whether the study will provide an opportunity for value improvements.

The objective of the VE study is to develop a design that closely approaches the established worth.

**2.3.3.2****Define the Functions**

Attempts to identify and define the function(s) of an item can often result in several long descriptions. While this method may describe the function(s) satisfactorily, it is neither concise nor workable enough for the VE approach to function. In VE, function is expressed using two words: an "active verb" and a "measurable noun".

- The "active verb" defines the action required (it may generate, support, control, restrain, pump, protect, transmit, etc.).
- The "measurable noun" describes what is acted upon (electricity, load, temperature, force, liquids, surfaces, sound, etc.). It must be measurable and understood because a specific value will be assigned to it in the evaluation process, when cost is related to function. For example, the function of a water service line to a roadside rest area could be defined as "provides service." This service, not being readily measurable, does not enable us to seek alternatives intelligently. On the other hand, if we define the function as "transports water," the noun in the definition is measurable, and accepted alternatives can be determined based on the quantity of water being transported.
- The system of defining a function in two words, a verb and a noun, is known as two-word abridgment. This abridgment represents a skeletal presentation of relative completeness. Advantages of this system are that it forces conciseness and avoids combining functions or attempting to define more than one simple function at a time.

### 2.3.3.3 Modified Definition of Function(s)

The definition of a function as a two-word abridgment is standard practice. However, there are cases when functions may be defined in more than two words, provided that a clear definition of the function is the end result. It is permissible to use a compound or a combination of adjectives, participles, or nouns if they result in better understanding of the function by the team members.

Examples of the uses of modifiers are shown below:

- Adjective: Generates electrical power
- Participle: Protects recording mechanism
- Noun: Measures hydraulic flow rate

Further examples of appropriate verbs and nouns are given in Annex B.

### 2.3.3.4 FAST Diagram

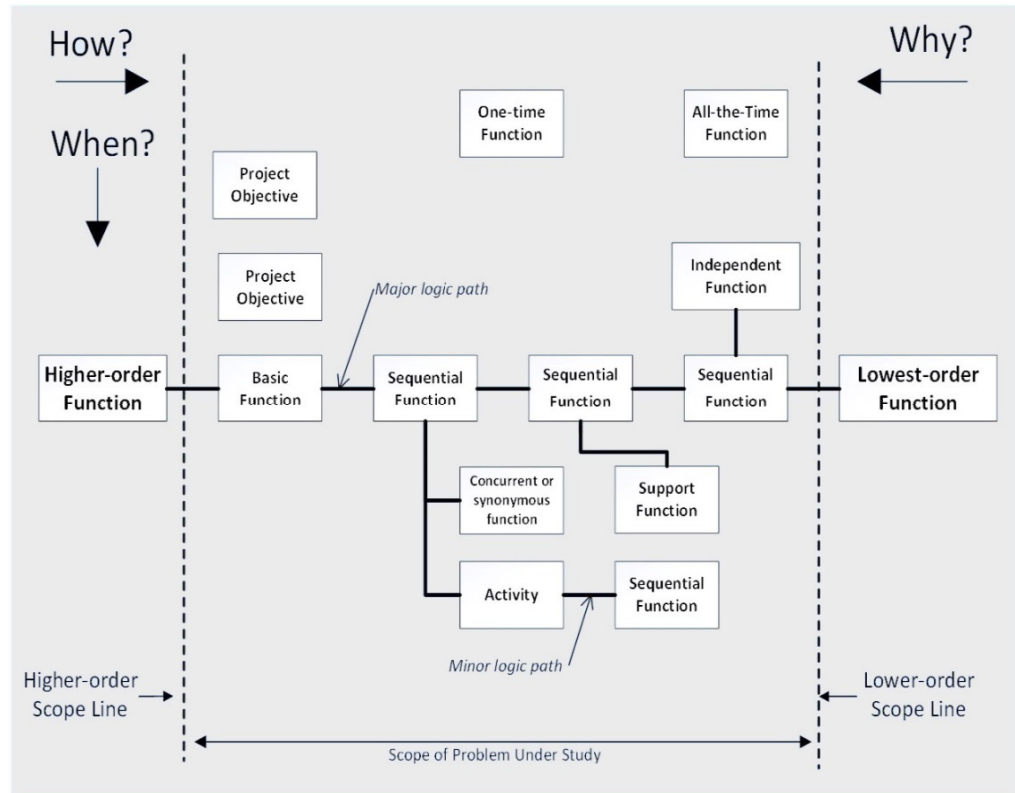
In 1964, Charles Bytheway developed a system for function analysis that has become known as the Function Analysis System Technique (FAST). This diagramming technique has been widely used since 1965 by value engineers throughout the world as a tool to correctly identify the interrelationship of the functions under study.

As in the case with most VE tasks, the development of a FAST diagram is best accomplished as a team effort. The interplay of different viewpoints leads to deeper thinking about the subject and, therefore, a more thorough conduct of the information phase in the Job Plan.

The preparation of a FAST diagram of, at least, the first choice alternatives during the Design Development Phase, allows for a re-examination of the solution. Rethinking at this point can identify areas for additional savings that may have been overlooked. A comparison of the FAST diagram for the original design and that of the proposed alternative can be a valuable sales tool during the presentation phase. A FAST diagram has great value as a communication tool, because it is stated in functional terms that almost everyone can understand, no matter how technical or complex the item may be.

As shown on Figure 2-1, the FAST diagram identifies the breakdown of functions starting on the left with HOW a function is achieved, and on the right with WHY it is required. The scope of the problem needs to be defined at an early stage so that the analysis does not wander outside its required boundaries.

Figure 2-1 Generic FAST Diagram



Annex C shows typical FAST diagrams, and also the FAST listing for a remedial work in landslide areas in the Philippines.

The latter listing does not provide the full power of diagramming, as the functions linkages are not identified; however, for complex projects it provides a means of displaying the resulting data from a FAST workshop activity.

### 2.3.4

#### Weighted Evaluation Technique

The purpose of the weighted evaluation technique is to provide a more objective method to evaluate subjective attributes and rank competing ideas for consideration. Weighted evaluation is a two-step procedure. In step 1, the team determines the criteria or attributes against which to evaluate each idea. The team members determine how much importance each one will have in choosing the best idea. In step 2, the team lists all the ideas and evaluates them against each attribute, then scores and ranks them.

##### Step 1-Determining Criteria and Weights

1. Determine the subjective criteria or attributes for evaluating your proposals.
  - The attributes, features, or criteria you pick normally relate to the subject of the study. For example, a manufactured product may be judged on its reliability, durability, ease to manufacture, development effort, customer acceptance, and so on - A car might be judged on its handling, style, acceleration, operating cost, and so on.
  - Each criterion used should meet minimum user owner needs. That is, if safety is being compared to cost, the comparison is not between unsafe conditions

versus lower costs, but increased safety over the minimum required safety versus cost.

- Cost may be a criterion, but it is not recommended since all proposals must also pass a business case evaluation.
2. Define the criteria so all team members understand them.
    - The more elements of criteria that are compared to each other, the better. This reduces the chance that one or two elements will receive such weight that they swing or govern the decision regardless of how the other elements score.
  3. List all the criteria on the evaluation form, assigning each a letter of the alphabet as shown in the Table 2-3.
  4. Use a paired comparison to determine the weight to be used for each criterion. Paired comparison is a technique based on the understanding that any person or group of people can select between any two items or, if they cannot choose, can call them equal in importance.
    - Compare each criterion to another in turn. First, ask which is more important, A or B. In the example of initial cost versus maintenance, the answer is A.
    - Next, ask how much more important that answer is, rating it major, medium, or minor - that is, giving it three, two, or one points. Again, in the example, initial cost A is medium in being more important than maintenance and is thus recorded in the scoring matrix as A-2.
    - Continue to compare A with C, then A with D, and so on, until all criteria are compared with each other and recorded in terms of their importance. Note that, in the example, when B is compared with C, a choice cannot be made between them, so the selection is recorded in the scoring matrix as B/C.

All judgments of the relative importance of criteria are between minimum and maximum performance levels, or between needs and desires, with the intent to determine the relative importance of each in order to optimize them later or make tradeoffs.

5. Add the total number of each letter of the alphabet recorded in the scoring matrix. This is the raw score of the weight for each of the criteria selected. For example, on the first row of scoring matrix, criteria A have scored 2, 1, 2 and 3 giving a total of 8. So the number 8 is transferred to the Weighting Evaluation Table under column 'Raw Score' against the row 'A Initial Cost'.

If one criterion receives a zero score, it means that the attribute is not important to the team in evaluating the idea, and it can be dropped from further consideration. If, however, the team disagrees with this automatic conclusion, giving it a raw score of one can save the evaluation criteria. This is demonstrated in Table 2-3. Notice the Raw Score for criterion D "Aesthetics" has a value of "1" even though "D" does not appear in the scoring matrix.

6. Reviewing the raw score, determine the weight of importance of each of the criteria on a scale of one to ten, with ten being the highest and one being the lowest. Remember that not all criteria are created equal.

Prepare a scoring matrix as shown on Table 2-3.



**Table 2-3 Weighting Evaluation**

**SCORING MATRIX**

	B	C	D	E	F	G	H
A	A-2	A/C	A-2	A-3			
	B	B/C	B-3	B/E			
		C	C-3	C/E			
			D	E-3			
				E			
					F		
						G	

DETERMINATION OF WEIGHTS		
Project Title HVAC Small Office Generic	Project ID	
Phase Design Development Phase	Date	
Goals, Desired Criteria, Functions, Features	Raw Score	Assigned Weight
A Initial Cost	8	10
B Maintenance	5	6
C Energy Usage	6	8
D Aesthetics	<u>1</u>	1
E Reliability/Performance	5	6
F		
G		
H		

### Step 2-Rank Each Idea

List each idea on an evaluation matrix similar to that shown in Table 2-4. Be sure to list the current idea or present way as the first idea on the list. This is the one that you are comparing with your new ideas.

**Table 2-4 Ranking Ideas**

RANKING IDEAS							
		Initial Cost	Maintenance	Energy Usage	Aesthetics	Reliability Performance	
	WT	10	6	8	1	6	TOTAL
PRESENT WAY							
	5	E	E	E	E	E	RANK
One rooftop unit	4	VG	VG	VG	VG	VG	5
One mech. room	3	G	√	G	√	G	
	2	F	F	√	F	√	
	1	√	P	P	P	P	
	<b>Subtotal</b>	<b>10</b>	<b>18</b>	<b>16</b>	<b>3</b>	<b>12</b>	<b>59</b>
IDEA 1	5	√	E	E	E	E	
	4	VG	VG	VG	VG	VG	
One thru-wall unit	3	G	G	G	√	√	1
One rooftop Unit	2	F	√	√	F	F	
	1	P	P	P	P	P	
	<b>Subtotal</b>	<b>50</b>	<b>12</b>	<b>16</b>	<b>3</b>	<b>18</b>	<b>99</b>
IDEA 2	5	E	E	E	E	E	
	4	VG	VG	VG	VG	VG	
	3	√	G	G	G	√	4
	2	F	F	√	√	F	
	1	P	√	P	P	P	
	<b>Subtotal</b>	<b>30</b>	<b>6</b>	<b>16</b>	<b>2</b>	<b>18</b>	<b>72</b>
IDEA 3	5	E	E	E	E	E	
	4	VG	VG	VG	VG	VG	
	3	G	√	√	√	√	3
	2	√	F	F	F	F	
	1	P	P	P	P	P	
	<b>Subtotal</b>	<b>20</b>	<b>18</b>	<b>24</b>	<b>3</b>	<b>18</b>	<b>83</b>
IDEA 4	5	E	E	E	E	E	
	4	√	VG	VG	√	VG	
	3	G	√	G	G	G	2
	2	F	F	√	F	√	
	1	P	P	P	P	P	
	<b>Subtotal</b>	<b>40</b>	<b>18</b>	<b>16</b>	<b>4</b>	<b>12</b>	<b>90</b>

7. List the criteria and the weights you have just established across the top of the form.
8. Take one criterion at a time and score all ideas against it.
  - Score each idea as:
    - excellent - five points
    - very good - four points
    - good - three points
    - fair - two points
    - poor - one point
  - Multiply each idea's score against the assigned weight at the top of the page and record the subtotal as shown.
9. After each of the criteria is scored, one at a time and in turn, add up the subtotals of each and record the raw score as shown.
10. The preferred solution with the highest score is ranked first, the next lowest ranked second, and so on. In the example, note that the present way is ranked fifth out of five. This means that any idea on the list is preferred.

If the team wants to press on with an idea that does not come out as good a rank as the team expected, then analyze what causes that effect and brainstorm ways to mitigate it during its development and presentation. A low score could indicate potential roadblocks from future decision makers.

### 2.3.5

#### **Whole Life Costing**

In considering the value of an item or process, the team should consider the overall life cycle cost of the item or process. In some cases, a higher initial cost of an item could result in reduced life cycle costs. Similarly, a lower initial cost may result in more frequent maintenance and shorter life cycle than a higher initial cost item.

Consider the following major factors when determining the life cycle cost of an item:

- Expected life of item
- Construction (initial) cost
- Maintenance and operation cost
- Salvage value
- Discount rate

The expected life of any object is, simply put, how long the item is expected to last. Some items are used up at the end of their life cycle, but most can be maintained indefinitely. When the cost of maintenance becomes excessive, however, these items are replaced. Roads, bridges, drainage structures, etc., can be maintained indefinitely, but at some point the cost of repair becomes so high that replacement is more cost effective. This point of replacement, or major reconstruction, is the life cycle of that item.

Construction cost is simply the cost to construct the item. Identify this during the investigation phase of a VE study, usually from the construction estimate. If an item is purchased rather than constructed, use the purchase cost of the item.

Operation and Maintenance (O&M) costs are the costs associated with owning, maintaining, operating, and using an item, or system. There are two types of O&M costs, recurring and non-recurring. Recurring O&M costs are ordinary, routine, repetitive maintenance expenses. On a highway, they include grass-cutting, replacing traffic markings, and the cost of electricity for lights, drainage maintenance, and guardrail maintenance. Consider these costs as a lump sum, annual payment. Non-recurring O&M costs include replacement or irregular activities, such as resurfacing a highway, re-decking a bridge, and crack and joint sealing. Consider these costs individually.

Salvage Value is the value of selling or re-using items and material at the end of the life cycle. For example, some items with salvage value are guardrail, recycled pavement, bridge beams, rails, etc.

Another type of salvage value occurs when a highway's life cycle is completed, and a major reconstruction is undertaken. The salvage value of the old road would be the right of way, grading, sub-base, etc., that will not have to be purchased or performed for the reconstruction.

Perhaps the most difficult part of life cycle cost engineering to understand is the time value of money. Put simply, money in the future is not as valuable as money today. This has nothing to do with inflation, but with the flexibility of having the money now, and the opportunity costs of not having the money now. The adopted discount rates vary considerably from country to country; NEDA uses 15%. That means that the value of a peso decreases by 15% for every year in the future. For example, one peso in one year is worth PHP0.85 today.

Over the life cycle of different items or systems, costs are incurred at different times. Because of the time value of money, it is not fair or consistent to compare these costs at face value. For a fair comparison, refigure costs to today's pesos, by applying a discount rate to bring future costs back to their value today.

To find the Life Cycle Cost of an item or system, the following steps are generally followed:

- Identify the expected life of the project element. This can be based on background information, experience, policy, or by arbitrarily selecting an expected life.
- Identify construction costs of all alternatives. In most cases, this information will be provided. If not, find it during the investigation phase of the VE study.
- Identify recurring maintenance costs by year. This information is available from maintenance staff, repair records, material usage, or accounting records.
- Identify non-recurring maintenance costs by year. This information is also available from maintenance staff, repair records, material usage, or accounting records.
- Identify salvage values, if any. For items such as right of way, grading, etc., the initial cost can be used for the salvage value. Other items may require an estimate on the part of the VE study team.
- Using the discount rate chart, multiply recurring costs by the Uniform Series present worth factor for the appropriate final year. For an item with a 20-year life span, multiply the total annual recurring cost by the Uniform Series present

worth factor for 20 years. This gives the total of all annual recurring costs for the 20-year period.

- Using a discount rate chart, multiply non-recurring costs by the Single Payment present worth factor for the appropriate year. Multiply a cost occurring during the 5th year by the Single Payment present worth factor for year 5. This gives the present value of that payment in year 5 only. Multiply other non-recurring costs by the appropriate factor individually.
- Using the discount rate chart, multiply the total salvage value by the Single Payment present worth factor for the appropriate (last) year. Find the salvage value of an item in the last year of the life span, which is a single event. The present value of the salvage is a NEGATIVE cost, since it returns money to the owner. Subtract the salvage value from the total Life Cycle Cost of ownership when finding the total cost.
- The result of totaling the values from the computations gives the present worth of the life cycle cost of the project.

As an alternative to the use of discount rate charts, use spreadsheet functions such as the Excel NPV Net Present Value function. An example of a discount rate chart is given in Annex D.

## 2.4 The Value Study

### 2.4.1 General

A Facilitator and the requirements for this position lead the value study, and the stages of the study, are described in the following sections.

### 2.4.2 The Facilitator<sup>4</sup>

A facilitator is an individual who contributes structure and promotes participation. He or she is a “content neutral” party who will help by supporting the team member’s work more effectively, by doing their best thinking that enables the team to achieve effective solutions. An example is a team leader offering team members a method with which they can develop their own strategies to resolve a problem. Although the leader is not giving answers, he or she has not abandoned the members either. He or she attends the meeting to guide the members to their own solution step-by-step.

A meeting chairperson can use the facilitation role to run those portions of a meeting when they want the participants to offer their ideas and generate actions they will implement. A leader can use facilitation whenever he or she wants members to work a problem or activity themselves.

Instead of being a player, facilitators act more like a referee. They watch the action more than participate in it. They control the pace and which activities happen and when. They keep their finger on the pulse and know when to move on or bring closure. Most important, facilitators help members define and reach his/her goals.

<sup>4</sup> *Facilitating with Ease! Core Skills for Facilitators, Team Leaders and Members, Managers, Consultants, and Trainers, 3rd Edition.* Copyright © 2012 by John Wiley and Sons, Inc. Reproduced by permission of Jossey-Bass, an Imprint of Wiley. [www.josseybass.com](http://www.josseybass.com)

When someone takes up the challenge of facilitating, they're stepping into a very clearly defined set of roles and responsibilities. These roles are:

- To help the group define its overall goal, as well as its specific objectives.
- To help members assess needs and create plans to meet them.
- To provide processes that help members use their time efficiently to make high quality decisions.
- To guide group discussion to keep it on track.
- To make accurate notes that reflect the ideas of members.
- To help the group understand its own processes in order to work more effectively.
- To make sure that assumptions are surfaced and tested.
- To support members in assessing their current skills as well as build new skills.
- Using consensus to help a group make decisions that take all members' opinions into account.
- To support members in managing their own interpersonal dynamics.
- To provide feedback to the group so that they can assess their progress and make adjustments.
- To manage conflict using a collaborative approach.
- To help the group communicate effectively.
- To help the group access resources from inside and outside the group.
- To create an environment where members enjoy a positive, growing experience while they work to attain group goals.
- To foster leadership in others by sharing the responsibility for leading the group.
- To teach and empower others to facilitate: working oneself out of a job.

The main theory underpinning facilitation concerns the difference between process and content. This theory states that in any interaction between people, there are always two dimensions, the content and the process.

The content of any meeting is what is being discussed. It's the task at hand, the subjects being dealt with, and the problems being solved. The content is expressed in the agenda. The content is the verbal portion of the meeting. It is obvious and typically consumes the attention of the members.

The other element of any interaction is the process.

The process is how things are run. It refers to the methods, the procedures, the format and the tools used. The process also includes the style of the interaction, the group dynamics and the climate that is established. The process is silent and harder to discern. It is the aspect of most meetings that's largely unseen and often ignored, since people are largely focused on discussing the content.

When a meeting leader offers their opinion with the intent of influencing the outcome of discussions, he or she is acting as the content leader.

When a meeting leader becomes neutral and non-directive in relation to the content, he or she becomes the process leader or facilitator.

### 2.4.3

#### Team Selection

Depending on the scope of the project and time constraints for completion, VE studies can vary from a small to large team effort, and may also have several people assigned to support the team if and when their particular skills are needed.

Although there is no set size for an efficient VE team, five persons, supported on a part-time basis by other elements of the organization (e.g. the proponent agency), is usually a sufficient number. Selection of members to perform the study should be based on the following criteria:

- Use only staff/employees who have had VE training to support the VE team. Team members should have attended an appropriate VE workshop-training seminar, and should have familiarity with the VE process. If such experience is unavailable, include a suitable orientation during the conduct of the study.
- Identify work experience or background of the team members related to the project under study. A mix of talent is desired to achieve different points of view. Typical team members might include :
  - Geotechnical engineer
  - Right-of-way specialist
  - Materials specialist
  - Environmental specialist
  - Structural engineer
  - Design engineer
  - Landscape architect
  - Traffic operations specialist
  - Maintenance engineer
  - Resident engineer
  - Cost estimator
  - External stakeholders

The selection of individual team members is of paramount importance. As a minimum, the team should be staffed with a higher level of experience and expertise than the team performing the project or technical design. Team members must have excellent communication skills and work easily within a team environment. It is very important that the team be interdisciplinary. The particular makeup of team members will vary depending on what point of project design or implementation the VE study is occurring. At the preliminary planning or Concept Development point more emphasis would be on staffing the team with planning expertise rather than heavy with technical expertise. When VE is done at the project Design Development Phase, Detailed Design or implementation stages, the criteria for selecting the VE team members shift towards the technical qualifications and construction expertise.

The viability might be assessed with the help of a commercial knowledgeable person from the private sector. The broader the representation the better the ideas are generated, particularly at the concept stage. A Contractor would also provide useful insights.

#### **2.4.4 Workshop Organization**

##### **2.4.4.1 Workshop Site**

No matter what application of VE is being planned, an important factor for a successful event is choosing the proper location for the workshop. When determining the proper location for a VE workshop, consider various factors, such as ease of reviewing the facility and operations, minimizing travel expenses, and minimizing distraction of the team members during the workshop.

For a VE workshop for a construction project, there may under some circumstances be advantages to conducting the workshop close to or at the project site, enabling a formal site visit and access to maintenance and operations staff. This is especially true of a rehabilitation/ renovation project.

In all cases, a strong VE facilitator will be required to minimize distraction. But access, travel, and distraction are the factors that need to be considered before a workshop location is chosen.

##### **2.4.4.2 Workshop Room Environment**

Choosing the proper workshop room environment is also important to the success of the VE study. Several items should be considered:

- Size of space
- Seating room for team and guests
- Wall space for hanging worksheets and exhibits
- Extra table space for exhibits and products
- Location of space in the facility or manufacturing plant
- Natural lighting/windows
- Temperature control
- Computer/internet access
- Teleconference capability

Choose a room that is large enough to easily accommodate the VE team members, the owner, the user, the designer and other visitors when seated at tables. In addition, for manufacturing studies, it is helpful to have extra tables available in the room to display the products or products being studied as well as any competitive products or projects that will be analyzed during the workshop. Choose a room where charts, graphs, drawings, and other required documentation may be hung on the walls so the team can reference these documents throughout the VE effort.

It is the VE facilitator's responsibility to ensure that the room has the space and location to properly accommodate the study team and management team. The actual arrangement of the room may be flexible based on the type of study, table shape and size, and room shape. Generally, however, tables arranged at a forty-five



degree angle to the front of the room are useful because the team members can easily see information projected on a screen or wall and face each other. In all cases, it is useful to have natural lighting/ windows, computer Internet access, and temperature control. It is the facilitator's responsibility to arrange the room prior to the workshop to accommodate the group and visitors.

#### 2.4.4.3 **Required Materials and Logistics**

In order to properly facilitate a VE study, materials and logistical support are required, including:

- Computer
- Projector and screen
- Flip charts, stands, pads and marker pens
- Tape and thumb tacks
- Sticky notes
- Extension cords

If they are not available, the VE facilitator will provide these items. Inquire what will be allowed on the walls of the workshop room so the paint or wall coverings are not damaged.

#### 2.4.4.4 **Facilitation Skills**

A certified value professional should be chosen to facilitate a VE workshop since he/she has the training and experience to manage the team, implement the methodology, and maximize the benefits to the client and customers. During the pre-workshop coordination meeting, the facilitator will establish the workshop guidelines, which may include items such as:

- Requiring workshop attendance at agreed-upon times (some team members' participation may not be necessary for the full workshop).
- Requesting that non-workshop related e-mail, Internet, and phone usage occur during breaks and lunch.
- Eliciting participation and consensus from all team members.
- Maintaining the agenda and being punctual about starting times.
- Encouraging the team members to contribute to the preparation of the management presentation and participate in the presentation of results.

The VE facilitator should follow each step of VE. The effectiveness of the study will be enhanced if each phase is implemented. Activities and tools that should be included in a VE study include:

- Reviewing competitive products, processes, or projects for comparative purposes.
- Reviewing other value models, such as time study, cost, life-cycle cost, space, quality, risk, and sustainability models.
- Performing functional analysis.
- Preparing FAST diagrams.
- Creating a cost/function diagram or similar relational technique.
- Using brainstorming or other creative techniques.

The Creative Phase includes:

- Allowing discussion to clarify an idea not understood by the team.
- Deferring judgment of ideas to the Evaluation Phase.
- Encouraging each team member to participate in generating ideas.
- Encouraging piggybacking of ideas already mentioned.
- Limiting domination or control by any one-team member.
- Emphasizing that there are no bad ideas and all ideas are important.
- Conducting the Creative Phase "by function" as established by the cost/function priorities or other function-based value models.
- Developing a complete business case during the workshop.
- Conducting a session presenting the results for management and the decision makers.

If these guidelines are followed, the team will achieve the goals of the workshop and true value will be recognized as the team presents its finding to the project stakeholders at the conclusion of the workshop.

## **2.4.5 The Job Plan**

### **2.4.5.1 Introduction to the Phases of the Job Plan**

The phases of the job plan consist of information, function analysis, creativity, evaluation, development and presentation. They are described in the following sections.

### **2.4.5.2 Specific Value Engineering Project Plan Features**

In preparing the VE plan, it is important that at the minimum, it must contain the following features:

- Detailed description of the objectives and scope of the project to assure direction of the study.
- Description of the qualifications of the team members, who must possess a variety of relevant work skills and experience to conduct the project.

### **2.4.5.3 Phase 1: Information Phase**

The objective of the information phase of the VE job plan is to acquire knowledge of the design to be studied and to assess its major functions, cost and relative worth.

This phase should provide a thorough understanding of the system, operation, or item under study by an in-depth review of all of the pertinent factual data. Complete information is essential to provide a solid foundation for the VE study. The complexity of the VE project, the amount of information available, and the study schedule will all influence the level of effort devoted to the information phase. The second intent of this phase is to determine the functions being performed and those that must be performed by the item or system under study. VE identifies two classes of functions: the basic or secondary function and the esteem or aesthetic function.

The basic function of a design element satisfies the user's need for having an action performed. The secondary function may or may not support the basic function. An aesthetic or esteem function fulfills a desire to form something more than what is needed.

These functions are not mutually exclusive and are frequently present in designs. Good value occurs when the user is provided with the essential functions, and the unessential ones he desires, at a reasonable cost.

An outline of the Information Phase is given in Checklist 1 and further checklists on information gathering, general information, engineering and design, methods and processes, material and procurement and function and worth are given in Checklist 2 to 8 in Annex E.

#### 2.4.5.3.1

##### **Understand the Item, System, or Operation Under Study**

There are three important actions to take in order to fully understand the VE study that must be done:

- Gather all Types of Information
- Get the Facts
- Get all Available costs

**Gather all Types of Information.** The VE team should gather all relevant information, regardless of how disorganized or unrelated it may seem when gathered. The data should be supported by credible evidence, where possible. Where supported facts are not obtainable, the team should obtain the opinions of knowledgeable persons. The information sought is seldom found in comprehensive form in one place. The by-word for any VE study is "Record Everything."

Information gathering may be subdivided into separate tasks and assigned to individual team members. Various types of data, which may be obtained, are listed in Checklist 2 in Annex E.

The team should obtain information from credible sources. There are two basic principles in this area. The first is to seek information from multiple sources, and the second is to seek the best source for the information desired. The following are typical sources from which the required information might be obtained:

**People Source.** Project managers, designers, operators, maintenance, architects, contractors, fabricators, suppliers, and expert consultants.

**Data Source.** Planning documents, drawings, computations, design analyses and calculations, specifications, material lists, cost estimates, schedules, handbooks, engineering and maintenance manuals, commercial and government standards and codes, test and maintenance reports, user feedback, catalogs, technical publications, previous study data files, management information systems, conference and symposium proceedings, and universities.

**Complete, Pertinent Information.** The type of data available will depend upon the status of the design in its overall life cycle that is whether it is in preliminary or final design or under construction.

A set of design objectives and a statement of requirements may be all that is available early in a project cycle. For an older, standard design, such useful data as performance under use, maintenance characteristics, failure rates, and operational costs may be available. In addition to specific knowledge of the project, it is essential for the team to have all relevant available information concerning the technologies involved, and to be aware of the latest applicable technical developments. The more that factual information is brought to bear on the problem, the higher the possibility of a substantial cost reduction.

**Get the Facts.** Get specific information about the item. Avoid generalities, which serve only to protect the status quo. Work on each function individually before attempting to combine them into a single multi-functioning project. The danger in a generalized statement is that if one exception can be found, the statement is proven wrong. If the proposal depends upon a generalized statement, the validity of the entire study could be compromised.

**Get all Available Costs.** To make a complete analysis of any project, the total cost of the item, the cost of each component and a breakdown of the cost of each design component that are needed.

The team should obtain accurate and itemized cost estimates for each proposed design to determine the alternative offering the greatest cost reduction.

#### 2.4.5.4 Phase 2: Function Analysis Phase

##### 2.4.5.4.1.1 Determine Functional Cost And Worth

###### **Functional Cost**

Functional cost is the method chosen to perform the function under consideration. Where an item serves one function, the cost of the item is the cost of the function. However, where an item serves more than one function, the cost of the item should be pro-rated to match each function.

###### **Functional Worth**

Worth is the most inexpensive way to perform a function. Once all functions are identified as basic or secondary and unnecessary functions discarded, the team establishes the worth of a function, without considering where or how the function is used. Functional worth determination is perhaps the most difficult step in VE, but it is an indispensable step.

It is a highly creative endeavor because worth is a subjective rather than absolute or objective measure. Skill, knowledge, and judgment play a major role in determining the quantitative aspect of worth, in terms of pesos.

###### **Life Cycle Cost Model**

Throughout the VE job plan, the team should keep in mind that value is maximized when performance is reliably achieved for minimum total cost. Thus, satisfactory performance throughout the desired life cycle of the product is essential to good

value. Value engineers look beyond initial cost. The costs of operation, maintenance, and disposal or replacement must also be considered.

A complete life cycle cost model should include an engineering of the following items calculated in terms of present value:

- Capital cost - initial cost of construction, design, land, legal fees, other related costs.
- Maintenance cost - the cost of regular maintenance patrol, repair, salaries of maintenance personnel, and maintenance contracts.
- Rehabilitation / replacement cost - the cost of replacing materials, equipment or other elements during the life cycle of the entire facility.

Refer to Checklist 8, Annex E for detailed requirements of the Information on Function and Worth.

#### 2.4.5.5

##### **Phase 3: Creativity Phase**

The objective of the creativity phase of the VE job plan is to "brainstorm" the functions of design elements identified in the Information Phase, and develop a number of alternatives to each. An outline for the Creativity Phase is:

- Understand and control the positive and negative factors in creative thinking.
- Plan for creative sessions.
- Select the creative techniques to be used.

#### 2.4.5.5.1

##### **Positive and Negative Factors**

The results achieved through the use of creative thinking, especially brainstorming techniques, will vary with the creative ability of the individual. However, one can enhance one's creativeness through conscious effort toward the development of attributes such as those listed below:

- Observation: Alertness and awareness of conditions that exist.
- Problem Sensitivity: The ability to recognize when there is a problem.
- Constructive Discontent: An attitude of questioning the status quo.
- Motivation: Willingness to expend the time and energy to reach a given goal.
- Flexibility: Adaptability and openness to change.
- Originality and Resourcefulness: The ability to conceive a great number of new and unique ideas that reaches beyond everyday solutions.

There are also factors that inhibit the creative process. One should recognize such mental blocks and make an effort to eliminate them from one's thinking. These blocks to creativity are outlined in Annex F.

#### 2.4.5.5.2

##### **Plan for Creative Sessions**

During the creativity phase of the job plan, direct the team's creative effort towards the development of alternative means to accomplish the needed functions. Do not begin consideration of alternative solutions until the team thoroughly understands the problem. All members of the VE task group should actively participate, for the greater the number of ideas conceived, the more likely that better quality, less costly alternatives will be among them.

- Challenge the present method of performing a function. Technology is changing so rapidly that the rules of a few years ago are probably obsolete. Create new ways (alternatives) for performing the necessary function(s) more efficiently (lower total cost) or effectively. Take advantage of new products, processes, and materials.
- Use Creative Techniques. Use as many creativity techniques as necessary to get a fresh point of view. Adopt a positive mental approach to any problem. In developing ideas, do not allow negative thoughts or judicial thinking. Concentrate on creating as many ideas as possible on how the function can be performed. After writing down all ideas, consider all possible combinations to determine the best method of performing the function.
- Make every attempt during this phase to depart from the ordinary patterns, typical solutions, and habitual methods. Experience indicates that it is often the new, fresh, and radically different approach that uncovers the best value solution(s).

#### 2.4.5.5.3

#### **Creative Thinking Techniques**

Several techniques are available for use to the value engineer during the creativity phase. Use them singularly or in combination, depending on the project under study and the preferences of the team leader. Some of the more widely known and used techniques are outlined below:

**Free Association Techniques.** Free association of ideas is the fruit of both the conscious and subconscious mind. In fact, the subconscious mind is the most creative portion of the brain, but the conscious portion forms the input.

**Brainstorming.** This creative approach is an uninhibited, conference type, group approach, based upon the stimulation of one person's mind by another's. A typical brainstorming session consists of a group of four to eight people spontaneously producing ideas designed to solve a specific problem. The objective is to produce the greatest possible number of alternative ideas for later exaltation and development. Observe these rules during brainstorming:

Critical critiquing must be withheld. This means controlling the natural tendency to evaluate ideas instantaneously:

- Criticizing by word of mouth, tone of voice, shrug of shoulders, or other form of body language that indicates rejection is not permitted. Come and encourage "free-wheeling". The wilder the idea, the better; it is easier to tame down than to think up.
- Applying the technique of "hitchhiking" or "piggybacking" to expand on the ideas of others by offering many variations (synergism).
- Combining and improve ideas.
- Setting a goal in number of ideas, or time, to force hard thinking.

The brainstorming process involves holding a freewheeling group discussion, with the group leader questioning, guiding, and occasionally supplying problem-related information. All ideas are listed so that all members of the group can see as well as hear the ideas. The use of a flip chart and crayons, or felt tip pens, is preferable. The filled sheets can be taped to the walls so that they are constantly in view.

Refer to Checklist 9, Annex E for detailed requirements of the creative phase.

#### 2.4.5.6

##### Phase 4: Evaluation Phase

The objective of the evaluation phase of the VE job plan is to analyze the results of the creativity phase and, through review of the various alternatives, select the best ideas for further expansion.

Evaluation Phase Outline:

- Perform preliminary screening to separate the best ideas.
- Evaluate the alternatives to aid development of solutions.
- Determine criteria and objectives.
- Weight the alternatives.
- Weight the criteria and objectives of the project.
- Compute the numerical rating.
- Rank the alternatives.
- Select the best alternates for development.

During creativity, the group makes a conscious effort to prohibit any judicial thinking so as not to inhibit the creative process. Now the ideas produced must be critically evaluated for acceptance.

Use the key questions listed below as the basis for a set of evaluation criteria to judge the ideas:

- How might the idea work?
- Can it be made to work?
- What is the cost?
- Will each idea perform the basic function?
- Which is the least expensive?
- Can it be modified or combined with another?
- What are the chances for implementation?
- Will it be relatively difficult or easy to make the change?
- Will the users' needs be satisfied?
- What is the savings potential, including life cycle costs?

#### 2.4.5.6.1

##### Preliminary Screening Techniques

Several techniques are available to evaluate alternate ideas. Examples are as follows:

- **Comparison Technique.** This technique is a method of comparing the various features of all of the alternatives under consideration.
- **Advantages Versus Disadvantages Technique.** In this technique, list the advantages and disadvantages of each alternative. Then sort the ideas based on the number of advantages and disadvantages of each. Choose those ideas with the greatest total advantage for further evaluation.
- **Ranking Technique.** The ranking technique allows the evaluators to assign a numerical rating to the alternates. Start this process by judging an excellent idea to be worth 5 points; a good idea, 4 points; a fair idea, 3 points; a poor idea, 2 points; a very poor idea, 1 point. Group all 5-point ideas and evaluate

further. Use the same method on all 4-point ideas, and, if necessary, on the 3-point ideas.

- **Probabilities Technique.** In this technique, assign subjective probabilities of success to the implementation of acceptable ideas. A probability close to one means that the idea has a good chance of being implemented. A probability close to zero means the idea has little, if any, chance of being adopted.
- **Estimating Alternatives.** Rank the remaining alternatives according to an estimate of their relative cost-avoidance potential. Base the ranking on relative estimates comparing each of the alternatives against the original design method for providing the function. Develop the surviving alternative further to obtain more detailed cost estimates. Proceed to more detailed cost estimates only if the preceding step indicates that the alternative is still a good candidate.

#### 2.4.5.6.2

#### **Weighting Criteria and Objectives**

The method most commonly used for the evaluation process is the criteria scoring matrix. By comparing each criterion against the other and assigning a measure of importance.

Table 2-5 shows an example of a "weighting matrix" used in this method. Measures of importance may be as follows:

4 = Very Major Preference

3 = Major Preference

2 = Minor Preference

1 = Slight Preference

In the case of ties, each criterion is assigned 1 point.

It is seldom that "objectives" or "criteria" will be of equal importance; some should have greater influence on the final decision than others. A weight factor or weight of importance can then be introduced. Weights from 1 to 10 are often used with the highest number given to the criteria with the most importance and the other raw scores are adjusted in proportion (rounded off).

Following the development of "Weights of Importance", an analysis matrix is used to analyze each alternative option being considered is initially judged on a 1 (Poor) to 5 (Excellent) basis and that score is recorded in the lower portion of the square. This number is then multiplied by the "Weight of Importance" number and recorded in the upper quartile of the square. Finally the sum of these numbers is recorded as a "Total".

Do not arbitrarily discard any idea; give a preliminary evaluation, as objectively as possible, of each idea to determine whether or not there is some way the idea can be made to work. These totals are then used as a tool to aid the team in arriving at the "Best" alternative but should not be considered as totally conclusive.

In this example an individual is considering the purchase of an automobile and wishes to utilize the "Matrix-Weighted Evaluation" process to objectively determine the best value of three automobiles being considered. In order to accomplish this, the individual identifies the criteria he/she wishes to consider and





An alternative and somewhat simpler approach, adopted for a contract evaluation, is shown on Table 2-6.

**Table 2-6 Evaluation Scorecard**

Tender Evaluation Scorecard		Conforming Bids								Alternative Bids							
	Weighting	Generic	Contractor 1	Contractor 2	Contractor 3	Contractor 4	Contractor 5	Contractor 6	Contractor 7	Contractor 8	Contractor 1	Contractor 2	Contractor 4	Contractor 5	Contractor 6	Contractor 7	Contractor 8
Quality	5	10	10	10	10	10	10	10	10	10	10	5	10	5	10	5	15
Risk	(10)																
Cost risk	6	12	12	12	12	12	12	12	12	6	12	12	12	6	6	6	6
Time Risk	4	8	8	8	0	8	8	8	0	8	8	0	8	0	4	0	4
Environmental Impact	10	20	20	20	20	20	20	20	20	20	20	30	30	20	20	20	20
Time	(10)																
Start	5	10	10	10	10	10	0	10	10	0	10	10	10	10	10	10	10
House Delivery	2	2	2	2	2	2	2	2	2	2	Lack of Data	0	4	0	4	0	Lack of Data
Overall	3	3	3	0	3	3	0	3	0	0	3	3	3	3	3	6	6
Cost	9	9	18	18	0	27	0	18	0	0	18	Not Marked	36	Not Marked	9	Not Marked	0
Community/Beneficiary Acceptance	9	36	36	36	36	36	36	36	36	36	36	0	27	36	36	0	36
Total		110	119	116	93	128	88	119	90	80	117	60	134	86	102	47	97

- Maximum likely result. Needs more information to assess
- Unacceptable
- Struck out of Evaluation Committee Meeting

Source: Barry, 2009

### 2.4.5.7

#### Phase 5: Design Development Phase

The objectives of the Design Development Phase of the VE job plan are to collect additional data, analyze thoroughly those best alternatives selected during the evaluation phase, and prepare cost estimates and initial designs that will ensure acceptability and ultimate project implementation.

#### Design Development Phase Outline:

- Determine sources for additional information.
- Ascertain technical feasibility of the selected alternatives.
- Determine economic feasibility of the selected alternatives.
- Present findings in detailed change proposals.
- Develop implementation plan.

This phase is an objective appraisal of the alternatives that provide the best value for reliably performing the required functions. During this phase the most promising alternatives selected during the evaluation phase will be further developed into detailed alternative designs. The intent is to obtain and present convincing data regarding design changes and costs for presentation to management.

The best alternatives are completely developed, with the assistance of experts and specialists, as required. Recommended design changes, materials, procedures, new forms, changes to standards and policy, all costs, and implementation requirements have to be documented. Develop each alternative until enough data has been accumulated to prove it is the best choice. If there are other similar alternatives that are also options to the existing situation, develop the next best idea enough to prove its potential. If management rejects the team's preferred alternative the second alternative may serve as a fallback recommendation that is still an improvement over the existing design.

### 2.4.5.7.1

#### Design Development Phase Techniques

- **Use Search Techniques.** Develop a list of the names of specialists and suppliers who have the knowledge needed in developing the proposals, using references and phone communications.
- **Consider Alternate Products and Materials.** In developing ideas one should give consideration to all possible design solutions, including different products, and materials, as applicable.
- **Consult Specialists.** To obtain better value in design, consult the most knowledgeable specialists available to answer questions on technical and construction problems. If the functions have been defined correctly, using precise verbs and measurable nouns, the area of knowledge needed for value can be identified. For example, "support weight" would indicate that a material specialist or structural engineer/designer could contribute. While consultation can be done by telephone or mail, having a personal meeting with the specialists is usually more desirable. Effective use of specialists can remove many potential roadblocks. The value analyst must be able to:
  - Define the required functions and the cost problem.
  - Indicate the importance and priority of the problem.
  - Make the specialist a part of the project.

- Direct the specialist's efforts.
- Give credit for his/her contribution.
- Ask him/her to identify other specialist or sources of assistance.
- **Consult Suppliers.** Each industry employs a unique group of suppliers, particularly in the structural field, including personnel with the latest information on structural shapes, pipe culverts, cements, chemical additives, etc. Encourage your suppliers to suggest alternatives, other materials, design modifications, etc., to learn from their experience. In design, do not demand unnecessarily stringent requirements just to be on the safe side. Over-specification may be safe and easy, but it is an expensive shortcut. Solicit suggestions for improvement from the suppliers, and ask what there is about the design that causes high cost. In early planning, thoroughly describe the functional and technical requirements of the project, indicating those that are critical and those where some flexibility exists. Keep abreast of the services your suppliers have to offer, and maintain an up-to-date file of new services as a potential source of ideas leading to tangible cost savings in future planning and design.

#### 2.4.5.7.2

##### Procedure

- **General.** Subject each alternative to: (a) careful engineering to insure that the user's needs are satisfied; (b) a determination of technical adequacy; (c) the preparation of estimates of construction and life-cycle costs; and (d) a full consideration of the costs of implementation, including redesign and schedule changes.
- **Develop Specific Alternatives.** Follow those alternatives that stand up under close technical scrutiny to the development of specific designs and recommendations. Prepare sketches of alternatives to facilitate identifying problem areas remaining in the design. Perform a detailed cost engineering for proposed alternatives to be included in the final proposal.
- **Testing.** Perform any tests required to demonstrate technical feasibility before the alternative is recommended for implementation. Often the desired tests have already been conducted by another agency. Ask for a report on those tests. If not available, the VE team may arrange for the necessary testing and evaluation. Required testing should not delay approval of a proposal when: (a) Risk is low; (b) Consequences of less success would involve nothing more serious than less cost avoidance; (c) The element being tested involves an intangible or subjective factor; and (d) The test is normal confirmation procedure after an action is taken.

#### 2.4.5.7.3

##### Develop Implementation Plans

Anticipate problems relating to implementation and propose specific solutions to each problem. Particularly helpful in solving such problems are conferences with specialists in areas such as: inspection, environmental, legal, procurement, materials, and planning. Develop a specific recommended course of action for each proposal that details the steps required to implement the idea, who is to do it, and the time required. Refer to Checklist 10, Annex E for detailed requirements of the Design Development Phase.

### 2.4.5.8

#### Phase 6: Presentation Phase

The objective of the presentation phase of the VE job plan is to put the recommendations before the decision-makers with sufficient information that the decision-makers will accept the proposals. The checklist requirements for the presentation Phase (Checklist 11) are referenced in Annex E.

#### Presentation Phase Outline:

- Anticipate roadblocks to be overcome
- Prepare written proposal
- Summarize study
- Identify expected benefits / disadvantages
- Make recommendation of specific action
- Suggest an implementation plan of action

A VE recommendation is a challenge to the status quo in any organization. It is a proposal for improving value and providing a beneficial change. The success of a VE team is measured by the cost avoidance and value improvement achieved from implemented recommendations. Regardless of the merits of the recommendation, the net benefit is zero if they are not accepted and implemented. Presenting a recommendation, and subsequently guiding it to implementation, often requires a greater effort than the proposal's actual generation.

The initial presentation of a recommendation must be concise, factual, accurate, and conducted in such a manner that it creates management's desire to accept and implement the change. Selling a recommendation depends to a large extent on the use of good human relations. Present the recommendation in such a way as to avoid any personal loss or embarrassment to those related to the study item. Give proper credit to those who contributed and to those responsible for implementation. The information contained in the VE recommendation will determine whether the proposal will be accepted or rejected. Although sufficient information may be available to the team, this information must be documented in the proposal.

Since management must base its judgment on the documentation submitted with a proposal, sufficient data must be provided to the reviewer to reach an informed decision.

### 2.4.5.8.1

#### Written Proposal

Always complete the VE study with a written report detailing the VE recommendations. Supplement the written report with an oral presentation of study results. The systematic approach of the VE job plan includes the careful preparation of a written report, from which a more concise oral presentation will evolve.

### 2.4.5.8.2

#### Gaining Value Engineering Acceptance

Several hints that appear to be most successful in improving the probability of acceptance are discussed in the following paragraphs:

- **Consider the reviewer's needs.** Use appropriate terminology to the organization and position of the reviewer. Each proposal is usually directed

toward two audiences. The first audience, which is technical, requires sufficient detail to demonstrate the feasibility of the proposed change. The second audience, which is administrative, is one for whom the technical details can be summarized, while the financial implications are emphasized. Long-range effects on policies are usually more significant to the manager than to the engineer.

- **Prepare progress reports.** The manager who makes an investment in a VE study expects to receive periodic reports with estimates of potential outcomes. These reports assure top management awareness, support, and participation in the VE program. Managers are seldom motivated to act by a one-time exposure at the final presentation, no matter how just the cause.
- **Warn the value engineering team of objections early on.** Early disclosure of potential changes can serve to warn the VE team of any objections to the proposal. This early warning will give them an opportunity to incorporate modifications to overcome objections. If management has been kept informed of progress; the VE presentation may be only a concise summary of final estimates, pro- and-con discussion, and perhaps formal management approval.
- **Relate benefits to organizational objectives.** VE recommendations that represent advancement toward an objective are most likely to receive favorable consideration from management. Therefore, ensure that the presentation exploits all of the advantages that a VE recommendation may offer toward fulfilling organizational objectives and goals. The objective may not only include cost avoidance but also the attainment of some other mission-related goal of the manager.
- **Support the decision-maker.** The cost avoidance of the recommendations is likely to be improved if the proposal is promptly implemented. Prompt implementation, in turn, depends upon the expeditious approval by the individuals responsible for a decision in each organizational component affected by the proposal. Identify these individuals and conduct the entire VE effort under their sponsorship. Like any other well-prepared staff report, each VE report should:
  - Satisfy questions the decision-maker is likely to ask.
  - Permit him/her to preserve his professional integrity and authority.
  - Imply assurance that approval would enhance management's Image.
  - Include sufficient documentation to warrant a favorable decision with reasonable risk factors (both technical and economic).
- **Adequate Return.** To gain serious consideration of VE proposals by management, include adequate evidence of satisfactory return on the investment. Often, current contract savings alone will assure an adequate return. In other cases, life cycle or total program savings must be considered. Either way, evidence of substantial benefits will improve the acceptability of a proposal.
- **Show Collateral Benefits.** VE proposals often offer greater value benefits than the immediate cost improvements specifically identified.

Some of the benefits are collateral in nature, and difficult to equate in monetary terms. To increase the likelihood of acceptance of VE recommendations clearly identify and completely describe all collateral benefits. Some typical collateral

benefits are reduced maintenance, energy conservation, improved aesthetics, better environmental quality, lower replacement cost.

#### 2.4.5.8.3

##### **The Value Engineering Workbook**

The workbook documents all actions and efforts expended during the study. It should be a complete and ready document to facilitate preparation of the summary report and support the team's recommendations.

The VE team compiles a workbook throughout the life of a study, starting with the information phase. If properly maintained during the project, the workbook will require no additional preparation.

The type of information that should be recorded in the project workbook for each project is listed in Checklist 12, Annex E.

#### 2.4.5.8.4

##### **Reasons for Rejection of Value Engineering Recommendation**

Failure to provide adequate documentation is a major cause for proposal rejection. Some typical reasons for rejection are indicated below. Further details of reasons given for unsatisfactory outcomes are described in Annex G and form a basis for risk analysis and mitigation during the value study.

- **Failure to Maintain Project Integrity.** It is safe to assume that any approval authority will want positive assurance that the integrity of the project is maintained.
- **Technical Supporting Information Incomplete or Inaccurate.** Provide all salient technical information. Accompany it with proof of previous successful use or tests supporting the change proposal.
- **Cost Engineering Incomplete or Inaccurate.** Credibility of cost information is of major importance. Erring on the conservative side with cost estimates tends to gain more favorable consideration than presenting inflated claims of savings. Although approval authorities know that cost information must usually be estimated, reveal the basis and sources of the team's estimates.

#### 2.4.5.8.5

##### **Written Reports**

Clear communications should be the basic function of all writing. No matter what the purpose of the writing, the result should be the transfer of thought. The idea you have may be top-rate, but until you've explained it clearly to others, neither your organization nor you will gain from it.

One of the ways to improve upon your written reports is to observe these ten rules of clear writing:

- Keep sentences short. Long sentences make reading difficult.
- Present simple thoughts and expressions.
- Use familiar words.
- Avoid using unnecessary words.
- Put action in your verbs.
- Write the way you talk. The written word sometimes gets "stuffy".
- Use terms your reader can picture.
- Write within your reader's experience.

- Use variety in expressions.
- Write to express; not impress.

#### 2.4.5.8.6

##### **Visual Aids**

Good graphic illustrations can translate a large mass of numbers into a simple understandable management language. But entirely different yardsticks measure the documentation on which a presentation is based, and the visuals that interpret that documentation.

Documentation is based on detailed findings. The facts, figures and statistics that make up the documentation should be as complete, up-to-date, detailed, authentic, fully organized, and thoroughly indexed as possible. The visuals summarize the situation at a glance. The charts, graphs or other visuals used in a presentation should be as few in number and as significant, simple and free of detail as it is possible to make them, pinpointing the high spots that the briefing seeks to identify, clarify and establish.

#### 2.4.5.9

##### **Phase 7: Implementation Phase**

The objective of the Implementation Phase of the VE job plan is to ensure that approved proposals are rapidly and properly translated into action in order to achieve the savings or project improvements that were proposed.

##### **Implementation Phase Outline**

- Develop an implementation plan
- Execute the plan
- Monitor the plan to completion

Even after formal presentation, the objectives of a VE study have not been fully attained. The recommendations must be converted into actions; hence, those who performed the study and the manager who requested the study must all maintain an active interest until the proposal is fully incorporated into the design or plans. A poorly implemented proposal reflects discredit on all concerned. Where unexplained delays are encountered, a polite follow-up note may serve as a reminder to the responsible authority, pointing out that those who made the study are available for assistance. An approved VE proposal should not be permitted to die because of inaction in the implementation process.

#### 2.4.5.9.1

##### **Implementation Investment**

The team needs to emphasize the need to invest time or funds in order to save money when submitting value change proposals. Managers must provide funds or personnel time for implementation to achieve the benefits of VE.

Successful implementation depends on placement of the necessary actions into the normal routine of business. Progress should be reviewed periodically to insure that any roadblocks that arise are overcome promptly.

#### 2.4.5.9.2

##### **Expediting Implementation**

The fastest way to achieve implementation of an idea is to effectively utilize the knowledge gained by those who originated it. Whenever possible, the VE team



should be required to prepare initial drafts of documents necessary to revise handbooks, specifications, change orders, drawings and contract requirements. Such drafts will help to assure proper translation of the idea into action, and will serve as a baseline from which to monitor progress.

### 3 Project Phase Approach

Projects go through a number of phases:

- Planning (including feasibility studies)
- Design
- Construction
- Maintenance
- Decommissioning

Each of these stages is capable of being analyzed using the VE approach. However the initial focus should be on the Planning and Design phases, since VE can be introduced to these stages within the current structure and regulations of DPWH.

**VE at Planning Phase** (feasibility stage) is known in SAVE terminology as the Zero Look. It would examine the nature of the project, space and functionality of projects, rather than detailed engineering options.

**VE at Design Development Phase** (Second Look or the 40 Hour Study) is the major focus of VE and identifies through FAST approach the individual functions of every part of the project. At this stage alternative engineering options are considered and adopted when appropriate. This has to be conducted at the early stages of the design (around 30% completion stage).

**VE at Detailed Design Stage** (The 95% or Audit) is generally undertaken only if the project is not proceeding satisfactorily, either through budget estimate overrun or technical problems. It is intended to identify a way forward that can achieve the functionality of the project and overcome the identified problems. This VE Stage is not a standard option.

**VE at Construction Stage** offers a number of possibilities; the workshop can be undertaken during the procurement process to identify ways in which Tenderers can minimize their costs. Alternatively the process can be built in to the contract, which allows the Contractor to submit Change Proposals developed using VE techniques; the savings can then be shared between the Client and the Contractor in a manner set out in the contract. These approaches would require changes to procurement regulations and laws, and should be considered as part of the long-term strategy once VE is established. Introduction into Design and Build and PPP projects would have similar potential benefits and be included for consideration at that time.

**Post Completion Audit** differs from the normal VE workshop in that it does not aim to add value to the project under consideration but rather to learn lessons from the VE undertaken previously in the project for the benefit of future projects. It should always be undertaken by the Value Unit for projects for which VE workshops have been undertaken, and can consist of a simple questionnaire to the stakeholders, interviews with major players, or a full workshop, depending on the nature and outcome of the project.

**VE during Maintenance** offers opportunities in maintenance savings on complex infrastructure, by means of the standard VA methods, and can be considered once VE is well established in the Department.

**VE for Decommissioning** would be applicable for complex decommissioning such as a chemical plant, port or other major infrastructure. At present, DPWH does not become involved in significant decommissioning of this nature but it should be included in long-term strategy for assistance to other agencies, if required.

## 4

## Project Selection

The key to project selection is to identify candidate projects for a VE study. The projects should have the potential to achieve maximum cost avoidance, energy savings, or other benefits, such as a shorter construction schedule through a complete VE. It is also important that the right team members are chosen for the study.

Proper selection is vital to the success of the entire VE program. As VE resources are limited, a major criterion in project selection should be the potential benefit from the resources invested.

There are certain qualities or aspects of a proposal that serves as indicator for possible VE. The following areas of high cost or causes of high cost, which may indicate poor value, should receive the majority of the VE effort.

Projects appropriate for undertaking VE are those that are of sufficient size to justify the costs of the VE study, sufficiently complex that they require the analysis and will provide benefits from the study, and where the stakeholders will support the undertaking of the study, which might result in some time delay in completion of the stage under study to provide benefits in the overall delivery.

Project selection in DPWH requires a short-term and a long-term strategy. Starting with the larger and more complex whilst resources are limited and moving towards a more comprehensive approach in the longer term when resources are more plentiful would be the recommended way forward. A final target of all projects over PHP100m has been recommended; this can be reviewed as the VE Unit develops; however it will always be the case that very small projects will not provide value for money from the VE activity, and should be improved by trickle-down from lessons learned from larger projects.

The Champion in consultation with the VE Unit Head and with relevant stakeholders should select projects.

Since the value of a project has been used as the guide to selection for VE the status of packaged and split projects needs to be addressed. Packaged projects are those where small projects are grouped together for procurement purposes. Unless there is a common thread in the package, which would be worth examining using VE, these projects would be classed for selection according to the value of the individual package.

Split projects are those where one major project is divided into parts to provide resources, or for procurement purposes. This division is not relevant to the consideration of VE process and the total project value should be considered in selection.

Notwithstanding the comments above regarding packaged and split projects, the decision on selection of projects should finally be taken taking account of all factors, not just the value of a project

## 5 The Hiring and Managing of Value Engineering Consultants

### 5.1 Requirements

For any value study, a qualified value specialist is required to achieve the aims of VE. Where an experienced person is not available in-house then they should be procured externally either for single value studies or on a term-contract for studies over a period.

The external value specialist can make use of in-house subject-matter experts or can provide their own team. The latter approach ensures a level of independence but the benefit of in-house members is their knowledge about the organization.

A standard Terms of Reference for the appointment for external consultants is included in Annex H, taken from the SAVE document.

### 5.2 Selection of Consultants

Since no local companies are believed to have CVS qualified persons in the Philippines, procurement of consultants will need to be undertaken internationally. A list of appropriate companies is provided on the SAVE website.

## 6

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## Annex A Examples of Value Engineering

## Examples of Value Engineering

*The two examples provided are from Value Analysis prepared by the group of DPWH staff members who participated in the training and workshops conducted in the year 2006. The particular examples were provided by Engr Yacob N Mambuay, Head of Technical Division of UPMO.*

### VALUE ANALYSIS EXAMPLE 1

FUNCTION: Provide Transportation

TITLE: Buy used vehicles (less than 3 year old models) in lieu of rental

A. ORIGINAL DESIGN:

Rent, operate, and maintain two service and four utility vehicles.

B. ALTERNATIVE DESIGN:

Buy six used vehicles (less than 3 year old models) to be operated and maintained during the execution of the project. Immediately following completion the vehicles will be turned over to the government to be bid out with a minimum asking price of 50% of the purchasing price.

C. SAVINGS DUE TO:

Change from rental to purchase.

D. ADVANTAGE:

- \* Reduce initial cost.
- \* Salvage Value of the vehicles is returned to the project.

E. DISADVANTAGE:

- \* It will increase maintenance cost.

F. ESTIMATED REDESIGN TIME: Minimum

G. TECHNICAL JUSTIFICATION:

Since the vehicles are to be sold at the end of the project, there will be no future maintenance costs for the government as required by the Department of Budget and Management.

The vehicles could be purchased in urban environments to guarantee a less harsh treatment and better condition of the unit.

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<b>COST SUMMARY</b>	<b>INITIAL COST</b>	<b>LCC</b>	<b>TOTAL COST</b>
Original Design	PHP 22,699,962	P	PHP 22, 699,962
Alternative	PHP 10, 192, 169	P	PHP 10, 192, 793
Savings	PHP 12, 597, 793	P	PHP 12, 597, 793

**CALCULATIONS**

<u>ORIGINAL PLAN:</u>	<u>COST</u>
ITEM A(5)a - Provide, operate and maintain 2 units (rental basis) at PHP 97,728.40/per month for 72 months	PHP 7,036,444.80
ITEM A(5)b - Provide, operate and maintain 4 units utility vehicles at PHP 98,820.48/per month for 144 months	PHP 14,230,149.21
Total Cost of Original Plan -	PHP 21,266,594.00

ALTERNATIVE PLAN (Value Engineering)

ITEM A(5)a - Purchase 6 slightly used Frontier 4x2 used (3 year old) Double cab pick-up (Year model 2003) at PHP 450,000.00/per vehicle	} Direct Cost	PHP 2,700,000.00
24% of Direct Cost { 4% overhead expenses/4% Contingencies of direct cost 4% miscellaneous expense, 12% contractors profit		PHP 648,000.00
10% VAT (Direct Cost to Mark up) (3.348M)		PHP 334,800.00
Sub-total of A(5)a		PHP 3,682,800.00
ITEM A(5)b - Operate and maintain 6 slightly used frontier 4x2 Double Cab pick-up (year model 2003) at PHP 30,000.00/month for 216 months	} Direct Cost	PHP 6,480,000.00
24% mark-up of Direct Cost		PHP 1,555,200.00
Sub Total of A(5)b		PHP 8,035,200.00
GRAND TOTAL of Item A(5)a and A(5)b		PHP 11,718,00.00
IMMEDIATE SAVINGS due to Value Engineering		PHP 21,266.594.00
	(-)	PHP 11, 718,000.00
Savings Upon Completion of Project, Projected Total Sales after 6 Vehicles Sold to a bidder at minimum accepted bid 50% of Purchase Value		PHP 9,548,594.00
		PHP 1,350,000.00
GRAND TOTAL of Savings		<b>PHP 10,899,594.00</b>

**COST SHEET**

ITEM	REFERENCE
1. Original Design	
Item A(5)a	PHP 7,036,448.80

Item A(5)b		PHP 14,230,149.21
	Sub-total	<u>PHP 21,266,594.00</u>
	Mark-up 6.74%	PHP 1,433,368.00
	Total	PHP 22,699,962.00
2. VA Alternative		
Item A(5)a		PHP 3,682,800.00
Item A(5)b		PHP 8,035,200.00
	Total	<u>PHP 11,718,000.00</u>
	INITIAL SAVINGS	PHP 21,266,594.00
		(-) 11,718,000.00
	Sub-total	<u>PHP 9,548,594.00</u>
	Mark-up 6.74%	PHP 643,575.00
	Total	PHP 10,898,594.00
	FINAL SAVINGS AFTER 6 VEHICLES WERE SOLD AT (PHP 1,350,000.00)	PHP 9,548,594.00 <u>1,350,000.00</u> <b>PHP 10,898,594.00</b>

## VALUE ANALYSIS EXAMPLE 2

FUNCTION: House Engineers' Office/Quarters

TITLE: **Construct, operate, and maintain one building to serve as Office, Laboratory, and Living Quarters inside the nearest Public School.**

A. ORIGINAL DESIGN:

Construct, operate and maintain two separate buildings, one building for office and laboratory and one building for quarters inside a lot to be purchased and secured.

B. ALTERNATIVE DESIGN:

Construct, operate and maintain one single building, longer than the original, to serve as office, laboratory and quarters inside the nearest Public School.

C. SAVINGS DUE TO:

Reduce number of structures and eliminate cost of land.

D. ADVANTAGES:

- \* Reduce initial cost
- \* Reduce maintenance cost
- \* Eliminate cost of land

E. DISADVANTAGES:

- \* School yard gets noisy during school hours.

F. ESTIMATED REDESIGN TIME: Moderate

G. TECHNICAL JUSTIFICATION:

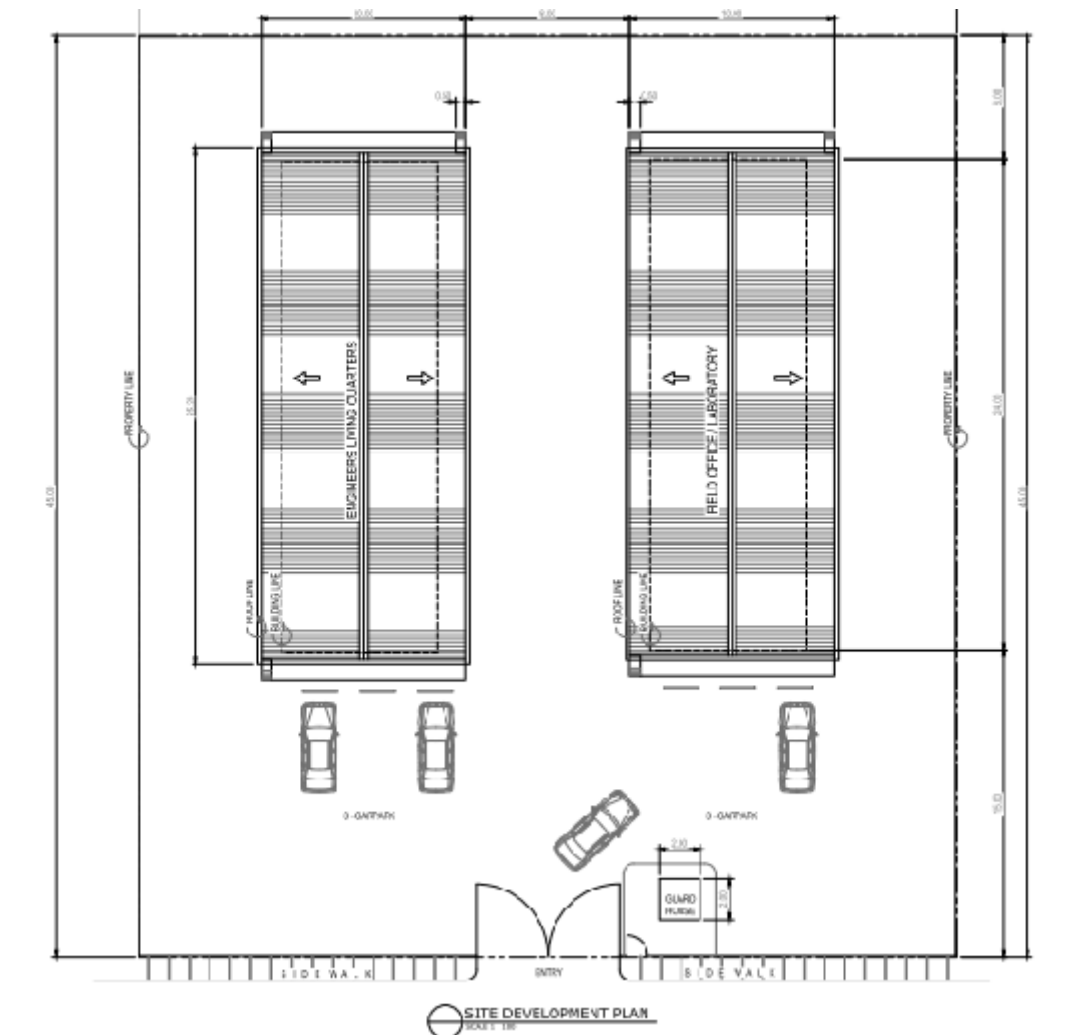
The idea proposed here has been and is being adapted in other projects in the Philippines. The combination of the structures allows for a net reduction of 24 m<sup>2</sup> area of building.

The idea to use land provided by a school for their future use, or as in other projects, land from the local town to provide the structure for a future clinic is a win-win situation both for the local government and DPWH. DPWH has plenty of office space and does not need to accumulate any more, while the local governments may be in need of new structures such as schools for the growing population.

<b>COST SUMMARY</b>	<b>INITIAL COST</b>	<b>LCC</b>	<b>TOTAL COST</b>
Original Design	PHP 17,490,283	P	PHP 17,490,283
Alternative	PHP 7,572,563	P	PHP 7,572,563
Savings	PHP 9,917,720	P	PHP 9,917,720

H. TECHNICAL JUSTIFICATION: (Cont'd)

Mutual cooperation and understanding between DPWH and the Department of Education through a Memorandum of Agreement could be a much welcome idea and beneficial for both entities. Construction of the building inside a Public School will give the necessary land providing for the Engineer's compound. It will only require minimum expenses to secure the structure with fencing. The original design is shown below.



**ORIGINAL DESIGN**

Engineer’s Living Quarters

a. Const. Cost	PHP 2,277,225.15
b. Operation and Maintenance Cost	<u>PHP 2, 356,200.00</u>
Total	PHP 4,633,425.00
Say: 4.6 millions	

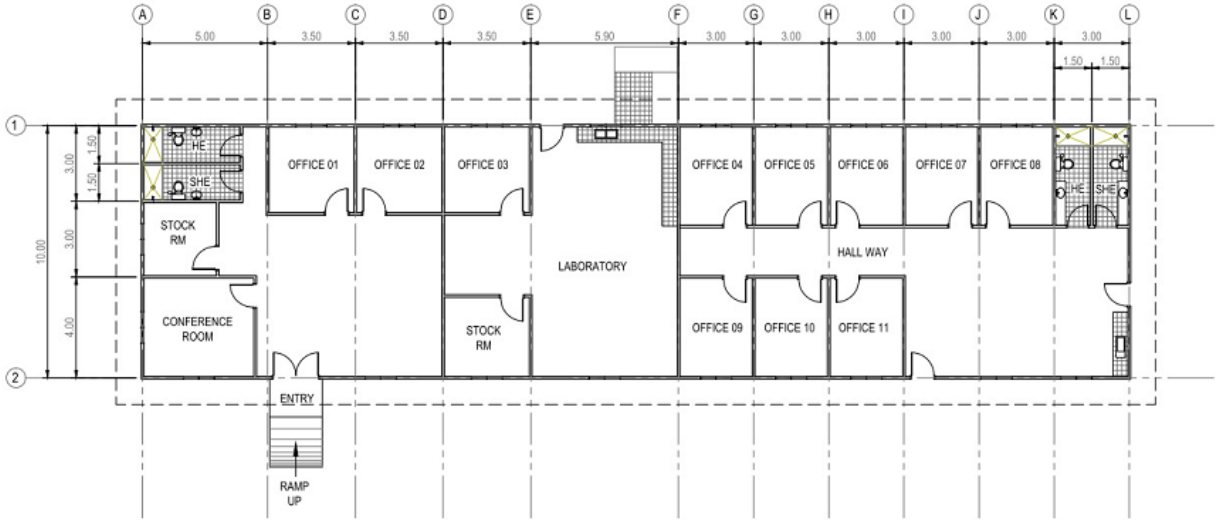
Field Office and Laboratory

a. Cost of Const.	PHP 2,300,700.00
b. Operation and Maintenance Cost	<u>PHP 6,811,200.00</u>
Total	PHP 9,111,900.24
Say: PHP 9M	

Office/Facilities Compound

a. Acquire/Site Dev	PHP 418,000,00
b. Operation and Maintenance Costs	<u>PHP 2,222,550.00</u>
Total	PHP 2,640,550.00

**SUGGESTED DESIGN – ALTERNATIVE**



1. Construct 1 Building	PHP 1,934,000.00
2. Operation and Maintenance	PHP 4,960,000.00
3. Site and Dev./Fencing	<u>200,000.00</u>
Total	PHP 7,094,400.00

## CEBU TRANSCENTRAL ROAD

## SUMMARY OF UNIT PRICES OF CONSTRUCTION PAY ITEMS

Pay Item No.	Description	Unit	Final Quantities	Final Unit Cost (PHP)	Amount (PHP)
<b>PART A – FACILITITES FOR THE ENGINEERS</b>					
A(1)a	Construction of Engineer's Field Office Compound	1.s.	1.00	418,000.00	418,000.00
A(1)b	Operation and Maintenance of Field Office Compound	mos.	36.00	61,737.50	2,222,550.00
A(2)a	Construction of Field Office and Laboratory Building (Floor area = 168 sq.m.)	1.s.	1.00	2,300,700.24	2,300,700.24
A(2)b	Provide office Furniture, Equipment and Appliances, Schedule A and B	1.s.	1.00	1,192,400.00	1,192,400.00
A(2)c	Provide Laboratory Furniture, Equipment and Fixture, Schedule D and E	1.s.	1.00	2,308,575.50	2,308,575.50
A(2)d	Operation and Maintenance of Field Office and Laboratory Building	mos.	36.00	189,200.00	6,811,200.00
A(3)a	Construction of Engineer's Quarters (Floor Area = 168 sq.m.)	1.s.	1.00	2,277,225.15	2,277,225.15
A(3)b	Provide Furniture, Fixtures and Appliances for Engineer's Quarters, Schedule F	1.s.	1.00	635,470.00	635,470.00
A(3)c	Operation and Maintenance of Engineer's Quarters	mos.	36.00	65,450.00	2,356,200.00
A(4)a	Provide Communication Facilities for the Engineer	1.s.	1.00	467,500.00	467,500.00
A(4)b	Operation and Maintenance of Electronic/Satellite Cellphone) Communication Facilities for the Engineer	mos.	36.00	11,931.94	429,549.84
A(5)a	Provide, Operate and Maintain Service Vehicle, 2 units (Rental Basis)	mos.	72.00	97,728.40	7,036,444.80
A(5)b	Provide, Operate and Maintain Four (4) Utility Vehicles (Rental Basis)	mos.	144.00	98,820.48	14,230,149.12
A(6)a	Survey Equipment/Measuring Equipment/Monitoring Instruments and Materials	1.s.	1.00	2,705,045.75	2,705,045.75
A(6)b	Operation and Maintenance of Survey Team/Equipment	mos.	36.00	184,041.00	6,625,476.00
A7	Progress Photographs	1.s.	1.00	248,559.96	248,559.96
	<b>Sub-Total A</b>				<b>52,265,046.36</b>



Note:

Original Estimated Cost	PHP 16,385,875.39
After application of VE	PHP 7,094,400.00
Savings	PHP 9.29M

**CALCULATIONS**

ORIGINAL PLAN

Technical Description

1. Quarter Bldg. is 168 square meter (7x24)
2. Office Building is 168 square meter (7x24)
3. Office Compound 40m width and 45 length (1,800 square meter)

Item	Acquire/Construction Cost	Operation and Maintenance	Total of A and B
Living Quarter	PHP 2,277,225.15	PHP 2,356,200.00	PHP 4,633,425.15
Field Office	PHP 2,300,700.24	PHP 6,811,200.00	PHP 9,111,900.24
Office Compound	PHP 418,000.00	PHP 2,222,550.00	PHP 2,640,550.00
<b>TOTAL</b>	<b>PHP 4,995,925.39</b>	<b>PHP 11,389,950.00</b>	<b>PHP 16,385,875.39</b>
	Say 5.0 Millions	Say 11.39 Millions	Say 16.39 Millions

**VALUE ENGINEERING PLAN**

	<b>COSTING</b>	<b>24% Markup</b>	<b>Total</b>
Construct 1 Building (8mx39m)	PHP 1,560,000.00	PHP 374,400.00	PHP 1,934,400.00

Serves as Office/Lab/Living Quarters

Operate and Maintain Office/Lab/Living Quarters					24% Markup	Total
	No.	Rate/Month	Duration	Cost		
Security Guard	3	PHP 6,000.00	36 mo.	PHP 648,000.00	PHP 4,000,000 x 1.24	PHP 4,960,000.00
Laundry Utility	4	4,000.00	36 mo.	576,000.00		
Material Engineer	1	9,000.00	36 mo.	324,000.00		
Lab Technician	2	6,000.00	36 mo.	432,000.00		
Lab Aide	2	5,000.00	36 mo.	360,000.00		
Typist	1	6,000.00	36 mo.	216,000.00		
Utility	1	4,000.00	36 mo.	144,000.00		
Miscellaneous Electricity, Maintenance, Bldg, Site/Etc		25,000.00	36 mo.	900,000.00		
Allowances for overtime and SSS				800,000.00		
Consumables				500,000.00		
				PHP 4,000,000.00		

Total of Item 1 and Item 2	PHP	1,934,400.00
	PHP	<u>4,960,000.00</u>
	PHP	6,894,400.00

3. Site Development /Fencing PHP 200,000.00

**COST SHEET**

ITEM	REFERENCE
<b>1. Original Design</b>	
1) Building (Quarters) Construction/Operate/Maintain	PHP 4,633,425.15
2) Building (Office and Lab) Const./Operate/Maintain	PHP 9,111,900.24
3) Office Compound (Acquire/develop/Maintain)	PHP <u>2,640,550.00</u>
Sub-Total	PHP 16,385,875.39
Say	PHP 16.39 Million
Mark-up 6.74%	1,104,408.00
Total	PHP 17,490,283.00
<b>2. VA Alternative</b>	
1) Construction/One Building As Office/Lab/Living Quarter	PHP 1,934,000.00
2) Operate and Maintain One Building As Office/Lab/Living Quarter	<u>PHP 4,960,000.00</u>
Total	PHP 6,894,400.00
Say	PHP 6.89 Million
<b>3. Site Development/Fencing</b>	
	PHP 200,000.00
Sub-total	PHP 7,094,400.00
Mark-up 6.74%	PHP 478,163.00
Total	PHP 7,575,563.00
Savings	<b>PHP 9,917,720.00</b>

## Annex B Examples of Functions and Modifiers

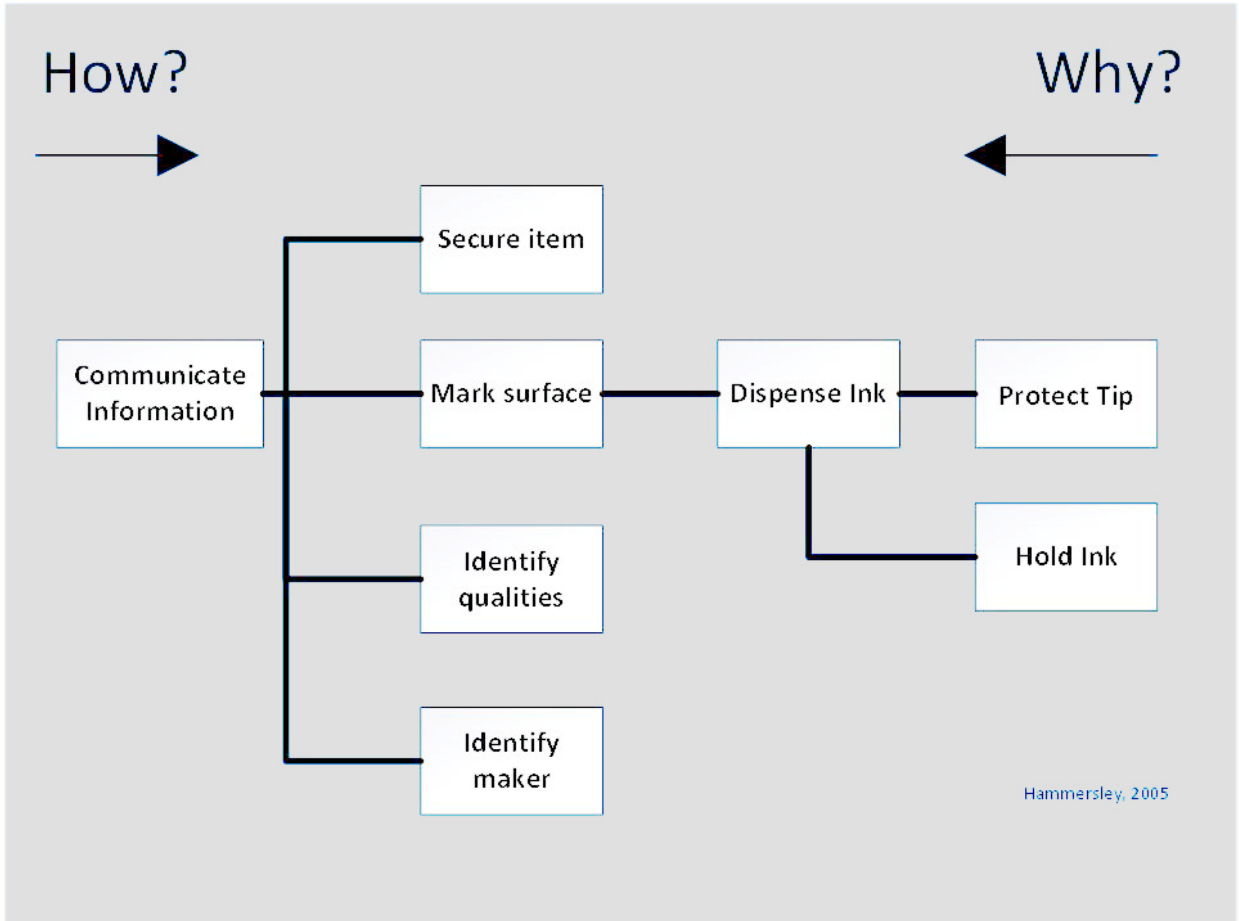
## Examples of Functions and Modifiers

<b>Procedures</b>			
<b>Verbs</b>		<b>Nouns</b>	
Allocate	identify	alternative	material
Allow	improve	awareness	option
analyze	increase	concept	order
Audit	Inform	control	part
authorize	maintain	coordination	performance
certify	measure	criteria	personnel
compile	monitor	data	plan
confirm	obtain	decision	priority
copy	organize	design	process
create	procure	deviation	record
decrease	protect	direction	regulation
develop	provide	documentation	request
distribute	receive	facility	resource
enter	reconcile	funds	schedule
establish	record	goal	shipment
evaluate	report	history	source
facilitate	set	information	staff
forecast	specify	instruction	standard
generate	test	inventory	status
guide	transmit	limit	trend
<b>Projects</b>			
<b>Verbs</b>		<b>Nouns</b>	
absorb	heat	air	material
alter	illuminate	appearance	objects
amplify	impede	balance	oxidation
change	improve	beauty	parking
circulate	increase	color	people
collect	induce	communication	power
condition	insulate	compression	preparation
conduct	interrupt	convenience	prestige
connect	modulate	current	protection
contain	prevent	ego	radiation
control	protect	enclosure	sheer
convey	provide	energy	sound
cool	rectify	environment	space
create	reduce	features	structure
distribute	reflect	feeling	style
emit	repel	fire	symmetry
enclose	resist	flow	temperature
enjoy	separate	fluids	tension
establish	shield	force	texture
exclude	smell	form	one
extinguish	support	heat	torque
feel	taste	image	utilities
filter	think	landscape	view
finish	transmit	light	voltage
generate	ventilate	load	weight

## Annex C Examples of FAST Diagrams

## Examples of Fast Diagrams

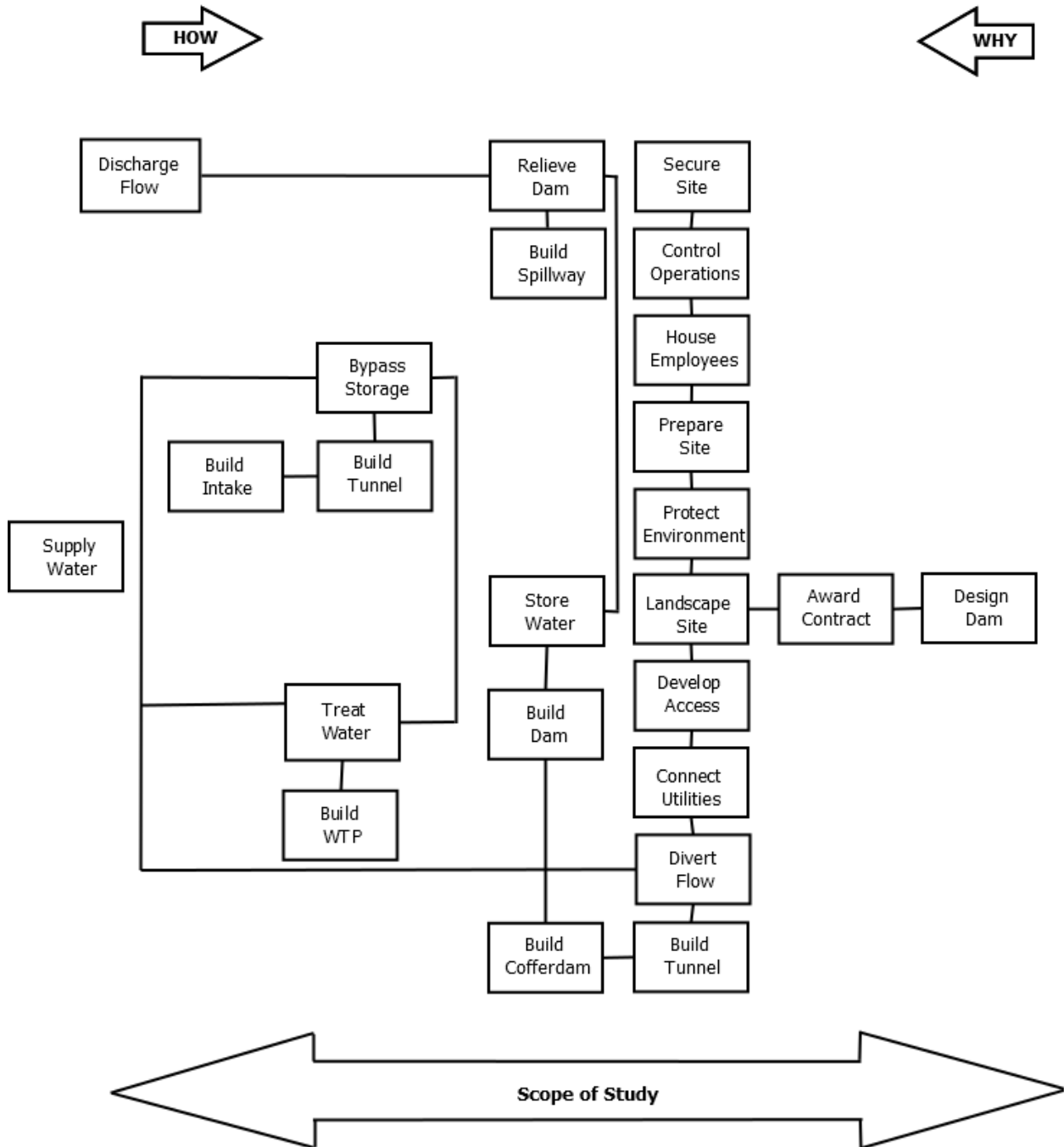
### FAST Diagram for a Pen



### FAST Diagram for a Dam

(Source: NEDA 2009)

#### Dam for Large Water Reservoir



Function Analysis Presented in Tabular Form (DPWH, 2006)

**FUNCTION ANALYSIS**

**BASIC FUNCTION: PROVIDE SHELTER**

<b>N°</b>	<b>COMPONENT</b>	<b>VERB+NOUN</b>		<b>TYPE</b>	<b>COST</b>
A	Facilities for the Engineer	Provide	Shelter	B	28.43
A2	Laboratory Building	Store	Equipment	S	9.05
A5	Service Vehicles	Transport	Personnel	S	7.09
Ab	Survey Instrument	Collect	Data	S	6.02
A3	Engineer's Quarters	Provide	Shelter	S	4.09
A1	Field Office Compound	Secure	Area	S	1.53
A4	Engineer's Communication	Communicate	Instructions	S	0.50
A7	Progress Photographs	Support	Documents	S	0.16
<b>TOTAL</b>					<b>56.87</b>

**BASIC FUNCTION: IMPROVE COMMUNICATIONS**

<b>N°</b>	<b>COMPONENT</b>	<b>VERB+NOUN</b>		<b>TYPE</b>	<b>COST</b>
B	Other General Requirements	Provide	Safety	S	9.60
B11	Working Platform	Provide	Safety	S	2.52
B3	Mobilization and Demobilization	Provide/remove	Safety	S	2.42
B5	Traffic Control Devices	Provide	Safety	S	1.98
B12	Boring, Standard Penetration and Determine Laboratory Test	Guide	Motorist	S	1.56
B2		Study	Characteristics	B	
		Protect	Personnel	S	1.12
<b>TOTAL</b>					<b>19.20</b>

**BASIC FUNCTION: CLEARING GROUND**

<b>N°</b>	<b>COMPONENT</b>	<b>VERB+NOUN</b>		<b>TYPE</b>	<b>COST</b>
C	Earthwork	Remove	Materials	S	12.95
		Establish	Foundation	S	
C2	Surplus Common Excavation	Remove	Materials	B	5.80
C4	Embankment	Add/Support	Materials	B	2.50
C3	Bridge Exec., Found and Material	Support	Foundation	B	2.28
C1	Removal of Existing	Remove	Structure	S	1.43
C0	Clearing and Grubbing	Clear	Area	S	0.47
<b>TOTAL</b>					<b>25.43</b>

**BASIC FUNCTION: TRANSPORT GOODS**

<b>N°</b>	<b>COMPONENT</b>	<b>VERB+NOUN</b>		<b>TYPE</b>	<b>COST</b>
D	Sub-base and Base Course	Support	Pavement	S	4.74
D0	Aggregate Sub-base Course	Support	Base Course	S	5.98
D1	Aggregate Base Course	Support	Pavement	S	3.53
D2	Crushed Aggregate	Strengthen	Base Material	S	0.24
<b>TOTAL</b>					<b>14.49</b>

**BASIC FUNCTION: SPAN OPENING**

<b>N°</b>	<b>COMPONENT</b>	<b>VERB+NOUN</b>		<b>TYPE</b>	<b>COST</b>
F	Bridge Construction	Provide	River Crossing	B	25.90
		Connect	Highways	B	
		Crossing	Vehicles	B	
F0	Concrete Piles	Support	Structure	S	12.78
F4	Reinforcing Steel	Reinforce	Concrete	S	8.47
		Strengthen	Concrete	S	
F5	Concrete (Str. Seal, Lean)	Strengthen	Structure	S	4.65
<b>TOTAL</b>					<b>51.80</b>



**BASIC FUNCTION: SUPPORT VEHICLES**

N°	COMPONENT		VERB+NOUN	TYPE	COST
E	Surface Course	Smooth	Surface	B	13.50
E10	Bituminous Concrete Surface	Provide	Riding Comfort	S	12.09
E1	Bituminous Prime Coat	Seal	Base	S	1.19
E2	Bituminous Tack Coat	Bonding	Surface	S	0.22
<b>TOTAL</b>					<b>27.00</b>

**BASIC FUNCTION: DRAIN WATER**

N°	COMPONENT		VERB+NOUN	TYPE	COST
G	Drainage and Slope Protection	Protect	Highway	S	164.50
G8	Concrete Crib	Protect	Slope	S	86.52
G10	Concrete Lined Canal	Drain	Water	S	31.75
G13	Anchor, Mortar Spray, Geo-Grid	Protect	Slope	S	26.40
G11	Concrete Chute Canal	Collect	Water	S	11.60
G5	Stone Masonry	Protect	Slope	S	2.40
G9	Gabions	Protect	Slope	S	2.30
G4	Grouted Riprap	Protect	Slope	S	1.13
G2	Concrete Catch Basin	Collect	Water	S	0.86
G1	Under-drain	Collect	Water	S	0.78
G6	Hand Laid Boulder/Apron	Protect	Slope	S	0.35
G3	Cleaning of Existing Pipe/Line	Restore	Structure	S	0.24
G0	Reinforced Concrete Pipe Culvert	Drain	Water	S	0.16
<b>TOTAL</b>					<b>328.83</b>

**BASIC FUNCTION: PROVIDE SAFETY**

N°	COMPONENT		VERB+NOUN	TYPE	COST
H	Miscellaneous Structures	Prevent	Accident	S	7.28
H3	Metal Beam Guardrail	Provide	Safety	S	2.06
H9	Grass and Wicker Work	Protect	Slope	S	1.75
H12	Reflectorized Pavement	Control	Erosion	S	
	Thermoplastic	Guide	Motorist	S	1.30
H10	Sodding	Stabilized	Slope	S	1.12
H0	Concrete Curb and Gutter	Collect	Water	S	0.79
H5	Road Signs	Provide	Safety	S	0.18
H13	Concrete Informatory Signs	Provide	Information	S	0.076
<b>TOTAL</b>					<b>14.56</b>

B = Basic Function

S = Secondary Function

## Annex D Discounted Cash Flows and Recurring Cost (Example)

### Discounted Cash Flows and Recurring Cost (Example)

	YEAR																				Total	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20		
<b>A: Investment Cost</b>																						
1 Civil Works	513,946	1,541,838	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,055,784	
- Foreign Cost Component	256,973	770,919	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,027,892	
- Domestic Cost Component	256,973	770,919	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,027,892	
2 Mechanical and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Foreign Cost Component	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Domestic Cost Component	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3 Environment and Social Mitigation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4a Consultants - International	14,699	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,699	
a. Project Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
b. Technical Expertise	14,699	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,699	
c. Capacity Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4b Consultants - National	132,288	56,695	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188,983	
a. Project Management	13,229	5,669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,898	
b. Technical Expertise	119,059	51,025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	170,084	
c. Capacity Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Subtotal (A)</b>	660,933	1,598,533	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,259,466	
<b>B: Recurrent Cost (by government)</b>																						
1 Salaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2 Accomodation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3 Civil Works & Eqpt Operation and Maintenance	-	-	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	1,069,012
- Foreign Cost Component	-	-	20,558	20,558	20,558	20,558	20,558	20,558	20,558	102,789	20,558	20,558	20,558	20,558	20,558	20,558	20,558	20,558	20,558	20,558	102,789	534,506
- Domestic Cost Component	-	-	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	1,069,012
<b>Subtotal (B)</b>	-	-	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	1,069,012
<b>Total Base Cost</b>	660,933	1,598,533	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	41,116	205,578	3,328,478
<b>NPV @ 12%</b>	2,172,085																					

## Annex E Checklists

## Checklists

Checklist 1. Information Phase Outline .....	1
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Checklist 12. Value Engineering Workbook .....	12
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These checklists provide general guidance on requirements. They are available in Excel format for direct entry of checks.

As DPWH develops the VE process and capabilities some of these checklists may be replaced with separate versions to suit specific project types or stages.

Checklist 1. Information Phase Outline

Project Checklist 1 Information Phase Outline	Project ID
• Understand the item, system, or operation under study	<input type="checkbox"/>
• Gather all types of information from the best sources	<input type="checkbox"/>
• Obtain complete, pertinent information	<input type="checkbox"/>
• Get the facts	<input type="checkbox"/>
• Get all available costs	<input type="checkbox"/>
• Determine, define, and classify the functions	<input type="checkbox"/>
• Identify and define functions	<input type="checkbox"/>
• Develop a Function Engineering System Technique (FAST) diagram	<input type="checkbox"/>
• Classify functions	<input type="checkbox"/>
• Determine function relationships	<input type="checkbox"/>
• Determine function cost, and function worth	<input type="checkbox"/>
• Determine cost of each function and overall project	<input type="checkbox"/>
• Identify high-cost functions	<input type="checkbox"/>
• Determine the function worth and overall project worth	<input type="checkbox"/>
• Determine function value	<input type="checkbox"/>
• Determine value opportunity index for each function	<input type="checkbox"/>
• Determine overall value opportunity index	<input type="checkbox"/>
• Identify areas of poor value	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 2. Information Gathering

Project Checklist 2 Information Gathering	Project ID
<p><b>Physical Data</b></p> <p>shape <input type="checkbox"/></p> <p>dimensions <input type="checkbox"/></p> <p>material <input type="checkbox"/></p> <p>skid resistance <input type="checkbox"/></p> <p>color <input type="checkbox"/></p> <p>weight <input type="checkbox"/></p> <p>density <input type="checkbox"/></p> <p>fire resistance <input type="checkbox"/></p> <p>weather resistance <input type="checkbox"/></p> <p>sound absorption <input type="checkbox"/></p> <p>deflection resistance <input type="checkbox"/></p> <p>horizontal alignment <input type="checkbox"/></p> <p>vertical alignment <input type="checkbox"/></p> <p><b>Methods data – How it is:</b></p> <p>operated <input type="checkbox"/></p> <p>constructed <input type="checkbox"/></p> <p>developed <input type="checkbox"/></p> <p>installed <input type="checkbox"/></p> <p>maintained <input type="checkbox"/></p> <p>replaced <input type="checkbox"/></p>	<p><b>Performance Data</b> <b>(requirements and needs)</b></p> <p>design <input type="checkbox"/></p> <p>operation <input type="checkbox"/></p> <p>maintenance <input type="checkbox"/></p> <p>safety <input type="checkbox"/></p> <p>utility <input type="checkbox"/></p> <p><b>Restrictions</b> <b>(on detailed specifications)</b></p> <p>methods <input type="checkbox"/></p> <p>performance <input type="checkbox"/></p> <p>procedures <input type="checkbox"/></p> <p>operations <input type="checkbox"/></p> <p>schedule <input type="checkbox"/></p> <p>cost <input type="checkbox"/></p> <p><b>Cost data</b> <b>(detailed breakdown)</b></p> <p>labor <input type="checkbox"/></p> <p>materials <input type="checkbox"/></p> <p>markups <input type="checkbox"/></p> <p><b>Quantity Data</b></p> <p>volume or repetition <input type="checkbox"/></p>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 3. General Information

Project Checklist 3 General Information	Project ID
• What is the objective of the project?	<input type="checkbox"/>
• Why is it needed?	<input type="checkbox"/>
• Are the functions listed?	<input type="checkbox"/>
• Are the redundant (secondary) functions listed?	<input type="checkbox"/>
• Does the team completely understand the functional requirements?	<input type="checkbox"/>
• Has the team reviewed the specifications and requirements?	<input type="checkbox"/>
• Are the specifications realistic? (That is, are all specified characteristics both necessary and sufficient?)	<input type="checkbox"/>
• Can the team recommend to modify or to eliminate specification requirements?	<input type="checkbox"/>
• Will a modification of the specification simplify design and construction?	<input type="checkbox"/>
• Are the specifications required, or are they guidelines only?	<input type="checkbox"/>
• Does the report state that all performance and environmental requirements are necessary and sufficient?	<input type="checkbox"/>
• Has the planner and the designer interpreted the specifications correctly?	<input type="checkbox"/>
• Does the report identify what special performance or operating characteristics are required?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>



Checklist 4. Information on Engineering and Design

Project Checklist 4 Information on Engineering and Design	Project ID
• Does the report state the background history?	<input type="checkbox"/>
• Who designed the project? When?	<input type="checkbox"/>
• Who determined the requirements?	<input type="checkbox"/>
• Who must review a change?	<input type="checkbox"/>
• Who must approve a change?	<input type="checkbox"/>
• Who must approve implementation funding?	<input type="checkbox"/>
• Who must implement the change?	<input type="checkbox"/>
• Does the design do more than required?	<input type="checkbox"/>
• What alternates did the designer consider?	<input type="checkbox"/>
• Why were alternates rejected?	<input type="checkbox"/>
• Are any changes to the design planned?	<input type="checkbox"/>
• Do drawings reflect latest state-of-the art?	<input type="checkbox"/>
• How long is it designed to last with normal use (design life)?	<input type="checkbox"/>
• What is its normal use?	<input type="checkbox"/>
• What is the measure of life (time, traffic volume, and cycles)?	<input type="checkbox"/>
• What are the life cycle costs?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 5. Information on Methods and Processes

Project Checklist 5 Information on Methods and Processes	Project ID
• Can we combine, simplify, or eliminate any functions?	<input type="checkbox"/>
• Are any non-functional or appearance-only items required?	<input type="checkbox"/>
• How is construction performed?	<input type="checkbox"/>
• Why is it performed that way?	<input type="checkbox"/>
• Are there high direct labor costs?	<input type="checkbox"/>
• Has the team identified high-cost areas or items?	<input type="checkbox"/>
• What is the schedule?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 6. Information on Materials and Procurement

Project	Project ID
Checklist 6 Information on Materials and Procurement	
• Has the team identified any special, hard-to-get, or costly materials specified by the designer?	<input type="checkbox"/>
• What alternate materials were considered?	<input type="checkbox"/>
• Why were they rejected?	<input type="checkbox"/>
• Are the materials used hazardous or difficult to handle?	<input type="checkbox"/>
• When was the material specified?	<input type="checkbox"/>
• Have new materials been developed that would perform the function for less cost?	<input type="checkbox"/>
• Has the team interviewed the present suppliers to ascertain any problems which contribute to high costs?	<input type="checkbox"/>
• Does the supplier or contractor have a value engineering clause in his contract?	<input type="checkbox"/>
• Has there been any price, delivery, or quality problem?	<input type="checkbox"/>
• Is this a single source item?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date :</b>

Checklist 7. Information on Maintenance

Project Checklist 7 Information on Maintenance	Project ID
• Has the team observed the item in use?	<input type="checkbox"/>
• Has the team solicited the people who use or maintain it for ideas?	<input type="checkbox"/>
• What is normal maintenance?	<input type="checkbox"/>
• What is frequency of maintenance?	<input type="checkbox"/>
• What is level of maintenance?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 8. Information on Function and Worth

Project Checklist 8 Information on Function and Worth	Project ID
• Has the team assigned costs to each function?	<input type="checkbox"/>
• Has the team established a worth for each function?	<input type="checkbox"/>
• Has the team determined target costs for each function?	<input type="checkbox"/>
• Are designs requirements established which do not require any function to be performed?	<input type="checkbox"/>
• Are functional requirements exceeded?	<input type="checkbox"/>
• Are unnecessary features called for?	<input type="checkbox"/>
• Is there a better way to perform the function?	<input type="checkbox"/>
• Can any function be eliminated?	<input type="checkbox"/>
• Can we do without it entirely?	<input type="checkbox"/>
• Does it cost more than it is worth?	<input type="checkbox"/>
• Has the team identified all the high and unnecessary cost areas and high-cost /worth ratio areas?	<input type="checkbox"/>
• Do the potential cost savings appear sufficient to make further value engineering information and proposal development worthwhile?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 9. Creative Phase

Project Checklist 9 Creative Phase	Project ID
• Has the team used creative thinking techniques?	<input type="checkbox"/>
• Has the team provided an atmosphere that encourages and welcomes new ideas?	<input type="checkbox"/>
• Has there been cross-inspiration?	<input type="checkbox"/>
• Have all members of the team participated?	<input type="checkbox"/>
• Did you set an output goal?	<input type="checkbox"/>
• Has the team recorded all the ideas?	<input type="checkbox"/>
• Has the team discouraged negative responses?	<input type="checkbox"/>
• Has the team reached for a large quantity of ideas?	<input type="checkbox"/>
• Has the team generated ideas without all the constraints of specifications and system requirements?	<input type="checkbox"/>
• Has the team made a thorough search for other items that are similar in at least one significant characteristic to the study item?	<input type="checkbox"/>
• Has the team identified all basic functions for this	<input type="checkbox"/>
• Has the team made a separate creativity phase worksheet available to be filled out for each basic function description?	<input type="checkbox"/>
• Has the team dismissed from your thoughts the present way/method of accomplishing the basic function?	<input type="checkbox"/>
• Has the team explained the techniques, method of approach, and "ground rules" for group brainstorming before proceeding?	<input type="checkbox"/>
• Has the team provided for a sufficient incubation period to permit later addition of more ideas?	<input type="checkbox"/>
• Has the team made provisions for a follow-up session to evaluate and refine the ideas? • Has the team submitted all of the basic functions of the project to the completed creativity phase?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 10. Design Development Phase

Project Checklist 10 Design Development Stage	Project ID
• Has the team planned the steps required to "sell" the ideas?	<input type="checkbox"/>
• Has the team determined the time required for engineering/drawing changes?	<input type="checkbox"/>
• Has the team determined when the change can reasonably be incorporated?	<input type="checkbox"/>
• Has the team satisfied the user's needs?	<input type="checkbox"/>
• Did the team have all supporting data available?	<input type="checkbox"/>
• Did the project meet the operational requirements?	<input type="checkbox"/>
• Did the project meet the safety requirements?	<input type="checkbox"/>
• Are the maintenance requirements met?	<input type="checkbox"/>
• Has the team estimated the Life-Cycle costs?	<input type="checkbox"/>
• Has the team's best ideas been thoroughly described?	<input type="checkbox"/>
• Has the team identified the type of people who can help support or develop the value Engineering recommendation?	<input type="checkbox"/>
• Has the team solicited and recorded from specialists?	<input type="checkbox"/>
• Has the team considered all available solutions?	<input type="checkbox"/>
• Has the team considered locally available materials?	<input type="checkbox"/>
• Has the team double-checked the quantities and costs used in your calculations?	<input type="checkbox"/>
• Has the team developed the estimated net savings?	<input type="checkbox"/>
• Has the team examined the alternates for environmental impact?	<input type="checkbox"/>
• Has the team consulted appropriate organization and outside specialists?	<input type="checkbox"/>
• Has the team made all the other organizational functions a part of the team and consulted them?	<input type="checkbox"/>
• Does the re-design make use of available standards?	<input type="checkbox"/>
• Has the team reviewed the new method or design with all those concerned or responsible?	<input type="checkbox"/>
• Has the team made a strong attempt to overcome roadblocks?	<input type="checkbox"/>
• Did the team require any additional information?	<input type="checkbox"/>
• Has the team consulted all the best reference materials?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 11. Presentation Phase

Project Checklist 11 Presentation Phase	Project ID
• Is the need for a change clearly shown?	<input type="checkbox"/>
• Is the problem defined?	<input type="checkbox"/>
• Is the proposal concise?	<input type="checkbox"/>
• Are all the pertinent facts included?	<input type="checkbox"/>
• Are dollar savings included?	<input type="checkbox"/>
• Is your value engineering workbook complete and accurate?	<input type="checkbox"/>
• Has the team double-checked your recommendations, costs, and savings?	<input type="checkbox"/>
• Is your information complete?	<input type="checkbox"/>
• Has the team prepared back-up material for questions that may be asked?	<input type="checkbox"/>
• Can use of vu-graph, opaque projector, flip charts or blackboard sell your ideas?	<input type="checkbox"/>
• Has the team established a plan of action that will assure implementation of a selected alternate?	<input type="checkbox"/>
• Is the change described?	<input type="checkbox"/>
• Are there pictures or sketches of before-and-after conditions?	<input type="checkbox"/>
• Has the best alternate been fully documented?	<input type="checkbox"/>
• Have all the constraints been considered?	<input type="checkbox"/>
• Has the recommendation been presented to the most appropriate responsible manager or decision maker?	<input type="checkbox"/>
• Has the implementation plan been developed?	<input type="checkbox"/>
• Have the recommendations been extended to all areas of possible application?	<input type="checkbox"/>
• Has the improved value design been considered for a standard or preferred practice?	<input type="checkbox"/>
• Has credit been given to all participants?	<input type="checkbox"/>
• If you were a decision maker, is there enough information for you to make a decision?	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>



Checklist 12. Value Engineering Workbook

Project Checklist 12 Value Engineering Workbook	Project ID
• An explanation of why this project was selected for study	<input type="checkbox"/>
• List of team members and their specialty	<input type="checkbox"/>
• A functional evaluation of the process or procedure under study	<input type="checkbox"/>
• All information gathered by the group relative to the item under study	<input type="checkbox"/>
• A complete list of all the alternates considered	<input type="checkbox"/>
• An explanation of all logical alternates investigated, with reasons why they were not developed further	<input type="checkbox"/>
• Technical data supporting the idea(s) selected, with other factual information to assure selection of the most favourable alternate(s)	<input type="checkbox"/>
• Original costs cost of implementing the alternates being proposed and cost data supporting all savings being claimed	<input type="checkbox"/>
• Acknowledgment of contributions made by others to the study	<input type="checkbox"/>
• Steps to be taken and the timetable for implementing the proposed alternate(s)	<input type="checkbox"/>
• Before-and-after sketches of the items under study	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

Checklist 13. Selection Phase

Project Checklist 13 Selection Phase	Project ID
• Great complexity in the design - Generally, the more complex the design, the more opportunity for improving value and performance.	<input type="checkbox"/>
• Advancement in the state-of-the-art- Those aspects of design that go beyond the state-of-the-art usually offer potential value engineering savings.	<input type="checkbox"/>
• High degree of time compression in the design cycle- A project having an accelerated design program usually contains elements of over design.	<input type="checkbox"/>
• A component or material that is critical, exotic, hard -to-get, or expensive	<input type="checkbox"/>
• Intricate shapes, deep excavations, high embankments, steep slopes, etc.	<input type="checkbox"/>
• Components that appear to be difficult to construct	<input type="checkbox"/>
• Overly long material haul- excessive borrow; excessive waste	<input type="checkbox"/>
• Expensive construction	<input type="checkbox"/>
• Long foundation piles	<input type="checkbox"/>
• Excessive reinforcement	<input type="checkbox"/>
• Cofferdam dewatering	<input type="checkbox"/>
• Architectural embellishment	<input type="checkbox"/>
• Record seeking designs (Longest span, highest piers, deepest cut, etc.)	<input type="checkbox"/>
• Large safety factors	<input type="checkbox"/>
• Curb, gutter, and sidewalk (rural)	<input type="checkbox"/>
• Specially designed components that appear to be similar to low-cost off-the-shelf items	<input type="checkbox"/>
• Components that include non-standard fasteners, bearings, grades, and sizes	<input type="checkbox"/>
• Sole-source materials or equipment	<input type="checkbox"/>
• Processes or components that require highly skilled or time-consuming labor	<input type="checkbox"/>
• Items with poor service or cost history	<input type="checkbox"/>
• Items that have maintenance and field operation problems	<input type="checkbox"/>
• Project costs that exceed the amount budgeted	<input type="checkbox"/>
• Standard plans that are in use for more than three or four years	<input type="checkbox"/>
<b>Prepared By:</b>	<b>Date:</b>

## Annex F Creative Blocks

## Creative Blocks

1. Habitual Blocks
  - a) Continuing to use or approve "tried and true" procedures when new and better ones are available
  - b) Lacking a positive outlook; lacking determined effort; conforming to custom, and relying on authority
2. Perceptual Blocks
  - a) Failing to use all the senses of observation
  - c) Failing to investigate the obvious
  - d) Having difficulty in visualizing remote relationships
  - e) Failing to distinguish between cause and effect
3. Cultural Blocks
  - a) Needing to conform to "proper" patterns, customs or methods
  - b) Placing overemphasis on competition or on cooperation
  - c) Needing to be practical, above all things
  - d) Having confidence and faith only in reason and logic
4. Emotional Blocks
  - a) Fearing making a mistake or appearing foolish
  - b) Fearing supervisors and distrusting colleagues and subordinates
  - c) Being over-motivated to succeed quickly
  - d) Refusing to take any detour in reaching a goal

Probably the single most important factor affecting one's creative accomplishments is the environment in which he or she must live and work. A creative atmosphere, characterized by mutual respect for one another's ability and the encouragement of individual thinking can spur a mind of even average expressiveness to great heights.

## Annex G Reason for Unsatisfactory Result

## Reasons for Unsatisfactory Results

This section describes the numerous reasons why a VE study may lead to unsatisfactory results. These reasons are as follows:

- **Lack of Information.** The amount of accurate and up-to-date information limits the effectiveness of VE. Failure to get sufficient and relevant facts can be due to a misunderstanding of the full requirements of the original project or a lack of knowledge about available resources.
- **Wrong Beliefs.** Decisions that are based on erroneous beliefs, rather than facts, compromise the effectiveness of VE. For example, planners who make decisions on what a design should accomplish might not properly sense the public's needs. Another example is that of a designer that holds an inaccurate prejudice against a specific resource, and thus might make an improper choice of the best technological alternative.
- **Habitual Thinking.** It is essential that the VE team keeps up with the state-of-the-art technology and methodology because thinking and doing things in the same way is a frequent cause of poor value. Most people have a tendency to re-use what worked the last time, or to copy the standard set by others without considering the situation. Habitual thinking is also inadvertently promoted by management, through rigid use of a given set of standard designs, procedures, and customs.
- **Risk of Personal Loss.** The tendency of risk averse decision-makers to stick with previously successful methods, as opposed to more relevant methods, reduces the effectiveness of VE. When decisions are based on past experience of "nearly-related" data rather than on something new or unfamiliar, it is difficult for best new ideas generated in a VE study to be chosen.
- **Reluctance to Seek Advice.** Designers and planners are often very reluctant to seek advice from others because they fear it may be seen as a sign of incompetence. Architects, planners and engineers should seek the advice of other competent experts, as they may be able to provide additional insight into the problem. By consulting others, they will be better able to achieve maximum design value.
- **Time Constraints.** When a project appears on a long-range or annual construction program, there is often a critical demand that the project stay on schedule. Frequently, the time pressure is so great that it is impossible to consider properly, if at all, the value of the design approach in development. In cases like these, the designers usually find it necessary to accept the first workable solution to a problem in order to complete the job on time. Seldom is there time to contemplate ideas, or to design for value by developing alternative approaches. When designs are developed under these conditions, they are normally good candidates for a value study.

- **Negative Attitudes.** VE will not work when decision makers are reluctant to make a change of any kind regardless of the merits of the proposal, especially if the change directly affects their plan or design. The same is true when value teams feel they always provide the best value in their approach, even when only a few of the VE techniques and procedures were used in their studies.
- **Changing Technology.** When a Value Team fails to recognize and consider rapid strides in the development of processes, products, and materials, it limits the potential for uncovering higher-value adding alternatives. The team must remain cognizant of the constantly changing, and many times more inexpensive, ways of performing necessary functions.
- **Strict Adherence to Requirements.** Requirements and published standards are often unrealistically specific regarding performance, materials, safety or procedures. Sometimes the planner or designer assumes requirements are specified when they are not. Traditionally, designers have concentrated on developing designs that exceed all known and assumed requirements. The net result is over-design, with attendant waste of taxpayer funds. The VE team must challenge the requirements to determine if they best meet a need of the project, or just satisfy the published standards.
- **Performance At Any Cost.** When a problem is identified, the natural reaction is to develop a design that will solve it completely. However, this may lead to a solution with a cost that far exceeds its value. The cost of solving 95% of the problem may be within reason, but solving the remainder can unreasonably increase the cost. Solving 95% of the problem, and using the remaining funds to solve other critical problems may be a more prudent approach.
- **Poor Human Relations.** If the various specialists on complex projects do not work together, they are likely to work at cross-purposes, wasting a great deal of effort, with a final product that lacks value. Lack of good communications, misunderstanding, jealousy and normal friction between human beings is a frequent source of unnecessary costs. Infrastructure projects require the talents of many people, and good human relations are especially critical.

Annex H      Terms of Reference for Hiring Value  
Engineering Consultants



**Pro Forma  
Terms of Reference  
for  
Hiring Value Engineering Consultants**

*This document is based on a TOR provided by SAVE International, which is available, no charge to organizations and Agencies considering the retention of a Value Engineering Consultant. The document is provided as a guideline only. This document will require modifications to suit individual circumstances.*

# Contents

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## List of Exhibits

EXHIBIT "A"-Scope of Work (Optional)

## 1. INTRODUCTION

Insert Name of Client (“the Client”) is seeking a qualified value engineering consultant to provide value analysis, value engineering, value enhancement, value management (SELECT ONE) services related to Insert name of project, product, system or study object.

*Describe project, product, system or study object.* The objectives of the value engineering consulting assignment are:

1. To identify potential changes to the project, product, system or study object design that would satisfy the essential functions of the project, product, system or study object at a lower (capital or life cycle) cost.
2. To identify potential changes to the *project, product, system or study object* design that would better accomplish the essential functions of the *project, product, system or study object* while providing better overall value.
3. To improve confidence in the effectiveness of the design (*if applicable*).
4. To provide additional input into selected project, product, system or study object decisions (if applicable).
5. (*Other objectives as appropriate*).

## 2. SCOPE OF WORK

It is intended that the selected value engineering consultant will conduct *Insert Number* value workshop(s) to be conducted in *Insert Location* over a period of *Insert Number* month(s).

The work will consist of the following individual tasks: (*or as detailed in Exhibit “A” Scope of Work:*)

1. Communicating with the Client’s project manager either in person or by telephone, and reaching a decision about the details of the value study including the duration of each proposed workshop.
2. Communicating with the Client’s project manager either in person or by telephone to review the *project, product, system or study object* and the *project, product, system or study object* issues and reach an agreement regarding the date for the value workshop (s) and the team members to be provided by the Client, if any, and by the Value Engineering Consultant, if any.
3. Prior to the value workshop accomplish the following activities:
  - i. Coordinate workshop logistics.
  - ii. Review the design documents and other documents about the *project, product, system or study object* provided by the Client with the Value Team members.

- iii. Using information provided by the Client and by the design team, prepare cost, energy, life-cycle cost, space and/or other models as appropriate.
    - iv. Conduct a validation of the estimated *project, product, system or study object* costs.
  4. Workshop(s) is/are to be conducted using a job plan consistent with SAVE International guidelines for value studies. The workshop(s) will be conducted in the location identified in this Request for Proposal. The facility in which the workshop(s) will be conducted will be provided and paid for by *the Client or Consultant (INSERT ONE)*. Each value engineering workshop will consist of the following six phases conducted over a period of *Insert Number* consecutive days:
    - i. Information Phase
    - ii. Function Analysis Phase
    - iii. Creativity Phase
    - iv. Evaluation Phase
    - v. Design Development Phase
    - vi. Presentation Phase
  5. Following each value engineering workshop, conduct the following activities:
    - i. Submit a preliminary value engineering report in electronic and hard copy format, consisting of the workshop work products within fourteen (14) days of the completion of the value engineering workshop.
    - ii. Review the design team written responses to the preliminary value engineering report.
    - iii. Consult with the Value Team members as necessary, and prepare for a decision-making meeting.
    - iv. Attend the decision-making meeting and provide information to the decision-makers at the meeting relative to the pros and cons of each value recommendation. Respond to the concerns raised by the design team and others, and assist the designer, design project manager and the Client project manager in reaching decisions about whether to incorporate each value engineering recommendation into the project design.
    - v. Prepare a draft final report within fourteen (14) days following the decision-making meeting that documents the entire VE study, including the decisions made.
    - vi. Make appropriate revisions to the draft final report based on comments from the Client project manager, and provide an electronic and *Insert Number* hard copies within fourteen (14) days following receipt of comments from the Client project manager.

### 3. REQUIRED QUALIFICATIONS

The value engineering consultant shall provide the following team members:

1. A value team leader who is certified by SAVE International as a Certified Value Specialist (CVS).
2. An assistant team leader who, at minimum, is certified by SAVE International as an Associate Value Specialist (AVS).
3. Technical specialists with appropriate qualifications (List Required Specialists including quantity surveyors if required).
4. Supporting clerical and administrative staff to participate in the workshops and assist with the study documentation.

The value engineering consultant shall demonstrate corporate experience pertinent to the subject matter of the value engineering study.

### 4. SPECIAL REQUIREMENTS

The selected value engineering consultant will be invited to enter into a contract in the standard SAVE International Form of Contract for Value Consulting Services and to begin work within *fourteen (14)* days of notification to proceed.

*Insert special conditions of contract, if any, including expectations of the Value Engineering Consultant related to venue, equipment and related matters.*

### 5. PROPOSAL FORMAT

Proposals are requested in the following format:

1. Cover Letter
2. Table of Contents
3. Introduction/Understanding of Scope of Work
4. Proposed Methodology and Delivery Schedule
5. Corporate Qualifications and Experience (including client references) Brief Biographies of Key Personnel
6. Fee Proposal (include under separate cover) Other Considerations

Please include detailed resumes and additional corporate information, if so desired, in appendices. All Proposals shall be clearly marked on the outside with the following:

“Proposal for Value Engineering Consulting Services for *Insert Project, Product, System or Study Name*”.

### 6. SELECTION PROCESS

#### **Submission Deadline**

Proposals are due by *Insert Date and Time* at the following address:

*Address Line 1*

*Address Line 2*

*Any City, Any Country*

Electronic copies may be transmitted by e-Mail to: *Insert e-Mail Address*

Proposals received after the date and time specified will not be considered.

### **Inquiries During the Proposal Preparation Period**

Inquiries during the proposal preparation period may be addressed to:

*Insert Name*

*Insert Title*

*Address Line 1*

*Address Line 2*

*Any City, Any Country*

*Insert Telephone and Facsimile Numbers*

*Insert e-Mail Address*

Answers provided to proposer questions are intended to improve the proposer's understanding of the requirements of the request for proposal and the project requirements. No verbal information provided to proposers will in any way change the requirements or provisions of this request for proposals. Any changes to the Request for Proposal will be made in writing in the form of an addendum that will be sent to all holders of record of the Request for Proposal.

### **Evaluation and Selection Procedures**

All proposals will be evaluated on the basis of the following technical criteria:

Criterion	Weighting
Understanding and Approach	25%
VE Team Leader Qualifications	25%
VE Team Member Qualifications	25%
Previous Experience and Performance	15%
Availability and Schedule	10%

Depending on the results of the evaluation of proposals, interviews may be conducted with a short list of the proposers to make the final selection of the firm to conduct this work. If interviews are required, the shortlisted proposers will be advised of the date and time for their interview. Each firm will have one hour for their interview process. The first 30 minutes will be spent in a formal presentation by the firm expanding on the information provided in their proposal. The second 30 minutes will be spent responding to questions from the interview panel. The final selection will be based on the same criteria listed above, and will use the same weights as indicated for the proposal evaluation.

Once the highest rated firm has been selected, *Insert Name of Client* will endeavor to negotiate a contract with that firm. Should the two parties not be able to successfully negotiate a contract for the services, negotiations with the highest rated firm will be terminated and negotiations will be opened with the second highest rated firm and so on.

*Insert Name of Client* reserves the right to reject any and or all proposals.

**SCOPE OF WORK FOR VALUE STUDY**

**EXHIBIT  
"A"**

The Value Engineering Consultant will provide the following services in accordance with this scope of work and the terms of the Agreement:

**CONSULTANT STUDY TEAM**

The Value Engineering Consultant will provide the study team members identified below:

<b>Name</b>	<b>Required Qualifications</b>
_____/Team Leader	
_____/Asst. Team Leader (if applicable)	
_____/Team Assistant (if applicable)	
_____/Subject Matter Specialist (if applicable)	
_____/Subject Matter Specialist (if applicable)	
_____/Subject Matter Specialist (if applicable)	
_____/Subject Matter Specialist (if applicable)	
_____	
_____	
_____	
_____	
_____	
_____	
_____/Cost Estimator	

The Client will provide all other team members, at no cost to the Value Engineering Consultant. The Value Engineering Consultant will communicate directly with all study team members as needed relative to scheduling, pre-workshop, workshop and post workshop activities.

**PRE-WORKSHOP ACTIVITIES**

The Value Engineering Consultant will perform pre-workshop activities to include those tasks that must be accomplished in order for the study team to be able to efficiently and effectively perform in the workshop.

These activities will consist of:

1. Scheduling study tasks.
2. Scheduling and coordination with study team members.
3. Assisting the Client with scheduling study participants.
4. Coordinating necessary project documentation on the project for distribution by the Client to the study team members document review by Value Engineering Consultant-supplied team members.

5. Preparing cost, energy, life cycle cost, space models, etc. contingent on supply by Client of the information needed for their preparation.

The Client will distribute the project documents and materials to be studied to the study team members at least five working days prior to the workshop start. All team members except the cost estimator are to spend \_\_ (4-16) hours reviewing the project documents and materials prior to the start of the workshop. The cost estimator will spend \_\_ (12-24) hours reviewing the documents and validating the cost estimate provided by the Client.

## **WORKSHOP**

The Value Engineering Consultant will conduct a \_\_ - *hour* value engineering workshop using a six-step job plan that is consistent with the best management practices recognized by SAVE International. The workshop will include an Information Phase, a Function Engineering Phase, a Creative Phase, an Evaluation Phase, a Design Development Phase, and a Presentation Phase. *A (site, plant or facility) visit for the team members will be conducted on the first day of the workshop. (optional)*

The workshop will be initiated by presentations from the Client, who will describe the objectives of the Assignment and any constraints that will be placed on the study team. The designers will explain specifically how the design accomplishes the Client's objectives and the details of that design. The workshop will include a detailed function engineering of the major project elements. The team will generate a list of ideas for project improvement followed by an evaluation of those ideas. This evaluation will include input from key Client decision makers before proceeding with development of recommendations. On the last day of the workshop, a presentation of the recommendations will be provided to the Client decision makers and key representatives of the design team.

The workshop will be held at \_\_\_\_\_, in \_\_\_\_\_. The cost of providing the workshop refreshments and all other costs associated with the meeting facilities, including telephone, photocopying, and sending fax will be borne by \_\_\_\_\_.

To ensure that the study team has complete information about the project criteria, the Client will provide at a minimum, the Client Assigned Manager and appropriate key members of the design team for the first day and last day presentations as well as the mid-point review meeting.

## **POST WORKSHOP**

The Value Engineering Consultant will conduct a four-hour post-workshop study Decision/ Implementation Meeting at \_\_\_\_\_ location in the \_\_\_\_\_ area following receipt by the study leader of the written designer responses to the Preliminary Report. The purpose of this Decision/Implementation Meeting is to assist the Client in making decisions regarding acceptance or rejection of the individual value proposals. Attendees will consist of key Client staff, key designer staff and the study team leader.



## SCHEDULE

The work will be performed in accordance with the following schedule:

Pre-Study Activities proceed	Upon receipt of a signed contract and notice to proceed
Workshop(s)	<i>***Insert workshop dates***</i>
Preliminary VE Study Report Workshop	Fourteen (14) days after completion of the Workshop
Decision/Implementation Meeting	On a date to be determined by The Client, The Value Engineering Consultant, and the designer
Draft Final VE Study Report	Fourteen (14) days after the Decision/Implementation Meeting
Final VE Study Report	Fourteen (14) days after receipt of CLIENT comments on the draft report

## DELIVERABLES

This value study effort will include the following deliverables, all of which are related to the results of the workshop. These deliverables are:

1. Study Team Presentation Handout
2. Preliminary Value Study Report
3. Draft of the Final Value Study Report
4. Final Value Study Report

The Preliminary Report will be prepared in the Value Engineering Consultant report format, and will be a compilation of the handwritten products developed in the workshop.

The draft Value Study Report will be prepared in the Value Engineering Consultant report format. The purpose of this draft report is to give the Client and other appropriate reviewers the opportunity to check the final Value Study Report prior to its final issuance.

The final Value Study Report is the final documentation of the VE study. The report is a finalized version of the Draft Report including the incorporation of the Client's comments. The submittal of the final report concludes the Assignment.

THE CONSULTANT will provide the Client with the following number of copies of each report:

1. Preliminary VE Study Report (fill in # of copies desired)
2. Draft of Final VE Study Report (fill in # of copies desired)
3. Final VE Study Report (fill in # of copies desired)







Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila

28 JUN 2016

DEPARTMENT ORDER )  
NO. 139 )  
Series of 2016 06-29-16 )

**SUBJECT: Guidelines for the Determination of Major and Similar Categories of Work and Eligibility Requirements for Work Experience in the Procurement of Infrastructure Contracts**

In compliance with Section 23.5.2.5 of Implementing Rules and Regulations of Republic Act 9184 stating that "*the Prospective Bidder must have an experience of having completed at least one (1) contract that is similar to the contract to be bid, and whose value, adjusted to current prices using the National Statistics Office (now Philippine Statistics Authority) consumer price indices, must be at least fifty percent (50%) of the Approved Budget for the Contract to be bid,*" the concerned DPWH Procuring Entities and Implementing Units shall use the guidelines in this Department Order to determine the work experience on contracts similar to the contract to be bid that a bidder/contractor must possess to be considered eligible to bid for an infrastructure contract involving different categories of works.

**A. DEFINITION OF TERMS:**

The following terms shall be interpreted in this Department Order as defined:

1. **Major Category of Works** - the main classification of works, for purposes of evaluation of eligibility for civil works, according to type of infrastructure and kind of work performed - e.g. road construction, or bridge rehabilitation, etc.
2. **Similar Category of Works** - a kind of work whose classification is considered to be comparable to the major category of works for purposes of evaluation of eligibility for civil works.
3. **Construction** - the process of building a new infrastructure or facility, such as road, bridge, flood control or building.
4. **Improvement** - the betterment of existing infrastructure through upgrading, widening, or strengthening (e.g., retrofitting) in order to increase its original design capacity or performance.

5. **Rehabilitation** - a grouping of types of works which restore structural capacity and performance, and/or enhance safety. These types of works are applicable to infrastructure in poor or bad condition. In the case of pavement, this shall not extend to the subgrade. In the case of flood control, this includes dredging.
6. **Retrofitting** - a grouping of types of work associated with strengthening of existing structures to comply with the latest standards, usually with the aid of new technology or introduction of new features to the old design.
7. **Maintenance** - an activity undertaken to keep or restore an asset to good working condition.
8. **Qualifier** - an additional specific requirement on Major or Similar Categories of Work, to be required from the bidders at the bidding stage, to show that they have the necessary expertise and experience to undertake the project, such as an extraordinarily large embankment volume, soft ground treatment, long tunnel using tunnel boring machine (TBM), or bridge retrofitting using special jacking technology.
9. **Contract** is an enforceable agreement between two or more participants or persons.

## **B. LIST OF MAJOR CATEGORIES OF WORKS AND SIMILAR CATEGORIES OF WORKS AND EXAMPLES OF QUALIFIERS**

1. In the procurement of infrastructure contracts, the DPWH Procuring Entities and Implementing Units concerned shall use the Major Categories of Works and Similar Categories of Works listed in **ANNEX A**. In determining the work experience of a contractor for a particular contract which involves a given set of Major Categories of Works, the Procuring Entity shall include the contractor's relevant work experience for the corresponding Similar Categories of Works listed in **ANNEX A**.
2. Examples of Qualifiers, as defined in item A8 above, are given in **ANNEX B**. The verification or validation of Qualifiers shall be undertaken during the post-qualification of the bidder with the Lowest Calculated Bid.

## **C. CRITERIA FOR DETERMINATION OF MAJOR/SIMILAR CATEGORIES OF WORKS AND ELIGIBILITY REQUIREMENTS FOR WORK EXPERIENCE**

1. For a contract involving a single category of works (i.e., type of infrastructure and kind of work) - e.g., road construction, or bridge retrofitting, or flood control rehabilitation - the following criteria shall be adopted:

- a. The Major Category of Works is the single category itself.
  - b. To be eligible to bid for the contract, a bidder/contractor must have done a Single Largest Completed Contract (SLCC) for a Major/Similar Category of Works whose total cost is at least 50% of the Approved Budget of the Contract (ABC) to be bid.
2. For a contract to be bid involving multiple categories of works – e.g., road construction plus bridge retrofitting plus flood control rehabilitation – the following criteria shall be adopted:
- a. Each category of works whose cost is at least 30% of the ABC shall be considered a Major Category of Works. All other categories of works shall be considered Minor Categories of Works.
  - b. To be eligible to bid to bid for the contract, a contractor must comply with the following work experience requirements:
    - (1) As the basic requirement, the contractor must have undertaken a SLCC similar to the contract to be bid. To be so considered similar, the SLCC must meet the following requirements:
      - a. The SLCC must contain the same Major Categories of Works as the contract to be bid, and each Major Category of Works in the SLCC must cost at least 30% of the total cost of the SLCC.
      - b. The total cost of the SLCC must be at least 50% of the total ABC to be bid.
    - (2) As an additional requirement, for each Minor Category of Works in the contract to be bid, the contractor must have undertaken an SLCC – which could be different from the SLCC identified in item C2b(1) above – containing a Category of Works whose cost is at least 50% of the ABC to be bid for that Minor Category of Works.


In the case of projects which include special equipment to be supplied and installed by the supplier/manufacturer, the cost of such equipment shall be excluded from the ABC to be used in computing the required work experience as stated in the preceding paragraph.

**ANNEX C** shows an illustrative example in the determination of Major Categories of Works and in checking the work experience eligibility for a contract involving multiple categories of works.

**D. PROCEDURE IN THE DETERMINATION OF MAJOR AND SIMILAR WORK CATEGORIES AND IN THE ELIGIBILITY CHECK USING THE CIVIL WORKS REGISTRY**

1. For a specific contract to be bid, the Implementing Office shall fill out the required information in the Contract Profile (Form DPWH-INFRA 08) - i.e., Major Category(ies) of Works, unit of measure, dimensions, and cost estimate per category of the ABC. The estimated cost of each Major Category of Work should include the cost of the minor items related to or proportionately distributed to it. The proportionate distribution shall be based on the weighted percentage of the major items. The corresponding Similar Category(ies) of Work for each Major Category of Work shall be automatically selected by the Civil Works Registry (CWR).
2. The Procuring Entity shall enter the Contract Profile into the CWR.
3. During the Eligibility Check of a contractor's bid for a specific contract, the CWR shall match (a) the Major Category(ies) and ABC in the Contract Profile against (b) the work experience of the contractor for the Major/Similar Category(ies) in the CWR database. Using the criteria in item B1 (single category) or B2 (multiple categories) above as the case may be, the CWR shall automatically determine if the contractor meets the work experience eligibility requirement.
4. The CWR shall also check if the contractor meets the legal and financial eligibility requirements in accordance with the existing guidelines.
5. The category of work used during the Eligibility Check shall be the same category when the project is completed, accepted and included in the database under the contractor's list of completed projects. This category shall be reflected in the Contractor's Information (CI) which is attached to the Contractor's Registration Certificate (CRC).

This Order shall take effect immediately.

  
**ROGELIO L. SINGSON**  
**Secretary**

Department of Public Works and Highways  
Office of the Secretary

  
WIN6XR01170

**ANNEX A  
MAJOR AND SIMILAR CATEGORIES OF WORKS**

<b>Existing Work Category</b>	<b>New Work Category Code</b>	<b>Work Category Description</b>	<b>Similar Work Category Code</b>	<b>Similar Work Category Description</b>
	BCB	Bridges: Construction - Bailey	BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles
			BRTSDP	Bridges: Retrofitting - Steel - with Driven Piles
			BRHSCP	Bridges: Rehabilitation - Steel - with Cast-in-Place Piles
			BRTSCP	Bridges: Retrofitting - Steel - with Cast-in-Place Piles
			BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles
			BRTCDP	Bridges: Retrofitting - Concrete - with Driven Piles
			BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles
			BRTCCP	Bridges: Retrofitting - Concrete - with Cast-in-Place Piles
			BCSDP	Bridges: Construction - Steel - with Driven Piles
			BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles
			BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
BCS	BCSDP	Bridges: Construction - Steel - with Driven Piles	BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles
			BRTSDP	Bridges: Retrofitting - Steel - with Driven Piles
BCS	BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles	BRHSCP	Bridges: Rehabilitation - Steel - with Cast-in-Place Piles
			BRTSCP	Bridges: Retrofitting - Steel - with Cast-in-Place Piles
BCC	BCCDP	Bridges: Construction - Concrete - with Driven Piles	BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles
			BRTCDP	Bridges: Retrofitting - Concrete - with Driven Piles



BCP	BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles	BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles
			BRTCCP	Bridges: Retrofitting - Concrete - with Cast-in-Place Piles
	BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles	BCSDP	Bridges: Construction - Steel - with Driven Piles
			BRTSDP	Bridges: Retrofitting - Steel - with Driven Piles
	BRHSCP	Bridges: Rehabilitation - Steel - with Cast-in-Place Piles	BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles
			BRTSCP	Bridges: Retrofitting - Steel - with Cast-in-Place Piles
	BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles	BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BRTCDP	Bridges: Retrofitting - Concrete - with Driven Piles
	BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles	BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
			BRTCCP	Bridges: Retrofitting - Concrete - with Cast-in-Place Piles
	BRTSDP	Bridges: Retrofitting - Steel - with Driven Piles	BCSDP	Bridges: Construction - Steel - with Driven Piles
			BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles
	BRTSCP	Bridges: Retrofitting - Steel - with Cast-in-Place Piles	BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles
			BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles
	BRTCDP	Bridges: Retrofitting - Concrete - with Driven Piles	BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles
	BRTCCP	Bridges: Retrofitting - Concrete - with Cast-in-Place Piles	BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
			BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles
	BCCWOP	Bridges: Construction - Concrete - without Piles	BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
			BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles

			BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles
			BRTCDP	Bridges: Retrofitting - Concrete - with Driven Piles
			BRTCCP	Bridges: Retrofitting - Concrete - with Cast-in-Place Piles
	BCSWOP	Bridges: Construction - Steel - without Piles	BCSDP	Bridges: Construction - Steel - with Driven Piles
			BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles
			BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles
			BRHSCP	Bridges: Rehabilitation - Steel - with Cast-in-Place Piles
			BRTSDP	Bridges: Retrofitting - Steel - with Driven Piles
			BRTSCP	Bridges: Retrofitting - Steel - with Cast-in-Place Piles
	BRHCWOP	Bridges: Rehabilitation - Concrete - without Piles	BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
			BRTCDP	Bridges: Retrofitting - Concrete - with Driven Piles
			BRTCCP	Bridges: Retrofitting - Concrete - with Cast-in-Place Piles
	BRHSWOP	Bridges: Rehabilitation - Steel - without Piles	BCSDP	Bridges: Construction - Steel - with Driven Piles
			BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles
			BRTSDP	Bridges: Retrofitting - Steel - with Driven Piles
			BRTSCP	Bridges: Retrofitting - Steel - with Cast-in-Place Piles
	BRTCWOP	Bridges: Retrofitting - Concrete - without Piles	BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
			BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles
			BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles
	BRTSWOP	Bridges: Retrofitting - Steel - without Piles	BCSDP	Bridges: Construction - Steel - with Driven Piles
			BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles

			BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles
			BRHSCP	Bridges: Rehabilitation - Steel - with Cast-in-Place Piles
	RCA	Roads: Construction - Asphalt	RRA	Roads: Rehabilitation - Asphalt
	RCG	Roads: Construction - Gravel	RCA	Roads: Construction - Asphalt
			RCP	Roads: Construction - PCCP
			RRA	Roads: Rehabilitation - Asphalt
			RRP	Roads: Rehabilitation - PCCP
	RCP	Roads: Construction - PCCP	RRP	Roads: Rehabilitation - PCCP
	RRA	Roads: Rehabilitation - Asphalt	RCA	Roads: Construction - Asphalt
	RRP	Roads: Rehabilitation - PCCP	RCP	Roads: Construction - PCCP
			RCTP	Roads: Construction - Tunnel - PCCP
	TC	Tunnel: Construction		-
	RCSPNS	Roads: Construction - Slope Protection using non - structural measures (e.g. vetiver, coconet, other vegetation)	FCSPNS	Flood Control: Construction - Slope Protection using non - structural measures (e.g. vetiver, coconet, other vegetation)
	RCSPS	Roads: Construction - Slope Protection using Structural Measures (e.g. Revetment, Retaining structures, Wirenet)	FCSPS	Flood Control: Construction - Slope Protection using Structural Measures (e.g. Revetment, Retaining structures, Wirenet)
	RM	Roads: Maintenance	RCA	Roads: Construction - Asphalt
			RCP	Roads: Construction - PCCP
			RRA	Roads: Rehabilitation - Asphalt
			RRP	Roads: Rehabilitation - PCCP
	BM	Bridges: Maintenance	BCB	Bridges: Construction - Bailey
			BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
			BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BCCWOP	Bridges: Construction - Concrete - without Piles
			BCSCP	Bridges: Construction - Steel - with Cast-in-Place Piles
			BCSDP	Bridges: Construction - Steel - with Driven Piles

			BCSWOP	Bridges: Construction - Steel - without Piles
			BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles
			BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles
			BRHCWOP	Bridges: Rehabilitation - Concrete - without Piles
			BRHSCP	Bridges: Rehabilitation - Steel - with Cast-in-Place Piles
			BRHSDP	Bridges: Rehabilitation - Steel - with Driven Piles
			BRHSWOP	Bridges: Rehabilitation - Steel - without Piles
			BRTCCP	Bridges: Retrofitting - Concrete - with Cast-in-Place Piles
			BRTCDP	Bridges: Retrofitting - Concrete - with Driven Piles
			BRTCWOP	Bridges: Retrofitting - Concrete - without Piles
			BRTSCP	Bridges: Retrofitting - Steel - with Cast-in-Place Piles
			BRTSDP	Bridges: Retrofitting - Steel - with Driven Piles
			BRTSWOP	Bridges: Retrofitting - Steel - without Piles
	TES	Traffic Engineering and Management System		-
	ROU	Relocation of Utilities (specific scope of works)		None
	BICWPLCDP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Driven Piles	BICWPHCDP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Driven Piles
	BICWPLCCP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Cast-in-Place Piles	BICWPHCCP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Cast-in-Place Piles
	BICWOPLC	Buildings: Construction - without Piles - Low Rise - Concrete Frame	BICWPHCCP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Cast-in-Place Piles
			BICWPLCCP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Cast-in-Place Piles
			BICWPHCDP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Driven Piles

			BICWPLCDP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Driven Piles
			BICWOPHC	Buildings: Construction - without Piles - High Rise - Concrete Frame
	BICWPHCDP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Driven Piles		None
	BICWPHCCP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Cast-in-Place Piles		None
	BICWOPHC	Buildings: Construction - without Piles - High Rise - Concrete Frame	BICWPHCCP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Cast-in-Place Piles
			BICWPHCDP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Driven Piles
	BICWPLSDP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Driven Piles	BICWPHSDP	Buildings: Construction - with Piles - High Rise - Steel Frame - Driven Piles
	BICWPLSCP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Cast-in-Place Piles	BICWPHSCP	Buildings: Construction - with Piles - High Rise - Steel Frame - Cast-in-Place Piles
	BICWOPLS	Buildings: Construction - without Piles - Low Rise - Steel Frame	BICWPHSCP	Buildings: Construction - with Piles - High Rise - Steel Frame - Cast-in-Place Piles
			BICWPLSCP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Cast-in-Place Piles
			BICWPHSDP	Buildings: Construction - with Piles - High Rise - Steel Frame - Driven Piles
			BICWPLSDP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Driven Piles
			BICWOPHS	Buildings: Construction - without Piles - High Rise - Steel Frame
	BICWPHSDP	Buildings: Construction - with Piles - High Rise - Steel Frame - Driven Piles		
	BICWPHSCP	Buildings: Construction - with Piles - High Rise - Steel Frame - Cast-in-Place Piles		

	BICWOPHS	Buildings: Construction - without Piles - High Rise - Steel Frame	BICWPHSCP	Buildings: Construction - with Piles - High Rise - Steel Frame - Cast-in-Place Piles
			BICWPHSDP	Buildings: Construction - with Piles - High Rise - Steel Frame - Driven Piles
	BIR	Buildings: Repair	BICLC	Buildings: Construction - Low Rise - Concrete Frame
			BICHC	Buildings: Construction - High Rise - Concrete Frame
			BICLS	Buildings: Construction - Low Rise - Steel Frame
			BICHS	Buildings: Construction - High Rise - Steel Frame
			BIRTH	Buildings: Retrofitting - High Rise
			BIRTL	Buildings: Retrofitting - Low Rise
			BICWPLCDP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Driven Piles
			BICWPHCDP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Driven Piles
			BICWPLCCP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Cast-in-Place Piles
			BICWPHCCP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Cast-in-Place Piles
			BICWPLSDP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Driven Piles
			BICWPHSDP	Buildings: Construction - with Piles - High Rise - Steel Frame - Driven Piles
			BICWPLSCP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Cast-in-Place Piles
			BICWPHSCP	Buildings: Construction - with Piles - High Rise - Steel Frame - Cast-in-Place Piles
			BICWOPLS	Buildings: Construction - without Piles - Low Rise - Steel Frame
			BICWOPHS	Buildings: Construction - without Piles - High Rise - Steel Frame
			BICWOPLC	Buildings: Construction - without Piles - Low Rise - Concrete Frame
			BICWOPHC	Buildings: Construction - without Piles - High Rise - Concrete Frame
	BIRTL	Buildings: Retrofitting - Low Rise	BICWPLCDP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Driven Piles

			BICWPHCDP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Driven Piles
			BICWPLCCP	Buildings: Construction - with Piles - Low Rise - Concrete Frame - Cast-in-Place Piles
			BICWPHCCP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Cast-in-Place Piles
			BICWPLSDP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Driven Piles
			BICWPHSDP	Buildings: Construction - with Piles - High Rise - Steel Frame - Driven Piles
			BICWPLSCP	Buildings: Construction - with Piles - Low Rise - Steel Frame - Cast-in-Place Piles
			BICWPHSCP	Buildings: Construction - with Piles - High Rise - Steel Frame - Cast-in-Place Piles
			BICWOPLS	Buildings: Construction - without Piles - Low Rise - Steel Frame
			BICWOPHS	Buildings: Construction - without Piles - High Rise - Steel Frame
			BICWOPLC	Buildings: Construction - without Piles - Low Rise - Concrete Frame
			BICWOPHC	Buildings: Construction - without Piles - High Rise - Concrete Frame
	BIRTH	Buildings: Retrofitting - High Rise	BICWPHCDP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Driven Piles
			BICWPHCCP	Buildings: Construction - with Piles - High Rise - Concrete Frame - Cast-in-Place Piles
			BICWPHSDP	Buildings: Construction - with Piles - High Rise - Steel Frame - Driven Piles
			BICWPHSCP	Buildings: Construction - with Piles - High Rise - Steel Frame - Cast-in-Place Piles
			BICWOPHS	Buildings: Construction - without Piles - High Rise - Steel Frame
			BICWOPHC	Buildings: Construction - without Piles - High Rise - Concrete Frame
	FCG	Flood Control: Construction - Gates	FCPG	Flood Control: Construction - Pumping Station with gate
			FCDG	Flood Control: Construction - Dam with gates
	FCDG	Flood Control: Construction - Dam with gates	FCPG	Flood Control: Construction - Pumping Station with gate

	FCRB	Flood Control: Construction - Retarding Basin	FCD	Flood Control: Construction - Dams
			FCDK	Flood Control: Construction - Dike
			FCCE	Flood Control: Construction - Channel Excavation
	FCSP	Flood Control: Construction - Shore Protection (Seawall, Breakwater)	PCC	Ports/Harbors: Construction - Causeway
			PCW	Ports/Harbors: Construction - Wharf with Embankment
			FCRC	Flood Control: Construction - River Control
	FCSPNS	Flood Control: Construction - Slope Protection using non - structural measures (e.g. vetiver, coconet, other vegetation)	RCSPNS	Roads: Construction - Slope Protection using non - structural measures (e.g. vetiver, coconet, other vegetation)
	FCSPS	Flood Control: Construction - Slope Protection using Structural Measures (e.g. Revetment, Retaining structures, Wirenet)	RCSPS	Roads: Construction - Slope Protection using Structural Measures (e.g. Revetment, Retaining structures, Wirenet)
	FCD	Flood Control: Construction - Dams	FCRC	Flood Control: Construction - River Control
			FCRB	Flood Control: Construction - Retarding Basin
			FCDKL	Flood Control: Construction - Dikes/Levees
	FMDRE	Flood Control: Maintenance - Dredging, Desilting, River Rechanneling/Excavatio n Works	FCRB	Flood Control: Construction - Retarding Basin
			FCCE	Flood Control: Construction - Channel Excavation
			HD	Harbors: Dredging
	FCCE	Flood Control: Construction - Channel Excavation	FMD	Flood Control: Maintenance - Dredging
			HD	Harbors: Dredging
	HD	Harbors: Dredging	FMDRE	Flood Control: Maintenance - Dredging, Desilting, River Rechanneling/Excavation Works
			FCCE	Flood Control: Construction - Channel Excavation
	FCN	Flood Control: Construction - Drainage	RCC	Roads: Construction - Concrete
			RCA	Roads: Construction - Asphalt



		(Closed and open)	RRC	Roads: Rehabilitation - Concrete
			RRA	Roads: Rehabilitation - Asphalt
			WSL12	Water Supply (Level 2 & 3): Construction
	FCP	Flood Control: Construction - Pumping Station		-
				-
	FCDKL	Flood Control: Construction - Dikes/Levees	DC	Dams: Construction
			FCRB	Flood Control: Construction - Retarding Basin
			FCSP	Flood Control: Construction - Shore Protection (Seawall, Breakwater)
	FCBP	Flood Control: Construction - Bank Protection	FCSP	Flood Control: Construction - Shore Protection (Seawall, Breakwater)
	WSL1	Water Supply (Level 1): Construction	WSL12	Water Supply (Level 2 & 3): Construction
	WSL12	Water Supply (Level 2 & 3): Construction	FCN	Flood Control: Construction - Drainage (Closed and open)
	PCCWDP	Ports/Harbors: Construction - Causeway/Wharf - with Driven Piles	BCCDP	Bridges: Construction - Concrete - with Driven Piles
	PCCWCP	Ports/Harbors: Construction - Causeway/Wharf - with Cast-in-Place Piles	BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
	PMCWDP	Ports/Harbors: Maintenance - Causeway/Wharf - with Driven Piles	BCCDP	Bridges: Construction - Concrete - with Driven Piles
			BRHCDP	Bridges: Rehabilitation - Concrete - with Driven Piles
			PCCWDP	Ports/Harbors: Construction - Causeway/Wharf - with Driven Piles
	PMCWCP	Ports/Harbors: Maintenance - Causeway/Wharf - with Cast-in-Place Piles	BCCCP	Bridges: Construction - Concrete - with Cast-in-Place Piles
			BRHCCP	Bridges: Rehabilitation - Concrete - with Cast-in-Place Piles
			PCCWCP	Ports/Harbors: Construction - Causeway/Wharf - with Cast-in-Place Piles

**ANNEX B  
EXAMPLES OF QUALIFIERS**

CATEGORY	QUALIFIER
Bridges: Construction - Steel - with Driven Piles	Must include major structural steel components of both substructure and superstructure (e.g., piles, girders, truss members) comprising at least a total of 50% of project cost.
Bridges: Construction - Steel - with Cast-in-Place Piles	Must include major structural concrete components of both substructure and superstructure. (e.g., piles, girders, truss members) comprising at least 50% of the item of work of the project.
Bridges: Construction - Concrete - with Driven Piles	Must include major structural components of both substructure and superstructure. (e.g., piles, girders, truss members) comprising at least 50% of the item of work of the project.
Bridges: Construction - Concrete - with Cast-in-Place Piles	Must include major structural components of both substructure and superstructure. (e.g. piles, girders, truss members) comprising at least 50% of the item of work of the project.
Roads: Construction - PCCP	Must have completed reconstruction and reblocking including base course covering 50% of the item of work of the project. May include Airport Runways, taxiways and Aprons
Tunnel: Construction	Must have completed underground/subsurface facilities using Tunnel Boring Machine: Construction (Subway, Mining, Water Irrigation Aqueduct)
Roads: Construction - Slope Protection using Structural Measures (e.g. Retevment, Retaining structures, Wirenet)	Bidder must have completed: <ol style="list-style-type: none"> <li>1. At least one (1) contract that is similar to the following works among others: <ol style="list-style-type: none"> <li>a. Stone Masonry</li> <li>b. Retaining Wall</li> <li>c. Grouted Riprap</li> <li>d. Geosynthetic</li> </ol> </li> <li>2. Similar slope protection works with at least 50% of the item of work of the project.</li> </ol>
Traffic Engineering and Management System	Must hage completed channelization, signalization, traffic signs, road furniture, barricades, highway/road lighting
Relocation of Utilities (specific scope of works)	Included in this new category are the installation, removal/relocation of electrical posts, water utilities, transmission lines, telephone utilities, communication towers, etc.
Flood Control: Construction - Gates	Specify the type of gate (e.g. sluice gate, navigational gate,tidal gate and weir, flap gate)
Flood Control: Construction - Retarding Basin	Bidder must have completed at least one (1) similar contract on earthmoving (excavation and embankment) involving at least 50% of the item of work of the project.
Flood Control: Construction - Shore Protection (Seawall, Breakwater)	Bidder must have completed: <ol style="list-style-type: none"> <li>1. At least one (1) contract that is similar to the following ports and harbors projects to be bid, and;</li> <li>2. Similar shore protection works with at least 50% of the item of work of the projects <ol style="list-style-type: none"> <li>a. Coastal Dike</li> </ol> </li> </ol>

CATEGORY	QUALIFIER
	<ul style="list-style-type: none"> <li>b. Causeway</li> <li>c. Wharf</li> </ul>
Flood Control: Construction - Slope Protection using non-structural measures (e.g. vetiver, coconet, other vegetation)	Bidder must have completed: <ol style="list-style-type: none"> <li>1. At least one (1) contract that is similar to the following measures among others:               <ol style="list-style-type: none"> <li>a. Coconet (Sodding)</li> <li>b. Vetiver Grass</li> </ol> </li> <li>2. Similar slope protection works with at least 50% of the item of work of the project.</li> </ol>
Flood Control: Construction - Slope Protection using Structural Measures (e.g. Revetment, Retaining structures, Wirenet)	Bidder must have completed: <ol style="list-style-type: none"> <li>1. At least one (1) contract that is similar to the following works among others:               <ol style="list-style-type: none"> <li>a. Concrete Revetment</li> <li>b. Gabion Revetment</li> <li>c. Wire net</li> <li>d. Stone Masonry</li> <li>e. Retaining Wall/Floodwall</li> <li>f. Grouted Riprap</li> <li>g. Geosynthetic</li> </ol> </li> <li>2. Similar slope protection works with at least 50% of item of work of the project.</li> </ol>
Flood Control: Construction - Dams	Bidder must have completed: <ol style="list-style-type: none"> <li>1. At least one (1) contract that is similar to the following sediment control (sabo) dam and irrigation projects to be bid, and;</li> <li>2. Similar sediment control (sabo) dam and irrigation works with at least 50% of the item of work of the project.               <ol style="list-style-type: none"> <li>a. Sediment Control (Sabo) Dam</li> <li>b. Irrigation Dam</li> <li>c. Small Water Impounding Management (SWIM) Dam (Height &lt; 15m)</li> <li>d. Water Supply/ Flood Control Dams (Height &gt; 15m)</li> <li>e. Specify requirements for height and volume for special projects. e.g. Concrete Dam with at least 50% of the required volume of concrete.</li> </ol> </li> </ol>
Flood Control: Maintenance - Dredging, Desilting, River Rechanneling/Excavation Works	Bidder must have an experience on: <ol style="list-style-type: none"> <li>1. Completed at least one (1) contract that has similar channel excavation/ dredging projects to be bid, and;</li> <li>2. Similar channel excavation/ dredging works with at least 50% of items of work of the project.</li> </ol>
Flood Control: Construction - Channel Excavation	Must have completed similar channel excavation/ dredging works with at least 50% of volume of work of the project.
Harbors: Dredging	Must have completed similar channel excavation/dredging works with at least 50% of volume/quantity of work of the project.
Flood Control: Construction - Drainage (Closed and open)	Must have completed road construction with drainage component or water supply (Levels 2 & 3): construction with water pipe or sewer pipes
Flood Control: Construction - Pumping Station	Must have experience in electromechanical works
Flood Control: Construction - Dikes/Levees	Include the type of material (concrete, gabion, etc.)

<b>CATEGORY</b>	<b>QUALIFIER</b>
Water Supply (Level 1): Construction	Bidder must have an experience on similar flood control projects and water supply projects with 50% of items of work of the project, e.g.: a. Deepwell b. Reservoir c. Water Works System d. Water Source Development e. Water Treatment System f. Water tank
Water Supply (Level 2 & 3): Construction	Must have completed Pressurized Pipes/Closed Conduits
Ports/Harbors: Construction - Causeway/Wharf - with Driven Piles	Bidder must have similar experience on bridge construction/river control and shore protection projects with 50% of items of work of the project, e.g.: a. Causeway b. Wharfs c. Apron d. RORO landings

**ANNEX C**  
**EXAMPLE IN DETERMINING MAJOR CATEGORIES OF WORKS AND WORK EXPERIENCE ELIGIBILITY FOR CONTRACT WITH MULTIPLE CATEGORIES OF WORKS**

In the case of a contract consisting of multiple categories of works, the following hypothetical example illustrates the process in determining the Major Categories of Works of that contract and in checking the work experience eligibility of a bidder for the contract, using the rules prescribed in Department Order (DO) No. \_\_, series of 2016.

Given:

The contract to be bid consists of three categories of works with the following characteristics:

**Contract to be Bid**

<b>Category</b>	<b>Approved Budget for the Contract (ABC)</b>	<b>% of Total ABC</b>	<b>Classification</b>
Road Construction	P 50M	50% (i.e., 50M/100M)	Major
Bridge Rehabilitation	P 35M	35% (i.e., 35M/100M)	Major
Flood Control Construction	P 15M	15% (i.e., 15M/100M)	Minor
	P100M		

In accordance with DO \_\_\_\_, for the contract to be bid, Road Construction and Bridge Rehabilitation are both considered Major Categories of Works because the cost of each (P50M and P35M, respectively) is at least 30% of the ABC (P100M). On the other hand, for the same contract to be bid, Flood Control Construction is considered a Minor Category of Works since its cost is less than 30% of the ABC.

Problem:

Determine if a particular contractor with the following Single Largest Completed Contracts - SLCC-1 and SLCC-2 - meets the eligibility requirements for work experience for the contract to be bid.

**SLCC-1**

<b>Category</b>	<b>Cost of SLCC-1</b>
Road Construction	P25M
Bridge Rehabilitation	P20M
Building	6M
Total	P51M

## SLCC-2

Category	Cost of SLCC-2
Flood Control Construction	P25M

### Analysis:

Category	Cost of SLCC-1	% of SLCC-1 Cost	Classification
Road Construction	P25M	49% (i.e., 25M/51M)	Major
Bridge Rehabilitation	P20M	39% (i.e., 20M/51M)	Major
Building	6M		Not relevant
Total	P51M		

The contractor meets the basic eligibility requirement for work experience in the said DO, i.e., it has undertaken SLCC-1 similar to the contract to be bid, particularly because of the following:

- a. SLCC-1 has the same two Major Categories of Works as the contract to be bid, and the cost of each Major Category is at least 30% of the total cost of SLCC-1, as required in the said DO. That is:
  - SLCC-1's Road Construction costs P25M or 49% of the total SLCC-1 of P51M.
  - SLCC-1's Bridge Rehabilitation costs P20M or 39% of the total SLCC-1 of P51M.
- b. The total cost of SLCC-1 of P51M is 51% of the ABC to be bid and, thus, exceeds the minimum 50% of the total ABC to be bid, as required in the DO.

The contractor also meets the additional requirement for the Minor Category of Works in the contract to be bid – i.e., Flood Control Construction – since the contractor's SLCC-2 (a contract separate from SLCC-1) consists of Flood Control Construction with a cost of P9M which is 60% of the ABC to be bid for that Minor Category of Flood Control Construction and, therefore, exceeds the minimum 50% of the ABC, as required in the said DO.

Based on the above evaluation, the contractor is considered eligible, in so far as the work experience requirements are concerned, to bid for the contract at hand.

**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

**PROCUREMENT MANUAL**

**VOLUME II - INFRASTRUCTURE**

**ANNEX II-1.1: DPWH STANDARD  
BIDDING DOCUMENTS FOR  
INFRASTRUCTURE**

**20 June 2016**

## Preface

The Department of Public Works and Highways (DPWH) has adopted these Standard Bidding Documents (SBDs) for the procurement, through public bidding, of its infrastructure projects (or Works). The SBDs are essentially based on the generic Philippine Bidding Documents (PBDs) as customized to the DPWH procurement environment.

For every infrastructure contract to be procured, the DPWH Procuring Entity concerned shall prepare the contract-specific Bidding Documents (BDs) in accordance with the following guidelines:

- a. The BDs for the contract to be procured shall adopt the entire content of the SBDs unchanged.
- b. Information and data specific to the contract - such as Contract ID and Name, Approved Budget for the Contract (ABC), etc. - shall, however, be filled in or inserted in the appropriate portions of the SBDs, particularly in the following:
  - (1) Cover Sheet
  - (2) Invitation to Bid (IB)
  - (3) Eligibility Data Sheet (EDS)
  - (4) Bid Data Sheet (BDS)
  - (4) Special Conditions of Contract (SCC)
  - (5) Specifications
  - (6) Drawings
  - (7) Bill of Quantities (BOQ)
  - (8) Bidding Forms
- c. The final contract-specific BDs, therefore, shall not contain any blank spaces or options. Neither shall the BDs contain any footnotes.

The DPWH shall post the SBDs at its website **[www.dpwh.gov.ph](http://www.dpwh.gov.ph)** for the general reference of the public. It shall also post at the website the complete BDs for every contract to be procured starting on the first day of advertisement of the IB. Any prospective bidder or other interested party may, thus, view or download the BDs from the website.

The DPWH Procuring Entity shall also make hard copies of the contract-specific BDs available to prospective bidders upon payment of a non-refundable fee.

The following definitions are made to clarify the different terms used in this document and in the other parts of the DPWH Procurement Manual:



- a. **“Standard Bidding Documents” or “SBDs”** - refer to these pro-forma bidding documents to be used by the DPWH as template in the procurement of its infrastructure contracts, with the contract-specific information still to be inserted or filled in.
- b. **“Bidding Documents” or “BDs”** - refer to the bidding documents for the specific infrastructure project at hand being procured by the DPWH. These contract-specific BDs follow the content of the SBDs, but with the particular information for the contract at hand already inserted therein (i.e., the information in item b of the second paragraph of this Preface).
- c. **“Philippine Bidding Documents” or “PBDs”** - refer to the generic bidding documents of the Government of the Philippines (GOP), prepared by the Government Procurement Policy Board (GPPB) in accordance with the provisions of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, for use by all agencies of the Government. The PBDs have been harmonized by the GOP with the procurement guidelines of the Asian Development Bank (ADB), the Japan International Cooperation Agency (JICA), and the World Bank (WB), for use in Government infrastructure contracts, both locally-funded and foreign-assisted, procured through national competitive bidding. The PBDs have been customized into the SBDs of the DPWH for use in its infrastructure contracts.

*Note: This is the Cover Sheet for the Contract-Specific Bidding Documents.*

**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**

**PROCURING ENTITY:** \_\_\_\_\_

**BIDDING DOCUMENTS**

**FOR**

**PROCUREMENT ID/CONTRACT ID:** \_\_\_\_\_

**CONTRACT NAME:** \_\_\_\_\_

**CONTRACT LOCATION:** \_\_\_\_\_

Date of Opening of Bids: \_\_\_\_\_

Start Date for Issuance  
of Bidding Documents: \_\_\_\_\_

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## *ANNEX II-1.1A*

### *Section I. Invitation to Bid*

#### **Notes on the Invitation to Bid**

The Invitation to Bid (IB)(Form DPWH-INFR-04)provides information that enables interested Bidders to decide whether to participate in the procurement of the particular contract at hand. The Procuring Entity shall undertake the following:

- a. Advertise the IB at least once in one (1) newspaper of general nationwide circulation which has been regularly published for at least two (2) years before the date of the advertisement, provided that this requirement for advertisement shall not apply to contracts with an ABC of PhP 5 million or below each;
- b. Post the IB the following websites:
  - (1) Website of the DPWH [www.dpwh.gov.ph](http://www.dpwh.gov.ph), continuously starting on the date of advertisement of the **IB** until the deadline for submission and receipt of bids
  - (2) Website of the Philippine Government Electronic Procurement System (PhilGEPS) [www.philgeps.gov.ph](http://www.philgeps.gov.ph), continuously for seven (7) calendar days starting on the date of advertisement of the **IB**.
  - (3) Website prescribed by the concerned foreign government/foreign or international financing institution or IFI (e.g., United Nations Development Business (UNDB), dgMarket), continuously for seven (7) calendar days starting on the date of advertisement of the **IB**.

Together with the **IB**, post the other parts of the **BDs** for the contract on the three websites mentioned over the same periods.

- c. Post the IB at any conspicuous place reserved for this purpose in the premises of the Procuring Entity, as certified by the head of the Bids and Awards Committee (BAC) Secretariat of the Procuring Entity for seven (7) calendar days starting on the date of advertisement of the **IB**.

The **IB** shall include the following:

- a. Procurement/Contract ID, name and location, brief description of the type, size, major items and other important or relevant features of the works.
- b. Approved Budget for the Contract (ABC).
- c. Source of funding.
- d. Contract duration.
- e. Statement that the bidding is conducted in accordance with RA 9184 and its Implementing Rules and Regulations (IRR).

- f. General statements of the criteria to be used for the eligibility check, examination and evaluation of bids, post-qualification, and award.
- g. Date, time, deadline, and place for the issuance/downloading of Bidding Documents, Pre-Bid Conference, receipt of bids, and opening of bids.
- h. Payment of Fee for the BDs.
- i. Reservation for the Procuring Entity to accept/reject any/all bids or annul the bidding process without any liability to the bidders.
- j. Name, address, telephone number, fax number, email and website addresses of the concerned Procuring Entity and its designated contact person.
- k. Statement as to whether or not Electronic Bidding, under GPPB Resolution No. 13-2013, will be adopted in this procurement.
- l. Other necessary information as determined by the Procuring Entity.

The **IB** should be incorporated into the contract-specific Bidding Documents (**BDs**). The information contained in the **IB** must be consistent with all other parts of the **BDs**, including the Instructions to Bidders (**ITB**) and the Bid Data Sheet (**BDS**).

## STANDARD FORMAT

Name of Procuring Entity  
Address

## INVITATION TO BID

The Name of Procuring Entity, through its Bids and Awards Committee (BAC), invites contractors to submit bids for the following Contract:

Procurement ID/Contract ID: \_\_\_\_\_  
Contract Name: \_\_\_\_\_  
Contract Location: \_\_\_\_\_  
Brief Description: \_\_\_\_\_  
Approved Budget for the Contract (ABC): PhP \_\_\_\_\_  
Source of Funds: \_\_\_\_\_  
Contract Duration: \_\_\_\_\_ calendar days

The BAC is conducting the public bidding for this Contract in accordance with RA 9184 and its Implementing Rules and Regulations (IRR).

To be eligible to bid for this Contract, a contractor must meet the following major requirements: (a) Filipino citizen or 75% Filipino-owned partnership/corporation with PCAB license for Size Range \_\_\_\_\_, (b) completion of a similar contract costing at least 50% of the ABC, and (c) Net Financial Contracting Capacity (NFCC) at least equal to the ABC.\*

The DPWH will use non-discretionary pass/fail criteria in the eligibility check, preliminary examination of bids, evaluation of bids, post-qualification, and award.

*Insert the following three paragraphs if the Procuring Entity will adopt Electronic Bidding, pursuant to GPPB Resolution No. 13-2013*

*As stipulated in Section 8.2.4.3 of the Implementing Rules and Regulations of RA 9184, "the PhilGEPS may support the implementation of e-Bid submission processes, which includes creation of electronic bid forms, creation of bid box, delivery of bid submissions, notification to supplier of receipt of bids, bid receiving and electronic bid evaluation. This facility shall cover all types of procurement for goods, infrastructure projects and consulting services."*

*E-Bid submission shall be conducted wherein bidders shall submit their bids electronically through the PhilGEPS. Manual submission of bids shall not be allowed. This notwithstanding, bidders who submit e-bids shall be required to submit hard copies of the documents submitted electronically for purposes of validation and/or verification during the electronic opening in the event the BAC encounters technical problems or difficulty in opening e-bids. For this purpose, bidders shall register as Platinum Members in the Government-Official Merchants Registry (OMR). In addition, bidders who have purchased the Bidding Documents for this project shall be tagged as pilot users of the e-Bidding.*

Registered e-bidding pilot users can download the original copy of the bidding documents including the electronic bid response form, submit and modify bids online, submit queries online and monitor the progress of bidding online.

The schedule of key procurement activities for this Contract is shown below:

Activity	Time	Place
1. Issuance/Downloading of Bidding Documents	<u>Date to Date</u>	*Hard copies at BAC Secretariat, <u>Address</u> . *Downloadable from (a) DPWH website www.dpwh.gov.ph, (b) PhilGEPs website www.philgeps.gov.ph, and (c) website of concerned foreign financing institution
2. Pre-Bid Conference	<u>Time and Date</u>	<u>Address</u>
3. Receipt by the BAC of Bids	Deadline: <u>Time and Date</u>	BAC, <u>Address</u>
4. Opening of Bids	<u>Time and Date</u>	BAC, <u>Address</u>

Bidders shall pay the BAC a non-refundable fee of Amount for the Bidding Documents, upon securing hard copies of the Documents. Bidders that downloaded the Documents from the DPWH/PhilGEPs website shall pay the fee upon submission of their bids.

The Name of Procuring Entity reserves the right to accept or reject any bid and to annul the bidding process any time before the Contract award, without incurring any liability to the affected bidders, in accordance with the provisions of Section 41 of RA 9184 and its IRR.

Any requests for additional information concerning this bidding shall be directed to the following:

BAC Chairperson: \_\_\_\_\_ BAC Secretariat Head: \_\_\_\_\_  
 Address: \_\_\_\_\_ Address: \_\_\_\_\_  
 Telephone No. \_\_\_\_\_ Telephone No. \_\_\_\_\_  
 Email address: \_\_\_\_\_ Email address: \_\_\_\_\_

Approved by:

Dates of Publication: \_\_\_\_\_ Name and Signature  
 Newspaper: \_\_\_\_\_ BAC Chairperson

*\*For PCAB Small A and Small B Contractors, delete (c) of this paragraph, and rename (d) as (c).*

***ANNEX II-1.1B***  
***Section II. Eligibility Requirements***

**Notes on the Eligibility Requirements (ER)**

This Section provides the information necessary for prospective bidders to prepare responsive applications for eligibility to bid for the Contract in accordance with the requirements of the Procuring Entity.

The provisions contained in this Section shall be used unchanged. Additional information or requirements specific to each contract to be procured shall be specified in the Eligibility Data Sheet (EDS).



## STANDARD FORMAT

### ELIGIBILITY REQUIREMENTS

1. Unless otherwise indicated in the **Instructions to Bidders (ITB)**, the prospective bidder must meet the following **Eligibility Requirements (ER)** for purposes of determining by the DPWH the eligibility of the bidder for the contract to be procured:

- **Submission of Class “A” and Class “B” Documents**

To participate in the bidding for an infrastructure contract in the DPWH, a contractor/ bidder must submit to the BAC of the Procuring Entity, not later than the deadline for the submission of bids or simultaneously with the submission of its bid for the contract, the following Class “A” and Class “B” Documents as embodied in the Contractor’s Confidential Application Statement for Registration or CCASR (**Form DPWH-INFR-05**) (**IRR Section 23.1**). The submission of these Documents is required only of contractors that are not yet enrolled in the DPWH Civil Works Registry (CWR); there is no need for a contractor already enrolled in the CWR Registry to submit the same Documents. Prior enrolment or registration of a contractor with the CWR, however, is not a prerequisite to the submission of bids for a specific contract.

**Class “A” Documents (IRR Section 23.1a):**

**(1) Legal Documents**

- (a) Registration certificate from the Securities and Exchange Commission (SEC) in the case of a Partnership or Corporation, or from the Department of Trade and Industry (DTI) in the case of a Single Proprietorship, or from the Cooperatives Development Authority in the case of a cooperative.
- (b) Mayor’s/Business Permit issued by the city or municipality where the principal place of business of the prospective bidder is located.
- (c) Tax Clearance per Executive Order (EO) No. 298, series of 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).

**(2) Technical Documents**

- (a) Valid PCAB license and registration for the type and cost of contract to be procured. In the case of a joint venture, the license and registration must be those of the joint venture, not of any of its members.
- (b) Record of the prospective bidder’s completed contracts, both government and private, including the following information for each contract:
  - i. Contract ID, name and location.
  - ii. Contract start and actual completion dates.
  - iii. Owner’s name and address.
  - iv. Nature of work and size/dimensions.

- v. Contractor's role (whether sole contractor, sub-contractor, or partner in a joint venture), specific components or aspects of the work done by it, and its participation percentage.
- vi. Total as-built cost at completion.

Bidder's single largest completed contract similar to the contract to be procured. (During the Eligibility Check of bids submitted for the contract to be procured, the CWR program will automatically identify the Bidder's SLCC similar to the contract to be bid from the Bidder's record of completed contracts in the CWR.)

- (c) Record of the prospective bidder's on-going contracts, including awarded but not yet started, both in government and the private sector, indicating the following information for each contract.
  - i. Contract ID, name and location.
  - ii. Contract start and completion date.
  - iii. Owner's name and address.
  - iv. Nature of work and size/dimension.
  - v. Contractor's role, specific components or aspects of the work done by it, and participation percentage.
  - vi. Percentage work accomplished.
  - vii. Percentage time elapsed.

### **(3) Financial Documents**

- (a) The prospective bidder's Audited Financial Statement (AFS), stamped "received" by the BIR or its duly accredited and authorized institution, for the immediately preceding calendar year, showing, among other things, the prospective bidder's total and current assets and liabilities.
- (b) The prospective bidder's computation for its Net Financial Contracting Capacity (NFCC).

To facilitate determination of eligibility, the BAC of a Procuring Entity shall use the contents of the PhilGEPS electronic registry of contractors (**IRR Section 23.3**).

All bidders shall maintain a current and updated file of their Class "A" Documents, and shall submit the PhilGEPS Certificate of Registration and Membership to the Procuring Entity, in lieu of the said Documents. In case such PhilGEPS Certificate covers only part of the Class "A" Documents, the contractor shall be required to submit to the DPWH Procuring Entity all other documents under the above ER which are not covered by the said Certificate. For foreign bidders, the foregoing documents may be substituted by the appropriate equivalent documents in English, if any, issued by the country of the bidder concerned. These documents shall be accompanied by a Sworn Statement in a form prescribed by the GPPB stating that the documents submitted are complete and authentic copies of the original, and all statements and information provided therein are true and correct (**IRR Section 8.5.2**).

### **Class "B" Document (IRR Section 23.1b)**

Valid joint venture agreement (JVA), in case the joint venture is already in existence. In the absence of a JVA, duly notarized statements from all the potential joint venture (JV) partners shall be included in the bid, to the effect that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful. Failure to enter into a JV shall be a ground for the forfeiture of the Bid Security. Each partner of the JV shall submit the PhilGEPS Certificate of Registration in accordance with Section 8.5.2 of the IRR of RA 9184. The submission of technical and financial eligibility documents by any of the JV partners constitutes compliance. The partner responsible to submit the NFCC shall likewise submit the statement of all of its ongoing contracts and Audited Financial Statements.

- **Legal Requirements for Eligibility**

The prospective bidder must be either of the following:

- (1) A Filipino citizen/sole proprietorship.
- (2) A partnership duly organized under the laws of the Philippines and of which at least seventy-five percent (75%) of the interest belongs to citizens of the Philippines.
- (3) A corporation duly organized under the laws of the Philippines and of which at least seventy five (75%) of the outstanding capital stock belongs to citizens of the Philippines.
- (4) A cooperative duly registered with Cooperative Development Authority.
- (5) Persons/entities forming themselves into a joint venture (JV), i.e., a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract, provided that, in accordance with the President's Letter of Instructions No. 630, Filipino ownership or interest in the JV concerned shall be at least seventy-five (75%); provided, further, that JVs in which Filipino ownership or interest is less than 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 a person/entity meeting the seventy-five percent (75%) Filipino ownership requirement; and provided, finally, that in the latter case, Filipino ownership or interest shall not be less than twenty-five percent (25%). For this purpose, Filipino ownership or interest shall be based on the contributions of each of the members of the JV as specified in their joint venture agreement (JVA).

- **Technical Requirements for Eligibility**

- (1) **PCAB License**

For this particular contract to be bid, the prospective bidder must possess a valid license issued by the Philippine Contractors' Accreditation Board (PCAB) in accordance with the provisions of RA 4566, for the specific category indicated in the Eligibility Data Sheet (EDS), out of the following PCAB categories:

**Table 1. PCAB License Categories**

Size Range	License Category	Single Largest Project/ Required Track Record	Allowable Range of Contract Cost (ARCC)
Large B	AAA	Above PhP150M	No limit
Large A	AA	Above PhP100M up to PhP150M	Up to PhP300M
Medium B	A	Above PhP50M up to PhP100M	Up to PhP200M
Medium A	B	Above PhP10M up to PhP100M	Up to PhP100M
Small B	C & D	Above P500,000 up to PhP10M	Up to PhP15M
Small A	Trade	Up to PhP500,000	Up to PhP500,000

For this particular contract to be procured, the Approved Budget for the Contract (ABC) is indicated in the EDS. The required PCAB license for this project, based on Table 1 above, is also specified in the EDS.

## (2) Work Experience in Similar Contracts

The prospective bidder must possess the experience of having a Single Largest Completed Contract (SLCC) similar to the contract to be procured, and whose value, adjusted to current prices using the consumer price indices of the Philippine Statistics Authority (PSA), is at least fifty percent (50%) of the ABC to be bid. Small A and Small B contractors without similar experience on the contract to be bid, however, may be allowed to bid if the cost of such contract is not more than the Allowable Range of Contract Cost (ARCC) corresponding to their PCAB license as shown in Table 1 above (IRR Section 23.4.2.4).

As stated in Appendix 2.2 (Guidelines for Major and Similar Categories of Works), a Major Category of Works is the main classification of works in the contract to be bid, according to type of infrastructure and kind of work performed - e.g. road construction, bridge rehabilitation, etc. On the other hand, a Similar Category of Works is a kind of works whose classification is considered to be comparable to the Major Category of Works in the contract to be bid and, therefore, shall be considered for purposes of evaluation of the bidder's eligibility for the contract to be bid. A Qualifier is an additional specific requirement on Major or Similar Categories of Work, to be required from the bidders at the bidding stage, to show that they have the necessary expertise and experience to execute the contract, such as an extraordinarily large embankment volume, or soft ground treatment, or long tunnel using tunnel boring machine, or bridge retrofitting using special jacking technology, or very long sheet piling, multi-level basement, etc.

For the specific project or contract to be bid under these BDs and based on the Guidelines and Matrix of Categories in Appendix 2.2, the Major Categories of Works and Similar Categories of Work, as well as any Qualifier, that shall be considered in determining a bidder's eligibility for the contract to be bid are indicated in the EDS.

*Select either the following item (a) or item (b), whichever is applicable, and delete the other:*

- (a) For a contract involving a single category of works (i.e., type of infrastructure and kind of work) - e.g., road construction, or bridge retrofitting, or flood control rehabilitation - the following criteria shall be adopted:

- i. The Major Category of Works is the single category itself.
  - ii. To be eligible to bid for the contract, a contractor must have done a Single Largest Completed Contract (SLCC) for a Major/Similar Category of Works whose total cost is at least 50% of the Approved Budget of the Contract (ABC) to be bid.
- (b) For a contract to be bid involving multiple categories of works ó e.g., road construction plus bridge retrofitting plus flood control rehabilitation ó the following criteria shall be adopted:
- i. Each category of works whose cost is at least 30% of the ABC shall be considered a Major Category of Works. All other categories of works shall be considered Minor Categories of Works.
  - ii. To be eligible to bid for the contract, a contractor must comply with the following work experience requirements:
    - ii-a As the basic requirement, the contractor must have undertaken a SLCC similar to the contract to be bid. To be so considered similar, the SLCC must meet the following requirements:
      - The SLCC must contain the same Major Categories of Works as the contract to be bid, and each Major Category of Works in the SLCC must cost at least 30% of the total cost of the SLCC.
      - The total cost of the SLCC must be at least 50% of the total ABC to be bid.
    - ii-b As an additional requirement, for each Minor Category of Works in the contract to be bid, the contractor must have undertaken an SLCC ó which could be different from the SLCC required in item B2b(1) above ó containing a Category of Works whose cost is at least 50% of the ABC to be bid for that Minor Category of Works.

In the case of contracts which include special equipment to be supplied and installed by the supplier/manufacturer, the cost of such equipment shall be excluded from the ABC to be used in computing the required work experience as stated in the preceding paragraph.

As an exception to the foregoing, however, as mentioned above, Small A and B contractors may be allowed to bid if the cost of the contract is not more than the ARCC corresponding to their PCAB license as shown in Table 1 above, even if they have no experience similar to the contract to be bid.

**(3) Owner's Certificate of Final Acceptance or Constructor's Performance Evaluation System (CPES) Rating**

To support its SLCC, the bidder must submit the corresponding Owner's Certificate of Final Acceptance issued by the project owner other than the contractor, or at least a

satisfactory CPES Rating. In case of contracts with the private sector, an equivalent document shall be submitted.

- **Financial Requirements for Eligibility**

The prospective bidder must have a Net Financial Contracting Capacity (NFCC) at least equal to the ABC to be procured.

The NFCC shall be calculated 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, which portions coincide with the contract to be bid.

The values of the bidder's current assets and current liabilities shall be based on the latest Audited Financial Statements (AFS) submitted to the BIR.

For purposes of computing the foreign bidders' NFCC, the value of the current assets and current liabilities shall be based on their Audited Financial Statements prepared in accordance with international financial reporting standards.

The Procuring Entity shall apply the abovementioned Eligibility Requirements (ER) not only to the main contractor/bidder but also to any sub-contractors for the portions of the main contract works that are proposed to be sub-contracted to them, except for pakyaw contracts as defined in Appendix 11 of RA 9184-IRR.

The main contractor/bidder, however, must meet all of the abovementioned Eligibility Requirements by itself, with or without any sub-contractor. Hence, if any nominated sub-contractor is declared ineligible, the main contractor, on its own, must still meet the prescribed Eligibility Requirements.

Notwithstanding the eligibility of a bidder, the Procuring Entity concerned reserves the right to review the qualifications of the bidder at any stage of the procurement process if the Procuring Entity has reasonable grounds to believe that a misrepresentation has been made by that bidder, or that there has been a change in the bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility requirements, statements or documents, or any changes in the situation of the bidder which will affect the capability of the bidder to undertake the project so that it fails the eligibility criteria, the Procuring Entity shall consider the said bidder as ineligible and shall disqualify it from obtaining an award or contract, in accordance with Rules XXI, XXII, and XXIII of the IRR of RA 9184 (**IRR Section 23.6**).

2. If, as specified in the **EDS**, Electronic Bidding is adopted for this procurement pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the following procedure shall be observed with regard to the registry with the PhilGEPS:
  - a. To facilitate determination of eligibility and subject to the Government Official Merchants Registry (OMR) guidelines, a Procuring Entity may use the registry system of

the PhilGEPS that allows submission and/or recording/entry of eligibility requirements simultaneously with registration.

- b. Only a Certified Member with the appropriate classification can avail of the PhilGEPS advance eligibility submission by uploading their electronic documents to the PhilGEPS document library, which can be accessed for current or future procurements.
- c. Submission of eligibility requirements to the PhilGEPS document library is not tantamount to a finding of eligibility.

***ANNEX II-1.1C***  
***Section III. Eligibility Data Sheet (EDS)***

**Notes on the EDS**

This Section is intended to assist the Procuring Entity in providing the specific information and requirements in relation to corresponding clauses in the Eligibility Requirements(ER) for each specific procurement.

The Procuring Entity should indicate in this Section the information pertaining to the contract at hand that specifies and complements provisions of the ER.



## Eligibility Data Sheet

Eligibility Requirements	
1c(1)	The ABC for this contract is: _____
1c(1)	The required PCAB license for this contract is as follows: a. Size Range: _____ b. License Category: _____ c. Largest Single Project: _____ d. Allowable Range of Contract Cost: _____
1c(2)	<p>(1) The following are the "Major Categories of Works" involved in the contract to be bid:</p> <p>a. _____            b. _____            c. _____            d. _____            e. _____</p> <p>(2) The following are the "Similar Categories of Works" that shall be considered in the evaluation of the work experience required for the contract to be bid:</p> <p>a. _____            b. _____            c. _____            d. _____            e. _____</p> <p>(3) The following "Qualifiers" shall be applied to this contract:</p> <p>a. _____            b. _____            c. _____</p>
2.	<i>State whether Electronic Bidding will be applied in this procurement.</i>

## ***ANNEX II-1.1D***

### ***Section IV. Instructions to Bidders***

#### **Notes on the Instructions to Bidders (ITB)**

This Section of the **Bidding Documents (BDs)** provides the information necessary for Bidders to prepare responsive Bids in accordance with the requirements of the Procuring Entity. It also provides information on the Bid submission, opening, and evaluation, post-qualification, and award of contract.

The provisions of this Section are to be used unchanged. **Annex II-1.1E: Bid Data Sheet (BDS)** consists of provisions that supplement, amend, or specify in detail information or requirements included in this Section, and that are specific to each particular contract to be procured.

Matters governing the performance of the Contractor, payments under the Contract, or matters affecting the risks, rights, and obligations of the parties under the Contract are not normally included in this Section, but rather under **Annex II-1.1F: General Conditions of Contract (GCC)**, and/or **Annex II-1.1G: Special Conditions of Contract (SCC)**.

## STANDARD FORMAT

### INSTRUCTIONS TO BIDDERS (ITB)

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## INSTRUCTIONS TO BIDDERS (ITB)

### A. General

#### 1. Scope of Bid

- 1.1 The Procuring Entity, as defined in the **BDS**, invites Bids for the construction of the Works under the proposed Contract, as described in the **BDS**. The name and ID of the Contract are stated in the **BDS**.
- 1.2 The winning Bidder will be expected to complete the Works by the intended completion date specified in the **SCC** Clause 1.17.

#### 2. Budget and Source of Funds

The Procuring Entity has an Approved Budget for the Contract (ABC) or has applied for or received funds from the Funding Source named in the **BDS**, and in the amount indicated in the **BDS**. It intends to apply part of the funds received for the Project, as defined in the **BDS**, to cover eligible payments under the Contract for the Works.

#### 3. Corrupt, Fraudulent, Collusive, Coercive, and Obstructive Practices

- 3.1 The Procuring Entity requires that the Bidders and Contractors, as well as officials and personnel of the Procuring Entity, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, the DPWH:
  - a. defines, for purposes of this provision, the terms set forth below as follows:
    - (1) "Corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves and others, or induce others to do so, by misusing the positions in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
    - (2) "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders ó before or after Bid submission - designed to establish Bid prices at artificial, non-competitive levels

and to deprive the Procuring Entity of the benefits of free and open competition;

- (3) "Collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish Bid prices at artificial, non-competitive levels.
  - (4) "Coercive practice" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract.
  - (5) "Obstructive practice" is:
    - (a) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
    - (b) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.
- b. will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract; and
  - c. will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a Contract if it at any time determines that the firm has engaged in corrupt, fraudulent, collusive or coercive practices in competing or, or in executing, a Contract.
- 3.2** Furthermore, the Procuring Entity will also seek to impose the maximum penalties for civil and criminal liability available under the applicable law on individuals and organizations deemed to be involved in corrupt, fraudulent, collusive or coercive practices.
- 3.3** The Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a contractor in the bidding for and performance of a

particular contract, through DPWH official or independent auditors as provided in GCC Clause 35.

#### 4. Conflict of Interest

4.1 All Bidders found to have a conflict of interest shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have a conflict of interest with another Bidder in any of the events described in items **a** through **d** of this **ITB** Clause 4.1 and a general conflict of interest in any of the circumstances set out in items **e** through **h** of **ITB** Clause 4.1:

- a. A Bidder has controlling shareholders in common with another Bidder.
- b. A Bidder receives or has received any direct or indirect subsidy from any other Bidder.
- c. A Bidder has the same legal representative as that of another Bidder for purposes of this Bid.
- d. A Bidder has a relationship, directly or through third parties, that puts it in a position to have access to information about or influence on the Bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project.
- e. A Bidder submitted more than one Bid in this bidding process. However, this does not limit the participation of sub-contractors in more than one Bid.
- f. A Bidder participated as a consultant in the preparation of the design or technical specifications of the works, goods and related services that are the subject of the Bid.
- g. A Bidder lent, or temporary seconded, its personnel to firms or organizations which are engaged in consulting services for the preparation related to the procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.

4.2 In accordance with Section 47 of the IRR of RA 9184, the Bidder must include in its Bid a sworn affidavit (part of **Form DPWH-INFR-15**, as provided in Clause 10.1 of this **ITB**) that it is not related to the Head of the Procuring Entity (HoPE), members of the BAC, the Technical Working Group (TWG), and the BAC Secretariat, the head of the IU, and the project consultants, by consanguinity or affinity up to the third civil degree. Failure to comply with the aforementioned provision shall be a ground for the automatic disqualification of the bid in consonance with Section 30 of this IRR. For this reason, relation to the

aforementioned persons within the third civil degree of consanguinity or affinity shall automatically disqualify the bidder from participating in the procurement of contracts of the Procuring Entity, notwithstanding the act of such persons inhibiting themselves from the procurement process. On the part of the bidder, this provision shall apply to the following persons:

- a. If the Bidder is an individual or a sole proprietorship, to the Bidder himself.
- b. If the Bidder is a partnership, to all its officers and members.
- c. If the Bidder is a corporation, to all its officers, directors, and controlling stockholders.
- d. If the bidder is a cooperative, to all its officers, directors, and controlling shareholders or members.
- e. If the Bidder is a joint venture (JV), to each member of the JV for the applicable items a, b, and c of this Clause.

## 5. Eligible Bidders

Unless otherwise indicated in the **BDS**, bidders must meet the **Eligibility Requirements** in **ANNEXII-1.1B** of the **SBDs**. In addition, the **BDS** shall indicate any "qualifier" to the "similar work category" that must be met by the eligible bidder.

## 6. Bidder's Responsibilities

**6.1** The Bidder is responsible for the following:

- a. Having taken steps to carefully examine all of the Bidding Documents.
- b. Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract.
- c. Having made an estimate of the facilities available and needed for the contract to be bid, if any.
- d. Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s as provided under **ITB** Clause 11.3.
- e. Ensuring that it is not "blacklisted" or barred from bidding by the Government of the Philippines (GOP) or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board (GPPB).
- f. Ensuring that 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



- g. Authorizing the HoPE or its duly authorized representative/s to verify all the documents submitted.
- h. Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture.
- i. Complying with the disclosure provision under Section 47 of the Act in relation to other provisions of Republic Act 3019.
- j. Complying with existing labor laws and standards, if applicable.
- k. Ensuring that it 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.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.2 The Bidder or its duly authorized representative shall submit a sworn statement, covering items e to k of **ITB** Clause 6.1 above, in the form prescribed in **DPWH-INF-15** in **ANNEX II-1.1K** hereof.
- 6.3 The Bidder, by the act of submitting its bid, shall be deemed to have inspected the site, determined the general characteristics of the contract works and the conditions for this Project and examine all instructions, forms, terms, and project requirements in the Bidding Documents.
- 6.4 It shall be the sole responsibility of the prospective bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to this Project, including: (a) the location and the nature of the contract, project, or work; (b) climatic conditions; (c) transportation facilities; (c) nature and condition of the terrain, geological conditions at the site communication facilities, requirements, location and availability of construction aggregates and other materials, labor, water, electric power and access roads; and (d) other factors that may affect the cost, duration and execution or implementation of the contract, project, or work.
- 6.5 The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity.
- 6.6 Before submitting their bids, the Bidders are deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect the contract in any way.

- 6.7 The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.8 Bidders should note that the Procuring Entity will only accept bids only from those that have paid the nonrefundable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

## 7. Origin of Goods and Services

There is no restriction on the origin of Goods, or Contracting of Works or Services other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

## 8. Sub-Contracts

- 8.1 Unless otherwise specified in the **BDS**, sub-contracting of the Works shall be subject to the provisions of DPWH Department Order (DO) No. 38, series of 2015, as stated in Clauses 8.2 to 8.7.
- 8.2 All sub-contracts shall be subject to prior approval of the concerned Heads of the DPWH Procuring Entity within the limits of their delegated authority to approve the original contracts.
- 8.3 The contractor may sub-contract portions of the works to such an extent as may be approved by the Procuring Entity and stated in the **BDS**, provided that the main contractor shall directly undertake, using its own resources, not less than fifty percent (50%) of the contract works in terms of cost.
- 8.4 Each sub-contractor must comply with the eligibility criteria as specified in the **Eligibility Requirements (ER)** for the portion of the contract works to be sub-contracted to that sub-contractor- e.g., applicable license from the Philippine Constructors Accreditation Board, satisfactory completion of works similar to the portion of the contract to be subcontracted and costing at least fifty percent (50%) of the cost of such portion, and sufficient Net Financial Contracting Capacity to cover the cost of the work to be sub-contracted, as well as minimum equipment and manpower for the sub-contracted work set by the Procuring Entity. These requirements shall not apply to labor pakyaw contracts provided in the IRR Appendix 11.
- 8.5 The bidder/main contractor may identify the sub-contractors to whom portions of the contract works will be sub-contracted at any stage of the bidding process or during contract implementation, provided that any sub-contracting requires prior approval of the Procuring Entity. If the bidder opts to disclose the name of the sub-contractors during the bid submission, the bidder shall include the required eligibility documents for the sub-contractors as part of the technical component of its bid. Sub-contractors identified during the bidding may be changed during the implementation of the contract, subject to compliance with the eligibility requirements and approval of the Procuring Entity.

- 8.6 Sub-contracting of any portion of the contract shall not relieve the main contractor from any liability or obligation that may arise from the contract. The main contractor shall be responsible for the acts, defaults, and negligence of any subcontractor, its agents or workmen.
- 8.7 For any assignment and sub-contracting of the contract or any part thereof made without prior written approval by the concerned HoPE, the DPWH shall impose on the erring contractor, after the termination of the contract, the penalty of suspension for one (1) year for the first offense, and suspension of two (2) years for the second offense from participating in the public bidding process, pursuant to the provision of Appendix 3, Section 4.2 of the IRR of RA 9184, in accordance with Section 69(6) of RA 9184 and without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution as provided by applicable laws.

## 9. Pre-Bid Conference

- 9.1 If so specified in the **BDS**, a Pre-Bid Conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project. The Pre-Bid Conference shall be held at least twelve (12) calendar days before the deadline for the submission and receipt of Bids. However, attendance of the Bidders shall not be mandatory. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the Pre-Bid Conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the **BDS**.
- 9.2 Bidders are encouraged to attend the Pre-Bid Conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents as recorded in the minutes of the Pre-Bid Conference and the Supplemental/Bid Bulletin.
- 9.3 Any statement made at the Pre-Bid Conference shall not modify the terms of the bidding documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.
- 9.4 If, as indicated in the **BDS**, Electronic Bidding is adopted for this procurement pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Procuring Entity shall observe following procedure with regard to the **PBC**:
- a. For contracts to be bid where the conduct of PBC is required under Section 22 of RA 9184-IRR (Section 5.5.3 of this Manual Volume II), the same procedure governing the manual method will also apply.

- b. A Procuring Entity with videoconferencing capabilities may conduct its PBC conferences electronically, provided that its Registered Merchants shall also have similar capabilities and facilities.
- c. During the conduct of the PBC, Registered Merchants may send requests for clarification through the PhilGEPS online facility, which shall be read during the meeting and shall form part of the minutes, unless the Procuring Entity has previously decided that only those who have purchased the Bidding Documents shall be allowed to participate in the PBC and raise or submit written queries or clarifications.
- d. The minutes of the PBC shall be recorded as an electronic document made electronically available to all participating Registered Merchants through the PhilGEPS Electronic Bulletin Board not later than three (3) calendar days after the PBC.
- e. Requests for clarification(s) on any part of the **BDs** or for an interpretation must be in writing and submitted to the BAC of the Procuring Entity, either electronically through the PhilGEPS or otherwise, at least ten (10) calendar days before the deadline set for the submission and receipt of bids.
- f. Only Bid Bulletins/Supplements approved by the Bid Notice Approver shall be posted in the PhilGEPS at least seven (7) calendar days before the deadline for the submission and receipt of bids. The PhilGEPS shall automatically notify through e-mail all Registered Merchants who have downloaded the bidding documents and paid the **BDs** Fee.

## **B. Contents of Bidding Documents**

### **10. Content of Bidding Documents**

The set of Bidding Documents (BDs) for the specific contract at hand consists of the documents listed below and bulletins issued in accordance with **ITB** Clause 11

		<u>Reference in the SBDs</u>
Section I.	Invitation to Bid (IB)	ANNEX II-1.1A
Section II.	Eligibility Requirements (ER)	ANNEX II-1.1B
Section III.	Eligibility Data Sheet (EDS)	ANNEX II-1.1C
Section IV.	Instructions to Bidders (ITB)	ANNEX II-1.1D
Section V.	Bid Data Sheet (BDS)	ANNEX II-1.1E
Section VI.	General Conditions of Contract (GCC)	ANNEX II-1.1F
Section VII.	Special Conditions of Contract (SCC)	ANNEX II-1.1G
Section VIII.	Specifications	ANNEX II-1.1H
Section IX.	Drawings	ANNEX II-1.1I
Section X.	Bill of Quantities (BOQ)	ANNEX II-1.1J
Section XI.	Bidding Forms (BFs)	ANNEX II-1.1K
Section XII.	Foreign-Assisted Projects (FAPs) ó if	

applicable

ANNEX II-1.1L

- 10.1** Bidders should note that the Procuring Entity shall only accept Bids from Bidders that have purchased the **BDs** from the office indicated in the **IB**, or have downloaded the **BDs** from the DPWH website subject to the payment of the fee for the **BDs** upon submission of their bids.

## **11. Clarification/Amendment of Bidding Documents through Bid Bulletins**

- 11.1** Bidders may request clarification(s) or an interpretation of any part of the **BDs**. Such a request must be in writing and submitted to the Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of Bids. The BAC of the Procuring Entity shall respond to the said request by issuing a Bid Bulletin.
- 11.2** The BAC, upon its initiative, may also issue Supplemental/Bid Bulletins to amend or clarify any provision of the **BDs** not later than seven (7) calendar days before the deadline for the receipt of Bids. .
- 11.3** Any Supplemental/Bid Bulletin issued by the BAC shall be posted on the websites of the DPWH and the Philippine Government Electronic Procurement System (PhilGEPS). It shall be the responsibility of all Bidders who secured the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with **ITB** Clause 24.

## **C. Preparation of Bids**

### **12. Cost of Bidding**

The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Procuring Entity shall in no case be responsible or liable for those costs.

### **13. Language of Bid**

The Bid, as well as all correspondence and documents relating to the Bid exchanged by the Bidder and the Procuring Entity, shall be written in English. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation of the relevant passages in English, in which case, for purposes of interpretation of the Bid, the English translation shall govern.

### **14. Documents Comprising the Bid**

- 14.1** Unless otherwise indicated in the **BDS**, the Bidder shall submit its Bid in accordance with the provisions of **ITB** Clauses 14.2 to 14.4.
- 14.2** The Bidder shall present its Bid which shall consist of the Bid Form including the Technical Proposal and the Financial Proposal.

- a. Technical Proposal ó This shall include all of the following documents:
- (1) PhilGEPS Certificate of Registration and Membership in accordance with Section 8.5.2 of the IRR.
  - (2) If the bidder is not previously enrolled in the CWR: the bidder's Class "A" and Class "B" Documents, together with the CCASR, in accordance with Section 4.8.2 of this Manual Volume II. These Documents should include, among others, the following information required in **IRR Section 25.2b**:
    - (a) PCAB License and Registration
    - (b) Statement of all On-going Government and Private Contracts
    - (c) SLCC
    - (d) NFCC
    - (e) JVA, if applicable
  - (3) Bid Security in/with the required form, amount, and validity period as provided in **ITB Clause 18** (Use **Form DPWH-INFR-10 or 11 or 12**).
  - (4) Project Requirements which shall include the following:
    - (a) Organizational chart for the contract to be bid (Use **Form DPWH-INFR-13**).
    - (b) List of contractor's personnel (e.g., Project Manager, Project Engineers, Materials Engineers, and Foremen), to be assigned to the contract to be bid, with their complete qualification and experience data (Use **Form DPWH-INFR-14**). These personnel must meet the required minimum years of experience shown in the **BDS**.
    - (c) List of contractor's major construction and laboratory equipment units, which are owned, leased, and/or under purchase agreements, supported by proof of ownership and certification of availability of equipment from the equipment lessor/vendor for the duration of the project (Use **Form DPWH-INFR-15**), as the case may be. These equipment units must meet the minimum major equipment requirements for the contract set in the **BDS**.
  - (5) Omnibus sworn statement by the prospective bidder or its duly authorized representative in the form prescribed by the GPPB as to the following (Use **Form DPWH-INFR-16**):

- (a) It is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or LGUs, including foreign government/ foreign or international financing institution whose blacklisting rules have been recognized by the GPPB.
  - (b) 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.
  - (c) It is authorizing the Head of the Procuring Entity or his duly authorized representative(s) to verify all the documents submitted.
  - (d) The signatory is the duly authorized representative of the prospective bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the prospective bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the prospective bidder is a corporation, or duly notarized Special Power of Attorney in case of sole proprietorship, partnership or joint venture.
  - (e) It complies with the disclosure provision under Section 47 of RA 9184 and its IRR in relation to other provisions of R.A. 3019.
  - (f) It complies with the responsibilities of a prospective or eligible bidder provided in the **BDs**, including **ITB 6**.
  - (g) It complies with existing labor laws and standards.
  - (h) It 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.
- b. Financial Proposal ó This shall include all of the following documents:
- (1) Bid Form, using **Form DPWH-INFR-09**.
  - (2) Bid prices in the **Bill of Quantities (BOQ)** in the prescribed Forms (Use **Forms DPWH-INFR-17 and 18**). The bid prices may be in terms of (a) bid unit prices for different work items under the **BOQ**, or (b) fixed total lump-sum price for the entire contract, based on the type and complexity of the project.

- (3) 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.
  - (4) Cash flow by quarter (Use **Form DPWH-INFR-19**).
- 14.3** a. Unless indicated in the **BDS**, all Financial Proposals that exceed the Approved Budget for the Contract (ABC) indicated in **BDS 1.3** shall be rejected.
- a. Unless otherwise indicated in the **BDS**, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met:
- (i) The **BDS** are obtainable free of charge on a freely accessible website. If payment of the **BDS** is required by the Procuring Entity, payment could be made upon the submission of bids.
  - (ii) The Procuring Entity has procedures in place to ensure that the ABC is based on recent estimates made by the responsible unit of the Procuring Entity and that the estimates are based on adequate detailed engineering and reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works to be procured.
  - (iii) The Procuring Entity has trained cost estimators on estimating prices and analyzing bid variances. It must also have trained quantity surveyors.
  - (iv) The Procuring Entity has established a system to monitor and report bid prices relative to the ABC and the Procuring Entity's estimate.
  - (v) The Procuring Entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of works.
- 14.4** The bidder may use, as reference, the checklist of requirements for its Technical and Financial Proposals, as shown in **Form DPWH-INFR-20**.

## **15. Bid Prices**

- 15.1** The Contract shall be for the whole Works, as described in **ITB** Clause 1.1, based on the priced **BOQ** (Use **Form DPWH-INFR-17**) submitted by the Bidder.
- 15.2** The Bidder shall fill in its unit and total Bid prices for all items of the Works described in the **BOQ**. Bids not addressing or providing all of the required items in the **BOQ**, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is



indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) or a dash (–) for the said item would mean that it is being offered for free to the Government.

- 15.3 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, prior to the deadline for submission of Bids, shall be included in the Bid prices submitted by the Bidder.
- 15.4 For the given scope of work in the Contract as awarded, all Bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances as specified in **GCC Clause 47**. Price escalation may be allowed in extraordinary circumstances as may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon the recommendation of the Procuring Entity. Furthermore, 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.

## 16. Currencies of Bid and Payment

- 16.1 All Bid prices shall be quoted in Philippine Peso unless otherwise provided in the **BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate prevailing on the day of the Bid opening.
- 16.2 If so allowed in accordance with **ITB Clause 16.1**, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the exchange rate as published in the BSP reference rate bulletin on the day of the bid opening.
- 16.3 Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.

## 17. Bid Validity

- 17.1 Bids shall remain valid for the period specified in the **BDS**, which shall not exceed one hundred twenty (120) days from the date of the opening of Bids.
- 17.2 In exceptional circumstances, the Procuring Entity may request that the Bidders extend the period of validity of their Bids for a specified additional period. The request and the Bidders' responses shall be made in writing. A Bidder may refuse the request without forfeiting the Bid Security. A Bidder agreeing to the request will not be required or permitted to otherwise modify the Bid, but will be required to extend the validity of the Bid Security for the period of the extension, and in compliance with **ITB Clause 14** in all respects.

## 18. Bid Security

- 18.1** The Bidder shall submit to the Procuring Entity, as part of its Bid, a Bid Securing Declaration (using **Form DPWH-INFR-12**) or any form of Bid Security in an amount equal to a percentage of the ABC in accordance with the following schedule:

<b>Form</b>	<b>Minimum Amount</b>
(1) Cash or cashier's/manager's check issued by a Universal or Commercial Bank	2% of ABC
(2) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank (Use <b>Form DPWH-INFR-10 or 11</b> )	2% of ABC
(3) Surety bond callable on demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security	5% of ABC

- 18.2** A Bid Securing Declaration is an undertaking which states, among others, that the bidder shall enter into contract with the Procuring Entity and furnish the required Performance Security within ten (10) calendar days, or less, as indicated in the **BDS**, from receipt of the Notice of Award, and commits to pay the corresponding amount as fine and be suspended for a period of time from being qualified to participate in any government activity in the event it violates any of the conditions stated therein as required in the guidelines issued by the Government Procurement Policy Board (GPPB).
- 18.3** The Bid Security should be valid for the period specified in the **BDS**.
- 18.4** Any Bid not accompanied by a Bid Securing Declaration or an acceptable Bid Security shall be rejected by the Procuring Entity as non-responsive.
- 18.5** No Bid Securities shall be returned to Bidders after the opening of Bids and before contract signing, except to those that failed to comply with any of the requirements to be submitted in the Technical Proposal and Financial Proposal of the Bid, as provided in the IRR of R.A. 9184. Without prejudice to the forfeiture of Bid Securities, Bid Securities shall be returned only after the Bidder with the Lowest Calculated Responsive Bid has signed the Contract and furnished the Performance Security, but in no case later than the expiration of the Bid Security validity period indicated in the **BDS**.
- 18.6** The Bid Security may be forfeited:
- a. if the Bidder withdraws its Bid after Bid opening during the period of Bid validity; or
  - b. if the Bidder does not accept the correction by the Bids and Awards Committee of arithmetical and computational errors in its Bid prices, pursuant to **ITB** Clause 28; or
  - c. in the case of the winning Bidder, if the Bidder fails, within ten (10) days from its receipt of the Notice of Award, to:

- (1) submit to the Procuring Entity the following documents:
  - (a) Notice of Award with the bidder's signed "conforme";
  - (b) Authority of Signing Official/Board Resolution/Secretary's Certificate;
  - (c) For a joint venture (JV), Contractor's PCAB Special JV License and JV Agreement;
  - (d) Performance Security (Use **Form DPWH-INFR-43 or DPWH-INFR-44**, as applicable);
  - (e) Construction Methods (Use **Form DPWH-INFR-45**);
  - (f) Construction Schedule in the form of PERT/CPM Diagram or Precedence diagram and Bar Chart with S-Curve (Use **Form DPWH-INFR-46**);
  - (g) Manpower Schedule (Use **Form DPWH-INFR-47**);
  - (h) Equipment Utilization Schedule (Use **Form DPWH-INFR-48**);
  - (i) Construction Safety and Health Program (Use **Form DPWH-INFR-49**);
  - (j) Contractor's All Risk Insurance (CARI);
  - (k) Latest Income Tax and Business Returns duly stamped and received by BIR and duly validated with the tax payments made. Tax Clearance from the BIR to prove full and timely payment of taxes;
  - (l) For a local contractor, Certification under oath stating that the Contractor is free and clean of all tax liabilities;
  - (m) For a foreign bidder, valid PCAB License and Registration for the type and cost of the contract to be bid, when the Treaty or International or Executive Agreement expressly allows submission of the PCAB License and Registration for the type and cost of the contract to be bid as a pre-condition to the NOA; and
  - (n) Integrity Pledge in accordance with Department Order No. 86, series of 2013; or
- (2) sign the Contract Agreement; or

- d. if the Bidder submits eligibility requirements that contain false information or falsified documents, or conceals such information, in order to influence the outcome of the eligibility screening or any other stage of the bidding; or
- e. if the Bidder submits Bids that contain false information or falsified documents, or conceals such information in the Bids, in order to influence the outcome of the bidding; or
- f. if the Bidder allows the use of its name by another contractor, or uses the name of another contractor, for purposes of public bidding; or
- g. if the Bidder refuses to clarify or validate in writing its Bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification; or
- h. if the Bidder makes any documented unsolicited attempt to unduly influence the outcome of the bidding in its favor; or
- i. if the Bidder commits any other act that tends to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding or submitting letters of non-participation for at least three (3) times within twelve (12) months, except for valid reasons.

## **19. Alternative Bids by Bidders**

**19.1** Bidders shall submit offers that comply with the requirements of the Bidding Documents, including the basic technical design as indicated in the drawings and specifications. Unless there is a value engineering clause in the **BDS**, alternative bids shall not be accepted. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

**19.2** Each Bidder shall submit only one Bid, either individually or as a partner in a JV. A Bidder who submits or participates in more than one bid (other than as a subcontractor if a subcontractor is permitted to participate in more than one bid) will cause all the proposals with the Bidder's participation to be disqualified. This shall be without prejudice to any applicable criminal, civil and administrative penalties that may be imposed upon the persons and entities concerned.

## **20. Format and Signing of Bid**

**20.1** Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in **Section XI** of the **SBDs (ANNEX IIA-11)** on or before the deadline specified in the **ITB Clause 22** in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall

contain the technical component of the bid as provided in **ITB** Clause 14.2a, and the second shall contain the financial component of the bid as provided in **ITB** Clause 14.2a.

- 20.2** Forms as mentioned in **ITB** Clause 20.1 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 20.3** The Bidder shall submit one original of the Technical Proposal and one original of the Financial Proposal as described in **ITB** Clause 20.1 and clearly mark each as "ORIGINAL - TECHNICAL PROPOSAL" and "ORIGINAL - FINANCIAL PROPOSAL". In addition, the Bidder shall submit copies of the Technical Proposal and the Financial Proposal, and clearly mark them "COPY NO. 1 - TECHNICAL PROPOSAL" and "COPY NO. 1 - FINANCIAL PROPOSAL". In the event of any discrepancy between the original and the copies, the original shall prevail.
- 20.4** The original copy of the Bid as indicated in the **BDS** shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the contract. Each page of the Bid Form and the accomplished Bill of Quantities shall be signed by the Bidder or its duly authorized representative. Failure to do so shall be a ground for the rejection of the Bid.
- 20.5** Any interlineations, erasures, alterations or overwriting shall be valid only if they are signed or initialed by the person signing the Bid.
- 20.6** Commissions or gratuities are not allowed.

## **21. Sealing and Marking of Bids**

- 21.1** The Bidder shall enclose the original of the Technical Proposal in one sealed envelope marked as "ORIGINAL - TECHNICAL PROPOSAL"; whereas, the original of the Financial Proposal shall be enclosed in another sealed envelope marked as "ORIGINAL - FINANCIAL PROPOSAL". Both envelopes shall then be placed in another single envelope marked as "ORIGINAL BID".
- 21.2** Each copy of the Technical Proposal and Financial Proposal, shall be similarly sealed duly marked as "COPY NO. 1 - TECHNICAL PROPOSAL" and "COPY NO. 1 - FINANCIAL PROPOSAL" respectively and the outer envelope as "COPY NO. 1".
- 21.3** These envelopes containing the original and the copies shall then be enclosed in one single envelope that shall:
- a. indicate the name of the Contract to be bid;
  - b. bear the name and address of the Bidder;
  - c. be addressed to the Procuring Entity in accordance with **ITB** Clause 7;

- d. bear the specific identification of this bidding process indicated in the **BDS**; and
- e. bear a warning "DO NOT OPEN BEFORE" the time and date for the opening of Bids , in accordance with **ITB** Clause 21.

**21.4** If all envelopes are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the Bid. If a Bid is not sealed and marked as required, the bidder or its authorized representative shall acknowledge the condition of such Bid as submitted; otherwise the Bid shall be disqualified.

### **D. Submission and Opening of Bids**

#### **22. Place and Deadline for Receipt of Bids**

Bids must be received by the BAC of the Procuring Entity at the address and on or before the deadline indicated in the **BDS**.

#### **23. Late Bids**

Any Bid submitted after the deadline for the receipt of Bids prescribed by the Procuring Entity, pursuant to **ITB** Clause 18, shall be declared "Late" and shall not be accepted by the Procuring Entity.

#### **24. Modification and Withdrawal of Bids**

**24.1** The Bidder may modify its Bid after it has been submitted provided that the modification is received by the Procuring Entity prior to the deadline prescribed for the receipt of Bids by the BAC. The Bidder shall not be allowed to retrieve its original Bid, but shall be allowed to submit another Bid equally sealed, properly identified, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

**24.2** A Bidder may, through a Letter of Withdrawal, withdraw its Bid after it has been submitted, for valid and justifiable Reasons; Provided That the Letter of Withdrawal is received by the Procuring Entity not later than the deadline prescribed for the receipt of Bids.

**24.3** Bids requested to be withdrawn in accordance with **ITB** Clause 20.2 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of Bids. A Bidder that withdraws its Bid shall not be permitted to submit another Bid, directly or indirectly, for the same contract.

**24.4** No Bid may be modified after the deadline for the receipt of Bids. No Bid may be withdrawn in the interval between the deadline for the receipt of Bids and the

expiration of the period of Bid validity specified by the Bidder in accordance with **ITB** Clause 13.1. Withdrawal of a Bid during this interval may result in the forfeiture of the Bidder's Bid Security, pursuant to the **ITB** Clause 14.5, and the imposition of administrative, civil and criminal sanctions as prescribed by R.A. 9184 and its IRR.

## **25. Receipt of Bids under Electronic Bidding**

If, as indicated in the **BDS**, Electronic Bidding is adopted for this procurement pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the following procedure shall be observed with regard to the submission and receipt of bids:

- a. On-line Bidders may submit their eligibility requirements to the Procuring Entity through the e-bidding facility of PhilGEPS.
- b. Joint Ventures
  - (1) In case of joint venture, each partner of the joint venture must: (i) be registered in the PhilGEPS, (ii) secure Certified Membership Status, and (iii) electronically send its respective eligibility documents.
  - (2) The joint venture partners must identify and designate the Primary and Secondary Partner(s).
  - (3) Before the PhilGEPS will accept submissions of Technical and Financial Proposals from the Primary Partner, there must be a confirmation from the Secondary Partner(s) as to existence of, or agreement to enter into, a joint venture.
  - (4) Upon Confirmation, the Primary Partner shall be required by the PhilGEPS to upload the Joint Venture Agreement or a duly notarized statement.
- c. With regard to the requirement for a Bid Security as part of the Technical Proposal under Section 5.6.2a(2) above, the following guidelines shall be observed:
  - (2) On-line bidders may submit the Bid Security in cash through the PhilGEPS electronic payment facility.
  - (3) In case of other forms of Bid Security, the on-line bidder shall prepare and submit a scanned copy of the Bid Security together with the electronic bid. However, the original Bid Security must be submitted to the BAC concerned before the end of business hours on the day of bid submission, a failure of which shall automatically render the bid submission as non-compliant.
  - (4) If the on-line bidder sends the original Bid security through registered mail or private courier, the indicated date of receipt by the postal service

or private courier shall be considered as the date of submission to the BAC concerned, without prejudice to any verifications during post-qualification.

- d. On-line Bidders, or the Primary Partner in the case of Joint Ventures, shall electronically submit their bids through the Bidder's On-line Nominee, at any time before the closing date and time specified in the **BDS**.
- e. The actual time of bid submission of an On-line Bidder shall be the time indicated on the PhilGEPS Server when the bidder clicks the "Submit" button which shall be automatically recorded by the PhilGEPS. Upon receipt of a bid, the PhilGEPS shall automatically generate a bid receipt page that can be printed by the on-line bidder. This contains the recorded "submission time" which shall be considered as the Official Submission Time of the bidder.
- f. An On-line Bidder may modify its bid at any time before the closing date and time for the submission and receipt of bids.
- g. An On-line Bidder may withdraw its bid before the deadline for the submission and receipt of bids.
- h. The PhilGEPS shall bar all incoming bids after the closing date and time.

## 26. Eligibility Check

- 26.1 Unless otherwise indicated in the **BDS**, after determining the names of the bidders that submitted bids for the contract at hand, the BAC of the Procuring Entity, assisted by its BAC Secretariat, shall check if each bidder that submitted bids is eligible to bid for the contract being procured. This shall be done electronically by computer using the data and program in the DPWH Civil Works Registry (CWR). The submission of the Original Receipt (OR) for payment of the **BDS** for the contract issued by any DPWH field office is sufficient for the BAC of the Procuring Entity to undertake the electronic eligibility evaluation of contractors.
- 26.2 The BAC Secretariat of the Procuring Entity shall enter into the CWR the Contract Profile (CP) for the contract being procured. The CP will give the basic contract data, including the ABC, works similar to those of the contract to be bid, and contract duration.
- 26.3 In case a bidder is already enrolled in the CWR and submits the Original Receipt (OR) for payment of the **BDS** for the contract issued by any DPWH field office, together with its bid, the BAC Secretariat shall enter into the CWR the PCAB License Number and/or name of the bidder.
- 26.4 In case a bidder is not previously enrolled in the CWR and submits its Eligibility Requirements - i.e., Class "A" and Class "B" Documents under its CCASR - as part of its bid, together with Original Receipt (OR) for payment of the **BDS** for the contract issued by any DPWH field office, the BAC Secretariat shall immediately



encode and enter into the CWR the appropriate data and information ó e.g., SLCC, NFCC, etc. - from the submitted Documents.

**26.5** In both cases, the CWR program will then electronically process and match the prospective bidder's capability or eligibility data in the CWR ó e.g., value of Single Largest Completed Contract (SLCC) similar to the contract being procured and actual NFCC - against the eligibility requirements for the contract derived from the CP ó e.g., SLCC similar to the subject contract and costing at least 50% of ABC, and NFCC at least equal to ABC. The computer program will thus automatically determine whether or not the prospective bidder meets the following eligibility requirements:

- a. The cost of the bidder's SLCC is at least 50% of the ABC of the project to be procured.
- b. The bidder's NFCC is at least equal to ABC of the project to be procured.

The program will also generate the results of the Eligibility Check, including the Notices of Ineligibility. The reasons for ineligibility will also be automatically shown in the Notices of Ineligibility.

**26.6** During the bids opening session, the BAC will issue the Notices of Ineligibility to the bidders concerned. If any of the bidders immediately agrees to their ineligibility as indicated in the Notices, the BAC shall promptly not consider its bid and thus return it to the bidder unopened. If, on the other hand, any of the bidders indicate its intent to seek a reconsideration of its declared ineligibility, the BAC shall set aside its sealed bid which shall be signed on its cover by the bidder and other competing bidders and members of the BAC. If, after evaluating the bidder's request for reconsideration, the BAC finds the bidder to be eligible for the contract at hand, the BAC shall set the date and time for the opening of the bids of the bidders concerned.

**26.7** The BAC shall then proceed with the opening and preliminary examination of the bids of the bidders that are declared eligible.

## **27. Opening and Preliminary Examination of Bids**

**27.1** The BAC shall open the Bid envelopes in the presence of Bidders' representatives who choose to attend, at the time, on the date, and at the place specified in the **BDS**. Bidders' representatives who are present shall sign a register evidencing their attendance.

**27.2** The BAC shall read out and record letters of withdrawal, and return the unopened envelopes containing the corresponding withdrawn Bid to the Bidders concerned. If the withdrawing Bidder's representative is present, the BAC shall return the original Bid and all copies thereof to that representative during the Bid opening. If the representative is absent, the BAC shall return the unopened Bid by registered mail. The Bidder may withdraw its Bid before the deadline for submission and

receipt of Bids, provided that its letter of withdrawal contains a valid justification requesting such withdrawal, subject to appropriate administrative sanctions.

- 27.3** The BAC shall not accept Bids of ineligible Bidders. The BAC shall open the Bids of eligible Bidders only, in accordance with the following Clauses.
- 27.4** Outer envelopes marked "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" shall be identified but not opened. The BAC shall announce the presence and type of modification from the information contained on the outer envelope.
- 27.5** The BAC shall then conduct the Preliminary Examination of the Bids. The purpose of this examination is solely to determine the "presence-or-absence" of each of the required documents comprising the bid, as stated in Clause 14 above, using a simple non-discretionary "pass (if present) or - fail (if absent)" criterion, with the aid of checklists.
- 27.6** The BAC shall first open and undertake the Preliminary Examination of the envelopes containing the Technical Proposals and modifications, if any, one at a time, and reading out and recording the following:
- a. Name of the Bidder.
  - b. Whether there is a technical modification or substitution.
  - c. Presence, amount and validity of the Bid Security.
  - d. Presence or absence of each document comprising the Technical Proposal vis-à-vis a checklist of the required documents.
- 27.7** The BAC of the Procuring Entity shall determine each Bidder's compliance with the documents required to be submitted for the Technical Proposal of the Bid, as prescribed in **ITB** Clause 10. For this purpose, the BAC shall check the submitted documents in the Technical Proposal against a checklist (**Form DPWH-INFR-31**) of required documents to ascertain if the latter are all present in the Technical Proposal. If the required document is present, the Technical Proposal shall be rated as "passed" for that particular requirement. On the other hand, if the required document is absent, i.e., missing, incomplete or patently insufficient, the Technical Proposal shall be rated as "failed" for that particular requirement. In case one or more of the required documents in the Technical Proposal of a particular Bid is absent - i.e., missing, incomplete, or patently insufficient - the BAC shall rate the Technical Proposal as "failed" and immediately return to the Bidder concerned its second envelope (Financial Proposal) unopened. If all of the required documents in the Technical Proposal are **present**, the Technical Proposal is rated as "passed."
- 27.8** Unless otherwise specified in the **BDS**, on the same day the BAC shall then open the Financial Proposal (second envelope) of each bidder whose Technical Proposal was rated as "passed." The BAC shall check the submitted documents in the Financial Proposal against a checklist of required documents (**Form**

**DPWH-INFR-32)** to ascertain if the latter are all present in the Financial Proposal. If the required document is present, the Financial Proposal shall be rated as "passed" for that particular requirement. In case one or more of the required documents in the Financial Proposal (second envelope) of a particular Bid is absent - i.e., missing, incomplete or patently insufficient - and/or if the submitted total bid price exceeds the ABC, the BAC shall rate the Financial Proposal and, thus, the entire bid, as "failed." If all of the required documents in the Financial Proposal are present, the entire bid is rated as "passed." Bids that are so rated as "passed" shall immediately be considered for detailed evaluation of the Bids.

- 27.9** The BAC shall prepare the minutes of the proceedings of the Bid opening that shall include, as a minimum: (a) the Abstract of Bids as Read including the name of each Bidder, its Bid prices, Bid Security, and findings of the Preliminary Examination of Bids; and (b) the attendance sheet. The BAC members shall sign the Abstract of Bids as Read and the BAC Observers may witness the same. A copy of the Abstract of Bids as Read shall be made available to all interested Bidders. The minutes of the proceedings of the Bid opening shall be available to the public upon written request and payment of a specified fee to cover the cost of materials.

## **28 Opening and Preliminary Examination under Electronic Bidding**

If, as indicated in the **BDS**, Electronic Bidding is adopted for this procurement pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the following procedure shall be observed with regard to the opening and preliminary examination:

- a. Upon receipt of manually-filed bids, the Bid Opener, before the Bid Opening, but immediately after the deadline for submission of bids, shall record and input into the PhilGEPS E-bidding module the date and time each of the bid was manually received, including the name of the bidder's authorized representative.
- b. The BAC shall open the bids immediately after the deadline for submission and receipt of bids, and on the bid opening date.
- c. Before the decryption of electronic bids, the Bid Opener must first login to the PhilGEPS and only then can BAC members input their respective USER IDs and PASSWORDS, provided however, that PhilGEPS decryption will not take place unless all the members present and logging in constitute quorum.
- d. The Bid Opener shall publicly open the first bid envelopes of bidders who submitted bids manually to determine each bidder's compliance with the documents required to be submitted for eligibility, that is, legal, technical and financial eligibility documents; and for the technical requirements. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be

considered as "failed". Otherwise, the BAC shall rate the bidder "passed" in relation to the eligibility and technical documents in the first envelope.

- e. After all the manually submitted first envelopes of bidders were opened, and the results and findings were encoded in the PhilGEPS Preliminary Examination Report facility, the Bid Opener shall thereafter proceed to decrypt the electronic First Bid Envelopes submitted by the On-line Bidders to determine each bidder's compliance with the required eligibility and technical documents following the steps and procedures outlined in Section 5.6.9d above. Thereafter, the Bid Opener shall input the findings and results into the PhilGEPS Preliminary Examination Report facility.
- f. Immediately after determining compliance with the requirements in the first envelope, the Bid Opener shall forthwith open the manually submitted second bid envelope of each eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day.
- g. After all the manually submitted second envelopes of bidders were opened, and the results and findings were encoded in the PhilGEPS Preliminary Examination Report facility, the Bid Opener shall thereafter proceed to decrypt the electronic Second Bid Envelopes of each On-line Bidders whose electronic first bid envelope was rated "passed" to determine each bidder's compliance with the required financial documents following the steps and procedures outlined in Section 5.6.9f above.
- h. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC, the BAC shall rate the bid concerned as "failed". The Bid Opener shall then input the findings and results into the PhilGEPS Preliminary Examination Report facility.
- i. Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.
- j. The PhilGEPS shall automatically send an electronic mail to all bidders who failed in the preliminary examination of the first and/or second envelope.

## **E. Evaluation and Comparison of Bids**

### **29 Process to be Confidential**

Members of the BAC, its staff and personnel, Secretariat and TWG, as well as observers, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of any of the bids until the issuance of the Notice of Award.

### 30. Clarification of Bids

To assist in the evaluation, comparison and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

### 31. Detailed Evaluation and Comparison of Bids

- a. The Procuring Entity shall evaluate and compare, in detail, only the Bids that are rated as "complying" ("passed") for both Technical and Financial Proposals pursuant to **ITB** Clause 26.
- b. In evaluating the Bids to get the Lowest Calculated Bid, the Procuring Entity shall undertake the following:
- c. The detailed evaluation of the Financial Proposals of the Bids, to establish the correct calculated prices of the Bids.
- d. The ranking of the total bid prices as so calculated from the lowest to highest. The Bid with the lowest price in the ranking shall be identified as the Lowest Calculated Bid.
- e. To determine the Lowest Calculated Bid, the BAC shall use non-discretionary "pass/fail" criteria, as stated in the **IB**, which shall include a consideration of the following:
  - (1) Completeness of the bid. Unless the **ITB** specifically allows partial bids, bids not addressing or providing all of the required items in the **BDs**, including the **BOQ**, shall be considered as non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) or a dash ("-") for the said item would mean that it is being offered for free to the Government, except those required by law or regulations to be provided for (IRR Section 32.2.1a); and
  - (2) Arithmetical corrections. The BAC shall consider computational errors, omissions and discounts if allowed in the **BDs** to enable proper comparison of all eligible bids. It may also consider bid modifications if expressly allowed in the **BDS**. Any adjustment shall be calculated in monetary terms to determine the calculated prices.

In case a bid offers a discount on the total bid price, the percentage of the discount to the total bid price shall be applied to all pay items for purposes of evaluating the value of work accomplished during the implementation stage.

- (3) Evaluation on equal footing. The BAC shall evaluate all bids on an equal footing to ensure fair and competitive bid comparison. For this purpose, all bidders shall be required to include the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the Bid Form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.
- (5) Rule on discrepancies. In case of discrepancies between: (a) bid prices in figures and in words, the latter shall prevail; (b) total price per item and unit price for the item as extended or multiplied by the quantity of that item, the latter shall prevail; (c) stated total price and the actual sum of prices of component items, the latter shall prevail; (d) unit cost in the detailed estimate and unit cost in the **BOQ**, the latter shall prevail. The corrected per item cost for all items shall be the basis for the corrected grand total cost.
- (6) Total calculated bid prices. The total calculated bid prices are obtained after making the detailed evaluation and corrections according to the abovementioned criteria.
- f. The Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form.
- g. In case of discrepancies between:
- (1) bid prices in figures and in words, or
  - (2) total bid prices per pay item and unit prices applied to the quantities per pay item, or
  - (3) stated total Bid price and the actual sum of prices of component items, or
  - (4) unit prices in the detailed estimate and unit bid prices in the Bill of Quantities,
- the latter in each of the above cases shall prevail, and the total Bid amount shall be corrected accordingly.
- h. Based on the detailed evaluation of the bids, those that comply with the abovementioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, in accordance with the provisions of this **ITB** Clause. This will identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered, unless otherwise indicated in **BDS 14.3a**.
- i. The provision in this Clause 31-i is not to be considered in the evaluation of the bids to determine the technically complying bid or the lowest calculated bid, but shall be

applied by the Procuring Entity during the implementation of the contract, particularly in making contract payments:

- (1) During the evaluation of the bids, the BAC shall take note of any unbalanced bids on early works and other items for unit-priced contracts.
- (2) Unbalanced bids are defined as those where the total bid price for a major pay item is more than fifty percent (50%) of the corresponding cost of that pay item in the ABC. A major pay item is defined as that whose cost in the ABC is 20% or more of the total ABC; if there is no such pay item, then major pay items are defined as the two pay items in the ABC with the highest total costs.
- (3) Unbalanced bids also include those with a minor pay item whose cost in the ABC is more than five percent (5%) of the total ABC and where the corresponding bid price for that pay item is more than one hundred percent (100%) of the ABC for that item.
- (4) For unbalanced bids, during the implementation of the contract works, the payment for these major and minor pay items shall be made initially at the unit prices in the ABC, and the remainder - i.e., contract unit price minus ABC unit price for the major pay item - shall be paid when the work under the major pay item is completed.

### **32. Procedure for Detailed Evaluation of Bids under Electronic Bidding**

In case Electronic Bidding is adopted pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Procuring Entity shall apply the manual procedure for the detailed evaluation of bids prescribed under Section 31 of the **ITB**. In addition, the procuring Entity shall observe the following guidelines:

- a. After conducting the detailed evaluation of all bids using non-discretionary criterion, the Bid Opener shall input and record the results of the evaluation into the PhilGEPS Evaluation Summary Report facility.
- b. The PhilGEPS shall automatically rank the bidders in ascending order based on their total calculated bid prices to identify the LCB as evaluated and corrected for computational errors, and other bid modifications. Total calculated bid prices, as evaluated and corrected for computational errors, and other bid modifications, which exceed the ABC shall be disqualified. After all bids have been received, opened, examined, evaluated, and ranked, the system shall thereafter generate the Abstract of Bids in the form of PhilGEPS Evaluation Summary Report.
- c. The BAC shall manually prepare a Resolution whether approving or denying the Abstract of Bids generated by the system. However, after the BAC Resolution approving the Abstract of Bids is uploaded in the PhilGEPS, an electronic message shall be automatically sent to all bidders who participated informing them that the Abstract of Bids is available for downloading.

### 33. Post-Qualification of the Lowest Calculated Bid

- a. The Procuring Entity shall conduct a Post-Qualification of the Bidder that is evaluated to have the Lowest Calculated Bid (LCB) to determine definitely if it complies with and is responsive to all requirements and conditions for eligibility and of the Bidding for the contract specified in **ITB** Clauses 5 and 14.
- b. Within five (5) calendar days from receipt by the Bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following post-qualification documentary requirements (**IRR Section 34.2**):

- (1) Latest income and business tax returns.

- (2) Other appropriate licenses and permits required by law and stated in the **BDS**.

Failure of the Bidder declared as LCB to duly submit the requirements under this Clause or a finding against the veracity of such, shall be ground for forfeiture of the bid security and disqualification of the Bidder for award.

- c. The determination shall use non-discretionary pass/fail criteria and be based upon examination, verification, and validation of the documentary evidence of the Bidder's eligibility/qualifications submitted by the Bidder in the Contractor's Confidential Application Statement for Registration (CCASR) in accordance with Section II: Eligibility Requirements, and in the Technical and Financial Proposals in accordance with **ITB** Clause 10. The Procuring Entity shall use the post-qualification criteria indicated in **Form DPWH INFR-37**.
- d. If the BAC determines that the Bidder with the LCB passes all the criteria for Post-Qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, (LCRB) and recommend to the HoPE the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.
- e. If the BAC determines that the Bidder with the LCB fails the criteria for Post-Qualification, it shall proceed to the next LCB to make a similar determination of that Bidder's capabilities. If the second Bidder, however, fails the Post-Qualification, the procedure for Post-Qualification shall be repeated for the Bidder with the next LCB, and so on until the LCRB is determined for contract award.

### 34. Post-Qualification under Electronic Bidding

If, as indicated in the **BDS**, Electronic Bidding is adopted for this procurement pursuant to GPPB Resolution No. 23-2013, dated 30 July 2013, the Procuring Entity shall observe the following procedure with regard to the post-qualification:

- a. Within one (1) day after the approval of the Abstract of Bids, the bidder with the Lowest Calculated Bid (LCB) should be notified through electronic mail that the bidder shall undergo post-qualification and submit the post-qualification



requirements within five (5) calendar days as provided for under Section 34.2 of RA 9184-IRR.

- b. If the BAC determines that the bidder with the LCB passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid (LCRB), and recommend to the HoPE the award of contract to the said bidder at its submitted bid price or its calculated bid price, whichever is lower or, in the case of quality-based evaluation procedure, submitted bid price or its negotiated price, whichever is lower.
- c. If, however, the BAC determines that the bidder with the LCB fails the criteria for post-qualification, it shall immediately notify the said bidder electronically in writing of its post-disqualification and the grounds for it.
- d. Immediately after the BAC has electronically notified the first bidder of its post-disqualification, and notwithstanding any pending request for reconsideration thereof, the BAC shall initiate and complete the same post-qualification process on the bidder with the second LCB. If the second bidder passes the post-qualification, and provided that the request for reconsideration of the first bidder has been denied, the second bidder shall be post-qualified as the bidder with the LCRB.
- e. If the second bidder, however, fails the post-qualification, the procedure for post-qualification shall be repeated for the bidder with the next LCB, and so on until the LCRB, as the case may be, is determined for award, subject to Section 37 of the IRR.
- f. The post-qualification process shall be completed in not more than twelve (12) calendar days from the determination of the LCB. In exceptional cases, the post-qualification period may be extended by the HoPE, but in no case shall the aggregate period exceed forty five (45) calendar days.
- g. The BAC or its Bid Opener shall record and encode the post-qualification results of manually submitted documents in the PhilGEPS. For electronic documents submitted online, the BAC or its Bid Opener shall decrypt the documents and the results recorded automatically.
- h. After recording the post-qualification summary and uploading the BAC resolution declaring the bidder with the LCRB in the PhilGEPS, an electronic message shall be automatically sent to all bidders who participated informing them that the Notice of LCRB is available for downloading.

### **35. Right of Procuring Entity to Reject Bids**

- 35.1** Notwithstanding the eligibility or post-qualification of a Bidder, the Procuring Entity concerned reserves the right to review the qualifications of the Bidder at any stage of the procurement process if the Entity has reasonable grounds to believe that the Bidder has made a misrepresentation, or that there has been a change in the Bidder's capability to undertake the contract from the time it

submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the contract so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award for the contract.

**35.2** The Procuring Entity reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract in the following situations, without incurring any liability to the affected bidders:

- a. If there is prima facie evidence of collusion among appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition.
- b. If the BAC is found to have failed in following the prescribed bidding procedures.
- c. For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the Government as follows:
  - (1) if the physical and economic conditions have significantly changed so as to render the contract works no longer economically, financially or technically feasible as determined by the HoPE;
  - (2) if the contract works are no longer necessary as determined by the HoPE; or
  - (3) if the funds for the contract have been cancelled, withheld or reduced through no fault of the Procuring Entity.

**35.3** In addition, the Procuring Entity may likewise declare a failure of bidding, without incurring any liability to the affected bidders, when:

- a. no bids are received;
- b. all prospective bidders are declared ineligible;
- c. all bids fail to comply with all the bid requirements or fail post-qualification; or
- d. the bidder with the LCRB refuses, without justifiable cause to accept the award of contract, and no award is made.

## F. Award of Contract

### 36. Award Criterion

The Procuring Entity shall award the contract to the winning Bidder whose Bid has been determined, after the evaluation of bids and Post-Qualification, as the LCRB, at its submitted bid price or its calculated bid price, whichever is lower (**IRR Section 34.4**).

### 37. Notice of Award

- 37.1** Prior to the expiration of the Bid validity period, the Procuring Entity shall issue a written Notice of Award (NOA) to the Bidder with the LCRB to be received by the Bidder personally, by registered mail, or electronically, receipt of which must be confirmed in writing within two (2) days by the Bidder with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.
- 37.2** The NOA shall state the proposed contract price ó i.e., whichever is lower of the submitted bid price or calculated bid price - together with the documentary requirements to be submitted by the Bidder to perfect the contract.
- 37.3** Notwithstanding the issuance of the NOA, award of contract shall be subject to the following conditions:
- a. Submission by the bidder with the LCRB of the following documents within ten (10) from the bidder's receipt of the NOA, as conditions for signing the contract:
    - (1) Notice of Award (NOA) with the bidder's signed "conforme" (Use **Form DPWH-INFR-41**)
    - (2) Authority of Signing Official/Board Resolution/Secretary's Certificate
    - (3) For a joint venture (JV), Contractor's PCAB Special JV License and JV Agreement.
    - (4) Performance Security in accordance with Section 3.9.2.2 of the DPWH Procurement Manual Volume II (Use **Form DPWH-INFR-43 or DPWH-INFR-44**, as applicable).
    - (5) Construction Methods (Use **Form DPWH-INFR-45**)
    - (6) Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve, or other approved tools of project scheduling, and Cash Flow (Use **Form DPWH-INFR-46**).
    - (7) Manpower Schedule (Use **Form DPWH-INFR-47**).

- (8) Equipment Utilization Schedule (Use **Form DPWH-INFR-48**).
  - (9) Construction Safety and Health Program (Use **Form DPWH-INFR-49**).
  - (10) Contractor's All-Risk Insurance (CARI)
  - (11) Latest Income Tax and Business Returns duly stamped and received by BIR and duly validated with the tax payments made. Tax Clearance from the BIR to prove full and timely payment of taxes.
  - (12) For a local contractor, Certification under oath stating that the Contractor is free and clean of all tax liabilities.
  - (13) For a foreign bidder, valid PCAB License and Registration for the type and cost of the contract to be bid, when the Treaty or International or Executive Agreement expressly allows submission of the PCAB License and Registration for the type and cost of the contract to be bid as a pre-condition to the NOA.
  - (14) Integrity Pledge in accordance with Department Order No. 86, series of 2013.
- b. Signing of the contract as provided in **ITB** Clause 36.
  - c. Approval of the contract as provided in **ITB** Clause 36.

### **38 Performance Security**

**38.1** Within a maximum period of ten (10) calendar days upon receipt of the NOA from the Procuring Entity, and in no case later than the signing of the contract by the winning Bidder and the Procuring Entity, the winning Bidder shall furnish to the Procuring Entity, the required Performance Security in an amount equal to the percentage of the total contract price in accordance with the following schedule and with the conditions specified in **GCC** Clause 7:

<b>Form</b>	<b>Amount</b>
(1) Cash or cashier's/manager's check issued by a Universal or Commercial Bank	10% of contract price
(2) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; provided that it shall be confirmed or authenticated by a Universal or Commercial Bank if issued by a foreign bank (Use <b>Form DPWH-INFR-42</b> )	10% of contract price
(3) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security (Use <b>Form DPWH-INFR-43</b> )	30% of contract price
(4) Any combination of the foregoing.	Proportionate to share of

	form with respect to total amount of security
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**38.2** Failure of the winning Bidder to comply with the requirements of **ITB Clause 34** shall constitute sufficient grounds for cancellation of the award and forfeiture of its Bid Security. In this event, the Procuring Entity shall initiate and complete the post-qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the Lowest Calculated and Responsive Bid is identified and selected for contract award. However, if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

### **39 Documents Comprising the Contract**

**39.1** The Contract shall consist of the following:

- a. Contract Agreement (Use **Form DPWH-INFR-50**)
- b. Documents forming part of the Contract Agreement in the following order of priority:
  - (1) Notice of Award (NOA) with the Contractor's signed "conforme"
  - (2) Contractor's Bid in the Form of Bid, including its Technical and Financial Proposals, as calculated by the Procuring Entity and conformed by the Contractor through the NOA
  - (3) Bidding Documents (other than b(4) to b(7) below) with Bulletins
  - (4) Specifications
  - (5) Drawings
  - (6) Special Conditions of Contract (SCC)
  - (7) General Conditions of Contract (GCC)
  - (8) Performance Security
  - (9) Integrity Pledge under Department Order No. 86, series of 2013
- c. Other Documents
  - (1) Construction Methods
  - (2) Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve, or other approved tools of project scheduling, and Cash Flow
  - (3) Manpower Schedule

- (4) Equipment Utilization Schedule
- (5) Construction Safety and Health Program initially approved by the HoPE
- (6) Contractor's All Risk Insurance (CARI)

**39.2** The documents in **ITB** Clause 35.1a and b(2) to b(7) shall be provided by the Procuring Entity, while the documents in Clause 35.1 b(1), b(8), and c(1) to c(6) shall be submitted by the winning bidder to the Procuring Entity within ten (10) calendar days from the date of its receipt of the Notice of Award.

#### **40 Signing and Approval of the Contract**

- 40.1** Within ten (10) days from the date of receipt from the winning Bidder of the documents mentioned in **ITB** Clause 30.1a and b)-(4) to (b)-(7), the successful Bidder and the authorized official of the Procuring Entity shall sign the Contract Agreement.
- 40.2** If further approval of the contract is required, the approving authority is given a maximum of twenty (20) calendar days from receipt thereof to approve or disapprove it.
- 40.3** Upon approval of the Contract, the Procuring Entity shall notify the other Bidders that their bids were unsuccessful.

#### **41 Notice to Proceed**

The Procuring Entity shall issue the Notice to Proceed (NTP), using **Form DPWH-INF-51**, together with a copy or copies of the approved contract, to the successful bidder within seven (7) calendar days from the date of approval of the contract by the appropriate government approving authority. All notices, including the NTP, called for by the terms of the contract shall be effective only at the time of receipt thereof by the successful bidder (**IRR Section 37.4**).

*ANNEX II-1.1E*  
*Section V. Bid Data Sheet*

**Notes on the Bid Data Sheet**

The Bid Data Sheet (**BDS**) complements the Instructions to Bidders (**ITB**) and must be prepared for each particular contract to be procured. The **BDS** provides the information specific to the Contract.

## STANDARD FORMAT

### BID DATA SHEET

ITB Clause	
1.1	<p>The Procuring Entity is <i>[Insert name of procuring organization]</i>.</p> <p>The scope of the Works under this Contract is <i>[Insert brief description of the Works]</i></p> <p>The Contract Name is <i>[Insert the name of the Contract]</i>.</p> <p>The Procurement/Contract ID <i>[Insert ID of the Contract]</i>.</p>
2.	<p>The Approved Budget for the Contract is <i>[Insert amount]</i>.</p> <p>The Funding Source is the Government of the Philippines through <i>[Insert GAA No. and year]</i>.</p> <p>The name of the Project is <i>[Insert the name of the project or “Not Applicable”]</i></p> <p><i>For foreign-assisted projects, add: The Funding Source of the Government is partly to be supported by a loan from the ADB/JICA/WB under Loan Agreement No. _____</i></p>
5.	<i>Insert any “qualifier” to the “similar work category” that must be met by the eligible bidder.</i>
8.1	<i>Insert any exceptions, e.g., provisions of approved loan agreement for a foreign-assisted project pertaining to sub-contracting.</i>
8.3	<i>Insert any limitation on the extent of the portions of the Works that may sub-contracted.</i>
9.1	<p>The date and time of the Pre-Bid Conference are <i>[Insert date and time]</i></p> <p>The venue of the Pre-Bid Conference is <i>[Insert venue with full address]</i></p>
9.4	<i>State whether Electronic Bidding will be adopted in this procurement.</i>
11.1	<p>The Procuring Entity’s address is:</p> <p><i>[Insert full address]</i></p> <p><i>[Insert name and designation of contact person]</i></p> <p><i>[Insert telephone and fax number of contact person]</i></p> <p><i>[Insert e-mail address of contact person]</i></p>
14.2 a(3)(b)	The minimum work experience requirements for the key personnel are the



	<p>following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Key Personnel</th> <th style="text-align: center; border-bottom: 1px solid black;">Minimum Years of Similar Experience (Same Position)</th> <th style="text-align: center; border-bottom: 1px solid black;">Minimum Years of Similar and Related Experience</th> </tr> </thead> <tbody> <tr> <td>Project Manager</td> <td style="text-align: center;">[Insert years]</td> <td style="text-align: center;">[Insert years]</td> </tr> <tr> <td>Project Engineer</td> <td style="text-align: center;">[Insert years]</td> <td style="text-align: center;">[Insert years]</td> </tr> <tr> <td>Materials Engineer</td> <td style="text-align: center;">[Insert years]</td> <td style="text-align: center;">[Insert years]</td> </tr> <tr> <td>Foreman</td> <td style="text-align: center;">[Insert years]</td> <td style="text-align: center;">[Insert years]</td> </tr> <tr> <td>Others [Specify]</td> <td style="text-align: center;">[Insert years]</td> <td style="text-align: center;">[Insert years]</td> </tr> </tbody> </table>	Key Personnel	Minimum Years of Similar Experience (Same Position)	Minimum Years of Similar and Related Experience	Project Manager	[Insert years]	[Insert years]	Project Engineer	[Insert years]	[Insert years]	Materials Engineer	[Insert years]	[Insert years]	Foreman	[Insert years]	[Insert years]	Others [Specify]	[Insert years]	[Insert years]																		
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14.3a	<p><i>For locally-funded projects, state: “No further instructions.”</i></p> <p><i>For ADB-assisted projects, adopt ITB 14.3 of Section X. Foreign-Assisted Projects, ADB Bid Data Sheet and state: “There is no ceiling for Financial Proposals. The ABC cannot be used to reject bids without the prior concurrence of ADB acceptable bids.”</i></p> <p><i>For WB-assisted projects, adopt ITB 14.3 of Section X. Foreign-Assisted Projects, WB Bid Data Sheet and select one, delete the other:</i></p> <p style="padding-left: 40px;">“There is no ceiling for Financial Proposals.”</p> <p style="padding-left: 40px;">OR</p> <p style="padding-left: 40px;">“The ABC is [insert amount]. Any bid with a financial component exceeding this amount shall not be accepted.”</p>																																				
14.3 b	<p><i>If ADB, adopt the provision under ITB 14.3b.</i></p> <p><i>If WB, state: “Subject to prior concurrence by the World Bank, for foreign-funded procurement, a ceiling may be applied to bid prices provided the</i></p>																																				

	<i>conditions in ITB 14.3b are met.</i>
17.1	Bids shall be valid until <i>[Insert date not later than one hundred twenty (120) days from the date set for bids opening]</i> .
18.2	The Bid Security shall be valid until <i>[Insert date not later than one hundred twenty (120) days from the date set for Bid opening]</i>
19.1	<p><i>Select one, delete the other:</i></p> <p>There is no provision for a value engineering change proposal.</p> <p><i>Or</i></p> <p>The bidding allows a value engineering change proposal (VECP) in accordance with rules to be issued separately by the BAC.</p>
20.4	The Bidder shall submit <i>[insert required number]</i> original and <i>[insert required number]</i> copies of the first (Technical) and second (Financial) components of its bid.
21.4 d	The specific identification of this bidding process is <i>[Insert Contract ID and Contract Name]</i> .
22	<p>The address for receipt of Bids is <i>[Insert address]</i>.</p> <p>The deadline for receipt of Bids is <i>[Insert time and date]</i>.</p>
25	<i>State whether Electronic Bidding will be adopted in this procurement.</i>
26.1	<p>The place of opening of Bids is <i>[Insert address]</i>.</p> <p>The date and time of opening of Bids are <i>[Insert time and date]</i>.</p>
28	<i>State whether Electronic Bidding will be adopted for Bids Opening and Preliminary Examination in this procurement.</i>
33	<i>State whether Electronic Bidding will be adopted for Post-Qualification in this procurement.</i>

## *ANNEX II-1.1F*

### *Section VI. General Conditions of Contract*

#### **Notes on the General Conditions of Contract (GCC)**

The **GCC** provides the general terms and conditions of the contract between the Procuring Entity and the winning bidder.

The provisions of the **GCC** are to be used unchanged as part of the contract-specific **BDs**.

To supplement the **GCC**, the **Special Conditions of Contract (SCC)** in **ANNEX II-1.1G** provide detailed information or requirements on particular provisions of the **GCC** that are specific to the contract at hand.



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## GENERAL CONDITIONS OF CONTRACT

### 1. Definitions

- 1.1 **Arbiter** is the person appointed jointly by the Procuring Entity and the Contractor to resolve disputes in the first instance.
- 1.2 **As-Built Drawings** refer to the engineering plans for the structure as actually constructed and completed under this Contract, considering all variations and modifications as approved and executed.
- 1.3 **Bill of Quantities** refers to a list of the specific pay items of the Works under this Contract, particularly their identification numbers, descriptions, units of measurement, and quantities, together with their corresponding unit and total bid prices.
- 1.4 **Certificate of Completion** is the document issued by the Procuring Entity, certifying that the Works have been completed, including correction of all Defects, as of the end of the Contract Time with approved time extensions, in accordance with the provisions of this Contract.
- 1.5 **Certificate of Acceptance** is the document issued by the Procuring Entity, certifying that the Works have been completed, including correction of all Defects, as of the end of the Defects Liability Period, in accordance with the provisions of this Contract, and that, therefore, the completed Works are accepted by the Procuring Entity.
- 1.5 **Contract** is the legal agreement between the Procuring Entity and the Contractor to execute, complete, and maintain the Works. It consists of the documents listed in GCC Clause 2.2.
- 1.6 **Contract Price** is the price stated in the Notice of Award and thereafter to be paid by the Procuring Entity to the Contractor for the execution of the Works in accordance with this Contract.
- 1.7 **Contract Time** is the allowable period or duration within which the Contract Works must be completed, i.e., from the Start Date to the Intended Completion Date as specified in the SCC.
- 1.8 **Contractor** is the juridical entity whose bid has been accepted by the Procuring Entity and to whom this Contract to execute the Work was awarded, entered into, and approved.
- 1.9 **Contractor's Bid** is the signed offer or proposal submitted by the Contractor to the Procuring Entity in response to the Bidding Documents.
- 1.10 **Days** are calendar days.

- 1.11 Dayworks** are varied work inputs subject to payment on a time basis for the Contractor's employees and Equipment, in addition to payments for associated Materials and Plant.
- 1.12 Defect** is any part of the Works not constructed in accordance with this Contract.
- 1.13 Defects Liability Certificate** is the certificate issued by Procuring Entity's Representative upon correction of defects by the Contractor.
- 1.16 Defects Liability Period** is the one-year period after the issuance of the Certificate of Completion during which the Contractor assumes the responsibility to undertake the repair of any defect in or damage to the Works at his own expense as a condition for the issuance of the Certificate of Acceptance.
- 1.17 Drawings** are graphical presentations of the Works. They include all engineering plans, supplementary details, shop drawings, calculations, and other information provided or approved for the execution of this Contract.
- 1.18 Equipment** refers to all machines, tools, facilities, supplies, appliances, and related items required for the execution and completion of the Works provided by the Contractor and which shall not form or are not intended to form part of the Permanent Works.
- 1.19 Intended Completion Date** refers to the date specified in the SCC when the Contractor is expected to have completed the Works. The Intended Completion Date may be revised only by the Procuring Entity's Representative by issuing an extension of Contract Time or an acceleration order.
- 1.20 Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- 1.21 Notice to Proceed** is a written notice issued by the Procuring the Procuring Entity's Representative to the Contractor requiring the latter to begin the Works not later than the date specified in this Notice.
- 1.21 Permanent Works** refer to all permanent structures and all other project features and facilities required to be constructed and completed in accordance with this Contract which shall be delivered to the Procuring Entity and which shall remain at the Site after the removal of all Temporary Works.
- 1.22 PERT/CPM** is the acronym for Program Evaluation Review Technique/Critical Path Method and is a technique for planning, scheduling, and controlling a project, involving a network of interrelated activities with their start and finish times. The critical path is the longest time path through the network of activities.
- 1.23 Plant** refers to the machinery, apparatus, and the like intended to form an integral part of the Permanent Works.
- 1.24 Procuring Entity** is the party that engages the Contractor to carry out the Works stated in the SCC.

- 1.25 Procuring Entity's Representative** refers to the HoPE or his duly authorized representative, identified in the SCC, who shall be responsible for supervising the execution of the Works and administering this Contract.
- 1.26 Site** is the right-of-way or place provided by the Procuring Entity where the Works shall be executed and any other place or places which may be designated in the SCC, or notified to the Contractor by the Procuring Entity's Representative, as forming part of the Site.
- 1.27 Site Investigation Reports** are factual and interpretative reports about the surface and subsurface conditions at the Site, which are provided by the Procuring Entity in the Bidding Documents.
- 1.28 Slippage** is a delay in work execution occurring when actual accomplishment falls below the target as measured by the difference between the scheduled and actual accomplishment of the Works by the Contractor as established from the work schedule. This is actually described as a percentage of the whole Works.
- 1.29 Specifications** mean the description of the Works to be done, qualities of materials to be used, equipment to be installed, construction methods, workmanship, and finished product required under this Contract.
- 1.30 Start Date**, as specified in the SCC, is the date when the Contractor is obliged to commence execution of the Works. It is the same as the effectivity date of the Contract as stated in the Notice to Proceed. It does not necessarily coincide with any of the Site Possession Dates.
- 1.31 Sub-Contractor** is any person or organization to whom a part of the Works has been subcontracted by the Contractor for execution, as allowed by the Procuring Entity, but not any assignee of such person.
- 1.32 Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are needed for the construction or installation of the Permanent Works.
- 1.33 Work(s)** refer to the Permanent Works and Temporary Works to be executed by the Contractor in accordance with this Contract, including (i) the furnishing of all labor, materials, equipment and others incidental, necessary or convenient to the complete execution of the Works; (ii) the passing of any tests before acceptance by the Procuring Entity's Representative; (iii) and the carrying out of all duties and obligations of the Contractor imposed by this Contract as described in the SCC.

## 2. Interpretation

- 2.1** In interpreting the Conditions of Contract, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning under the language of this



Contract unless specifically defined. The Procuring Entity's Representative will provide instructions clarifying queries about the Conditions of Contract.

- 2.2** If sectional completion is specified in the SCC, references in the Conditions of Contract to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
- 2.3** The documents forming this Contract shall be interpreted in the following order of priority:
- a. Contract Agreement
  - b. Documents forming part of the Contract Agreement:
    - (1) Notice of Award (NOA) with the Contractor's signed "conforme"
    - (2) Contractor's Bid in the Form of Bid, including its Technical and Financial Proposals, as calculated by the Procuring Entity and conformed to by the Contractor through the NOA
    - (3) Bidding Documents (other than b(4) to b(7) below) and Bulletins
    - (4) Specifications
    - (5) Drawings
    - (6) Special Conditions of Contract (SCC)
    - (7) General Conditions of Contract (GCC)
    - (8) Performance Security
  - c. Other Documents
    - (1) Construction Methods
    - (2) Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve.
    - (3) Manpower Schedule
    - (4) Equipment Utilization Schedule
    - (5) Construction Safety and Health Program initially approved by the HoPE
    - (6) Contractor's All Risk Insurance (CARI)

### **3. Governing Language and Law**

- 3.1 This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract which are exchanged by the parties shall be written in English.
- 3.2 This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

#### **4. Communications**

Communications between parties that are referred to in these Conditions of Contract shall be effective only when in writing. A notice shall be effective only when it is received by the concerned party.

#### **5. Procuring Entity's Obligation to Deliver the Site, Materials, Equipment, and Plans and to Obtain the Environmental Compliance Certificate (ECC)**

- 5.1 On the date specified in the SCC, the Procuring Entity shall grant the Contractor possession of so much of the Site as may be required to enable it to proceed with the execution of the Works. If the Contractor suffers delay or incurs cost from failure on the part of the Procuring Entity to give possession in accordance with the terms of this clause, the Procuring Entity's Representative shall give the Contractor a Contract Time Extension and certify such sum as fair to cover the cost incurred, which sum shall be paid by Procuring Entity.
- 5.2 If possession of a portion is not given by the date stated in SCC Clause 5.1, the Procuring Entity will be deemed to have delayed the start of the relevant activities. The resulting adjustments in contract time to address such delay shall be in accordance with GCC Clause 46.
- 5.3 The Contractor shall bear all costs and charges for special or temporary right-of-way required by it in connection with access to the Site. The Contractor shall also provide at its own cost any additional facilities outside the Site required by it for purposes of the Works.
- 5.4 The Contractor shall allow the Procuring Entity's Representative and any person authorized by the Procuring Entity's Representative access to the Site and to any place where work in connection with this Contract is being carried out or is intended to be carried out.
- 5.5 The Procuring entity shall be responsible for obtaining the appropriate Environmental Compliance Certificate (ECC) for the Project.

#### **6. Contractor's Obligations**

- 6.1 The Contractor shall carry out the Works properly and in accordance with this Contract. The Contractor shall provide all supervision, labor, Materials, Plant and

Equipment, which may be required. All Materials and Plant on Site shall be deemed to be the property of the Procuring Entity.

- 6.2 The Contractor shall commence execution of the Works on the Start Date and shall carry out the Works in accordance with the approved PERT/CPM network diagram submitted by the Contractor, as updated with the approval of the Procuring Entity's Representative, and shall complete the Works by the Intended Completion Date.
- 6.3 The Contractor shall be responsible for the safety of all activities on the Site.
- 6.4 The Contractor shall carry out all instructions of the Procuring Entity's Representative that comply with the applicable laws where the Site is located.
- 6.5 The Contractor shall employ the key personnel, named in the Schedule of Key Personnel in the SCC, to carry out the supervision of the Works. The Procuring Entity will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are equal to or better than those of the personnel listed in the Schedule.
- 6.6 If the Procuring Entity's Representative asks the Contractor to remove a member of the Contractor's staff or work force, for justifiable cause, the Contractor shall ensure that the person leaves the Site within seven (7) days and has no further connection with the Work in this Contract.
- 6.7 During Contract implementation, the Contractor and its subcontractors shall abide at all times by all labor laws, including child labor related enactments, and other relevant rules.
- 6.8 The Contractor shall submit to the Procuring Entity for consent the name and particulars of the person authorized to receive instructions on behalf of the Contractor.
- 6.9 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Procuring Entity during the dates given in the schedule of other contractors particularly when they shall require access to the Site. The Contractor shall also provide facilities and services for them during this period. The Procuring Entity may modify the schedule of other contractors, and shall notify the Contractor of any such modification thereto.
- 6.10 Should anything of historical or other interest or of significant value be unexpectedly discovered on the Site, it shall be the property of the Procuring Entity. The Contractor shall notify the Procuring Entity's Representative of such discoveries and carry out the Procuring Entity's Representative's instructions in dealing with them.

## 7. Performance Security

- 7.1 The Contractor shall submit its Performance Security to the Procuring Entity not later than the date specified in the Notice of Award and shall be issued in any of the following forms and corresponding amounts in **ITB** Clause 34.
- 7.2 The Performance Security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the Contractor is in default in any of its obligations under the Contract.
- 7.3 The Performance Security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 7.4 The Performance Security may be released by the Procuring Entity and returned to the Contractor after the issuance of the Certificate of Final Acceptance, subject to the following conditions, provided that the Performance Security is replaced by a Warranty Security against structural defects and/or failure as provided in **GCC** Clause 12:
- a. There are no pending claims against the Contractor or the surety company filed by the Procuring Entity;
  - b. The Contractor has no pending claims for labor and materials filed against it; and
  - c. Other terms specified in the **SCC**.
- 7.5 The Contractor shall post an additional Performance Security following the amount and form specified in **ITB** Clause 34 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.
- 7.6 In case of a reduction in the contract value or for partially completed Works under the contract which are usable and accepted by the Procuring Entity the use of which, in the judgment of the implementing agency or the Procuring Entity, will not affect the structural integrity of the entire project, the Procuring Entity shall 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.
- 7.7 Unless otherwise indicated in the **SCC**, the Contractor, by entering into the Contract with the Procuring Entity, acknowledges the right of the Procuring Entity to institute action pursuant to Act 3688 against any sub-contractors be they an individual, firm, partnership, corporation, or association supplying the Contractor with labor, materials and/or equipment for the performance of this Contract.

## 8. Sub-Contracting

- 8.1 Unless otherwise provided in the SCC, sub-contracting of the Works shall be subject to the provisions of DPWH Department Order (DO) No. 38, series of 2015 as provided below.
- 8.2 All sub-contracts shall be subject to prior approval of the appropriate official of the Procuring Entity within the limits of his delegated authority.
- 8.3 The Contractor may sub-contract portions of the works to such an extent as may be approved by the Procuring Entity and stated in the SCC, provided that the Contractor shall directly undertake, using its own resources, not less than fifty percent (50%) of the contract works in terms of cost.
- 8.4. Each sub-contractor must comply with the eligibility criteria as specified in the **Eligibility Requirements (ER)** for the portion of the contract works to be sub-contracted to that sub-contractor- e.g., applicable license from the Philippine Constructors Accreditation Board, satisfactory completion of works similar to the portion of the contract to be subcontracted and costing at least fifty percent (50%) of the cost of such portion, and sufficient Net Financial Contracting Capacity, as well as minimum equipment and manpower. This requirement does not apply to labor pakyaw contracts.
- 8.5 The bidder/main contractor may identify the sub-contractors to whom portions of the contract works will be sub-contracted at any stage of the bidding process or during contract implementation, provided that any sub-contracting requires prior approval of the Procuring Entity. Sub-contractors identified during the bidding may be changed during the implementation of the contract, subject to compliance with the eligibility requirements and the approval of the Procuring Entity.
- 8.6 Sub-contracting of any portion of the contract shall not relieve the main contractor from any liability or obligation that may arise from the contract. The main contractor shall be responsible for the acts, defaults, and negligence of any subcontractor, its agents or workmen.
- 8.7 For any assignment and sub-contracting of the contract or any part thereof without prior written approval by the concerned Head of the DPWH Procuring Entity, the DPWH shall impose on the erring contractor, after the termination of the contract, the penalty of suspension for one (1) year for the first offense, and suspension of two (2) years for the second offense from participating in the public bidding process, pursuant to the provision of Appendix 11 Section 4.2 of the IRR of RA 9184, in accordance with Section 69(6) of RA 9184 and without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution as provided by applicable laws.

## 9. Liquidated Damages

- 9.1** The Contractor shall pay liquidated damages to the Procuring Entity for each day that the Completion Date is later than the Intended Completion Date. The applicable liquidated damages is at least one-tenth (1/10) of a percent of the cost of the unperformed portion for every day of delay. The total amount of liquidated damages shall not exceed ten percent (10%) of the amount of the contract. The Procuring Entity may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, the Procuring Entity shall rescind this Contract, without prejudice to other courses of action and remedies open to it.
- 9.2** If the Intended Completion Date is extended after liquidated damages have been paid, the Engineer of the Procuring Entity shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate.

## **10. Site Investigation Reports**

The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports referred to in the SCC supplemented by any information obtained by the Contractor.

## **11. Licenses and Permits**

The Procuring Entity shall, if requested by the Contractor, assist it in applying for permits, licenses or approvals, which are required for the Works. These shall include assistance to the contractor in securing necessary quarry permits, construction permits, access to sites, among others, from the Local Government Units concerned.

## **12. Contractor's Risk and Warranty Security**

- 12.1** The Contractor shall assume full responsibility for the Works from the time project construction commenced up to final acceptance by the Procuring Entity and shall be held responsible for any damage or destruction of the Works except those occasioned by *force majeure*. The Contractor shall be fully responsible for the safety, protection, security, and convenience of his personnel, third parties, and the public at large, as well as the Works, Equipment, installation, and the like to be affected by his construction work.
- 12.2** The defects liability period for infrastructure projects shall be one year from contract completion up to final acceptance by the Procuring Entity. During this period, the Contractor shall start the repair works, at his own expense, of any damage to the Works on account of the use of materials of inferior quality, and shall complete the repair works within ninety (90) days from the time the Ho
- PE has issued an order to undertake repair. In case of failure or refusal to comply with this mandate, the Procuring Entity shall undertake such repair works and shall be entitled to full reimbursement of expenses incurred therein upon demand.
- 12.3** Unless otherwise indicated in the SCC, in case the Contractor fails to comply with the preceding paragraph, the Procuring Entity shall forfeit its performance security, subject its properties to attachment or garnishment proceedings, and

perpetually disqualify it from participating in any public bidding. All payables of the GOP in his favor shall be offset to recover the costs.

**12.4** After final acceptance of the Works by the Procuring Entity, the following shall be held responsible for “Structural Defects”, i.e., major faults/flaws/deficiencies in one or more key structural elements of the project which may lead to structural failure of the completed elements or structure, or “Structural Failures,” i.e., where one or more key structural elements in an infrastructure facility fails or collapses, thereby rendering the facility or part thereof incapable of withstanding the design loads, and/or endangering the safety of the users or the general public:

- a. Contractor ó where Structural Defects/Failures arise due to faults attributable to improper construction, use of inferior quality/substandard materials, and any violation of the contract plans and specifications, the contractor shall be held liable;
- b. Consultants ó where Structural Defects/Failures arise due to faulty and/or inadequate design and specifications as well as construction supervision, then the consultant who prepared the design or undertook construction supervision for the project shall be held liable;
- c. Procuring Entity’s Representatives/Project Manager/Construction Managers and Supervisors ó where the Structural Defects/Failures are due to his/their willful intervention in altering the designs and other specifications; negligence or omission in not approving or acting on proposed changes to noted defects or deficiencies in the design and/or specifications; and the use of substandard construction materials in the project;
- d. Third Parties- where Structural Defects/Failures are caused by work undertaken by them such as leaking pipes, diggings or excavations, underground cables and electrical wires, underground tunnel, mining shaft and the like, in which case the applicable warranty to such structure should be levied to third parties for their construction or restoration works.
- e. Users - where Structural Defects/Failures are due to abuse/misuse by the end user of the constructed facility and/or non-compliance by a user with the technical design limits and/or intended purpose of the same, then the user concerned shall be held liable.

**12.5** The warranty against Structural Defects/Failures, except those occasioned on force majeure, shall cover the period specified in the SCC reckoned from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity.

**12.6** The Contractor shall be required to put up a warranty security in the form of cash, bank guarantee, letter of credit, GSIS or surety bond callable on demand, in accordance with the following schedule:

Form of Warranty Security	Amount of Warranty Security
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Form of Warranty Security	Amount of Warranty Security
1. Cash or letter of credit (LC) issued by a Universal or Commercial Bank, provided that the LC shall be confirmed by a Universal or Commercial Bank, if issued by a foreign bank.	Five Percent (5%)
2. Bank guarantee confirmed by a Universal or Commercial Bank.	Ten Percent (10%)
3. Surety bond callable on demand issued by the GSIS or a surety or insurance company accredited by the Insurance Commission as authorized to issue such security.	Thirty Percent (30%)

**12.7** The warranty security shall be stated in Philippine Pesos and shall remain effective for one year from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity, and returned only after the lapse of said one year period.

**12.8** In case of structural defects/failure occurring during the applicable warranty period provided in **GCC** Clause 12.5, the Procuring Entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of the warranty security posted in favor of the Procuring Entity.

### **13. Liability of the Contractor**

Subject to additional provisions, if any, set forth in the **SCC**, the Contractor's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

### **14. Procuring Entity's Risk**

From the Start Date until the Certificate of Acceptance is issued, the following are risks of the Procuring Entity:

- a. The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment) which are due to:
  - (1) any type of use or occupation of the Site authorized by the Procuring Entity after the official acceptance of the works; or
  - (2) negligence, breach of statutory duty, or interference with any legal right by the Procuring Entity or by any person employed by or contracted to him except the Contractor.



- b. The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Procuring Entity or in the Procuring Entity's design, or due to war or radioactive contamination directly affecting the Philippines.

## **15. Insurance**

- 15.1 The Contractor shall, under his name and at his own expense, obtain and maintain, for the duration of this Contract, the following insurance coverage:
  - a. Contractor's All Risk Insurance;
  - b. Transportation to the project Site of Equipment, Machinery, and Supplies owned by the Contractor;
  - c. Personal injury or death of Contractor's employees; and
  - d. Comprehensive insurance for third party liability to Contractor's direct or indirect act or omission causing damage to third persons.
- 15.2 The CARI shall cover the value of the completed portions of the Works. It shall not, however, cover any damage to the Works whose value is not more than ten percent (10%) of the Total Contract Cost, as this is to be absorbed by the Contractor. The CARI shall, therefore, start with nil at the beginning of Contract execution. It shall then be increased over time as the Works progresses so that at any time it covers the value of the portions of the Works actually completed.
- 15.3 The Contractor shall provide evidence to the Procuring Entity's Representative that the insurance required under this Contract has been effected and shall, within a reasonable time, provide a copy of the insurance policy to the Procuring Entity's Representative.
- 15.4 The Contractor shall notify the insurer of changes in the nature, extent, or program for the execution of the Works and ensure the adequacy of the insurance at all times in accordance with the terms of this Contract and shall produce to the Procuring Entity's Representative the insurance policy in force including the receipts for payment of the current premiums.
- 15.5 If the Contractor fails to obtain and keep in force the insurance which it is required to obtain under the terms of this Contract, the Procuring Entity may obtain and keep in force any such insurance and pay such premiums as may be necessary for the purpose. From time to time, the Procuring Entity may deduct the amount it shall pay for said premiums including twenty five percent (25%) therein from any monies due, or which may become due, to the Contractor, without prejudice to the Procuring Entity exercising its right to impose other sanctions against the Contractor pursuant to the provisions of this Contract.
- 15.6 In the event the Contractor fails to observe the above safeguards, the Procuring Entity may, at the Contractor's expense, take whatever measure is deemed necessary for its protection and that of the Contractor's personnel and third parties, and/or order the interruption of dangerous Works. In addition, the

Procuring Entity may refuse to make the payments under GCC Clause 41 until the Contractor complies with this Clause.

- 15.7** The Contractor shall immediately replace the insurance policy obtained as required in this Contract, without need of the Procuring Entity's demand, with a new policy issued by a new insurance company acceptable to the Procuring Entity for any of the following grounds:
- a. The issuer of the insurance policy to be replaced has:
    - (1) become bankrupt;
    - (2) been placed under receivership or under a management committee;
    - (3) been sued for suspension of payment; or
    - (4) been suspended by the Insurance Commission and its license to engage in business or its authority to issue insurance policies cancelled; or
  - b. Reasonable grounds exist that the insurer may not be able, fully and promptly, to fulfill its obligation under the insurance policy.

## **16. Termination for Default of Contractor**

- 16.1** The Procuring Entity shall terminate this Contract for default when any of the following conditions attend its implementation:
- a. Due to the Contractor's fault and while the Works are on-going, it has incurred a negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree 1870; or
  - b. Due to the Contractor's fault and after the Contract time has expired, it has incurred a negative slippage of ten percent (10%) or more in the completion of the Works; or
  - c. The Contractor:
    - (1) abandons the Contract Works, refuses or fails to comply with a valid instruction of the Procuring Entity or fails to proceed expeditiously and without delay despite a written notice by the Procuring Entity;
    - (2) after receiving a Notice from the Procuring Entity's Representative that failure to correct a particular Defect is a fundamental breach of Contract, fails to correct the Defect within a reasonable period of time determined by the Procuring Entity's Representative;
    - (3) does not actually have on the Site the minimum essential equipment listed in the Bid necessary to prosecute the Works in accordance with the approved PERT/CPM network diagram and equipment utilization schedule as required under the Contract;

- (4) does not execute the Works in accordance with this Contract or persistently or flagrantly neglects to carry out its obligations under this Contract;
  - (5) neglects or refuses to remove materials or to perform a new work that has been rejected as defective or unsuitable; or
  - (6) sub-contracts any part of this Contract without approval by the Procuring Entity.
- d. The Contractor causes a fundamental breach of this Contract. Fundamental breaches of Contract shall include, but shall not be limited to, the following:
- (1) The Contractor stops work for twenty eight (28) days when no stoppage of work is shown on the current Program of Work and the stoppage has not been authorized by the Procuring Entity's Representative.
  - (2) The Contractor is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Contractor, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Contractor. In the case of the Contractor's insolvency, any Contractor's Equipment which the Procuring Entity instructs in the notice is to be used until the completion of the Work.
  - (3) The Procuring Entity's Representative gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Procuring Entity's Representative.
  - (4) The Contractor does not maintain a Security, which is required.
  - (5) The Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the GCC Clause 9.
  - (6) In case it is determined prima facie by the Procuring Entity that the Contractor has engaged, before or during the implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation, such as, but not limited to, the following:
    - (a) corrupt, fraudulent, collusive, coercive, and obstructive practices as defined in ITB Clause 3.10, unless otherwise specified in the SCC;

- (b) drawing up or using forged documents;
- (c) using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
- (d) any other act analogous to the foregoing

The Procuring Entity or the Funding Source will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with corrupt, fraudulent, or coercive practices.

- 16.2** When persons from the Procuring Entity gives notice of a fundamental breach to the Procuring Entity's Representative in order to terminate the existing contract for a cause other than those listed under GCC Clause 16.1-e, the Procuring Entity's Representative shall decide whether the breach is fundamental or not.
- 16.3** If this Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.
- 16.4** All materials on the Site, Plant, Equipment, and Works shall be deemed to be the property of the Procuring Entity if this Contract is terminated because of the Contractor's default.

## **17. Termination for Default of Procuring Entity**

- 17.1** The Contractor may terminate this Contract with the Procuring Entity when any of the following conditions attend its implementation:
  - a. If the works are completely stopped for a continuous period of at least sixty (60) calendar days through no fault of the Contractor, due to any of the following reasons:
    - (1) Failure of the Procuring Entity to deliver, within a reasonable time, supplies, materials, right-of-way, or other items it is obligated to furnish under the terms of this Contract; or
    - (2) The prosecution of the Work is disrupted by adverse peace and order situation, as certified by the Armed Forces of the Philippines Provincial Commander and approved by the Secretary of National Defense.
  - b. The Procuring Entity causes a fundamental breach of this Contract. Fundamental breaches of Contract shall include, but shall not be limited to, the following:
    - (1) The Procuring Entity's Representative instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within twenty eight (28) days.

- (2) A payment certified by the Procuring Entity's Representative is not paid by the Procuring Entity to the Contractor within eighty four (84) days from the date of the Procuring Entity's Representative's certificate.

**17.2** When persons from the Contractor gives notice of a fundamental breach to the Procuring Entity's Representative in order to terminate the existing contract for a cause other than those listed under GCC Clause 17.1-b, the Procuring Entity's Representative shall decide whether the breach is fundamental or not.

## **18. Termination for Convenience**

The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The HoPE may terminate this Contract for the convenience of the Procuring Entity if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and National Government policies.

## **19. Procedure for Termination of Contracts**

**19.1** The following provisions shall govern the procedures for the termination of this Contract:

- a. Verification. Upon receipt of a written report of acts or causes which may constitute grounds for termination as aforementioned, or upon its own initiative, the Procuring Entity's Representative shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached.
- b. Notice of Termination. Upon recommendation by the Procuring Entity's Representative, the HoPE shall terminate this Contract only by a written Notice of Termination to the Contractor. The Notice shall state:
  - (1) that this Contract is being terminated for any of the grounds aforementioned, and a statement of the acts that constitute the ground(s).
  - (2) the extent of termination, whether in whole or in part;
  - (3) an instruction to the Contractor to show cause as to why this Contract should not be terminated; and
  - (4) special instructions of the Procuring Entity, if any.

The Notice of Termination shall be accompanied by a copy of the Verified Report.

- c. Show Cause. Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Contractor shall submit to the HoPE a verified position paper showing cause as to why the Contract should not be terminated. If the Contractor fails to do so, the HoPE shall issue a written Notice of Decision confirming the Notice of Termination of the Contract.
- d. Withdrawal of Notice of Termination. The Procuring Entity may, at anytime before receipt of the Contractor's verified position paper, withdraw the Notice of Termination if it is determined that certain items or works subject of the Notice had been completed, delivered, or performed before the Contractor's receipt of the Notice.
- e. Notice of Decision. Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the HoPE shall serve the Contractor his written Notice of Decision to confirm or withdraw the Notice of Termination. If the Notice of Decision is to confirm the Notice of Termination, then this Contract is deemed terminated from receipt by the Contractor of the said Notice of Decision. The termination shall be based only on the grounds stated in the Notice of Termination.
- f. Review Committee. The HoPE may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to his approval.

**19.2** Pursuant to Section 69(f) of RA 9184 and without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution as provided by applicable laws, the Procuring Entity shall impose on contractors after the termination of the contract the penalty of suspension for one (1) year for the first offense, suspension for two (2) years for the second offense from participating in the public bidding process, for violations committed during the contract implementation stage, which include but not limited to the following:

- a. Failure of the contractor, due solely to his fault or negligence, to mobilize and start work or performance within the specified period in the Notice to Proceed (oNTPo);
- b. Failure by the contractor to fully and faithfully comply with its contractual obligations without valid cause, or failure by the contractor to comply with any written lawful instruction of the Procuring Entity or its representative(s) pursuant to the implementation of the contract. For the procurement of infrastructure projects or consultancy contracts, lawful instructions include but are not limited to the following:
  - (1) Employment of competent technical personnel, competent engineers and/or work supervisors;

- (2) Provision of warning signs and barricades in accordance with approved plans and specifications and contract provisions;
  - (3) Stockpiling in proper places of all materials and removal from the project site of waste and excess materials, including broken pavement and excavated debris in accordance with approved plans and specifications and contract provisions;
  - (4) Deployment of committed equipment, facilities, support staff and manpower; and
  - (5) Renewal of the effectivity dates of the performance security after its expiration during the course of contract implementation.
- c. Assignment and subcontracting of the contract or any part thereof or substitution of key personnel named in the proposal without prior written approval by the Procuring Entity.
  - d. Poor performance by the contractor or unsatisfactory quality and/or progress of work arising from his fault or negligence as reflected in the Constructor's Performance Evaluation System (õCPESõ) rating sheet. In the absence of the CPES rating sheet, the existing performance monitoring system of the Procuring Entity shall be applied. Any of the following acts by the Contractor shall be construed as poor performance:
    - (1) Negative slippage of 15% and above within the critical path of the project due entirely to the fault or negligence of the contractor; and
    - (2) Quality of materials and workmanship not complying with the approved specifications arising from the contractor's fault or negligence.
  - e. Willful or deliberate abandonment or non-performance of the project or contract by the contractor resulting to substantial breach thereof without lawful and/or just cause.

In addition to the penalty of suspension, the Performance Security posted by the contractor shall also be forfeited.

## 20. Force Majeure and Release from Performance

- 20.1** For purposes of this Contract the terms *õforce majeureõ* and *õfortuitous eventõ* may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions, and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor.

- 20.2** If this Contract is discontinued by an outbreak of war or by any other event entirely outside the control of either the Procuring Entity or the Contractor, the Procuring Entity's Representative shall certify that this Contract has been discontinued. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all portions of the Works carried out before receiving it and for any part of the Works carried out afterwards to which a commitment was made.
- 20.3** If the event continues for a period of eighty four (84) days, either party may give the other a Notice of Termination, which shall take effect twenty eight (28) days after the receipt of the Notice.
- 20.4** After termination, the Contractor shall be entitled to payment of the unpaid balance of the value of the Works executed and of the materials and Plant reasonably delivered to the Site, adjusted by the following:
- a. Any sum to which the Contractor is entitled under GCC Clause 28.
  - b. The cost of his suspension and demobilization.
  - c. Any sum to which the Procuring Entity is entitled.
- 20.5** The net balance due shall be paid or repaid within a reasonable time period from the date of the Notice of Termination.

## **21. Payment on Termination**

- 21.1** 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 value of the work not completed. 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.
- 21.2** 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 Contractor's equipment, and the Contractor's costs of protecting and securing the Works, less advance payments received up to the date of the certificate.
- 21.3** The net balance due shall be paid or repaid within twenty eight (28) days from the notice of termination.
- 21.4** If the Contractor has terminated the Contract under GCC Clause 17 or 18, the Procuring Entity shall promptly return the Performance Security to the Contractor.



## 22. Resolution of Disputes

- 22.1** If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of the contract covered by RA 9184 and its IRR, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 22.2** If the Contractor believes that a decision taken by the Procuring Entity's Representative was either outside the authority given to the Procuring Entity's Representative by this Contract or that the decision was wrongly taken, the decision shall be referred to the Arbitrator indicated in the SCC within fourteen (14) days of the notification of the Procuring Entity's Representative's decision.
- 22.3** Any and all disputes arising from the implementation of this Contract covered by the RA 9184 and its IRR shall be submitted to arbitration in the Philippines according to the provisions of RA 876, otherwise known as the "Arbitration Law" and RA 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004. However, disputes that are within the competence of the Construction Industry Arbitration Commission to resolve shall be referred thereto. The process of arbitration shall be incorporated as a provision in this Contract that will be executed pursuant to the provisions of RA 9184 and its IRR. By mutual agreement, however, the parties may agree in writing to resort to other alternative modes of dispute resolution.

## 23. Suspension of Loan, Credit, Grant, or Appropriation

In the event that the Funding Source suspends the Loan, Credit, Grant, or Appropriation to the Procuring Entity, from which part of the payments to the Contractor are being made:

- a. The Procuring Entity is obligated to notify the Contractor of such suspension within seven (7) days of having received the suspension notice.
- b. If the Contractor has not received sums due it for work already done within forty five (45) days from the time the Contractor's claim for payment has been certified by the Procuring Entity's Representative, the Contractor may immediately issue a suspension of work notice in accordance with GCC Clause 44.

## 24. Procuring Entity's Representative's Decisions

- 24.1** Except where otherwise specifically stated, the Procuring Entity's Representative shall decide contractual matters between the Procuring Entity and the Contractor in the role representing the Procuring Entity.
- 24.2** The Procuring Entity's Representative may delegate any of his duties and responsibilities to other people, except to the Arbitrator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.

**25. Approval of Drawings and Temporary Works by Procuring Entity's Representative**

- 25.1 All Drawings prepared by the Contractor for the execution of the Temporary Works are subject to prior approval by the Procuring Entity's Representative before their use.
- 25.2 The Contractor shall be responsible for the design of Temporary Works.
- 25.3 The Procuring Entity's Representative's approval shall not alter the Contractor's responsibility for the design of the Temporary Works.
- 25.4 The Contractor shall obtain approval by third parties of the design of the Temporary Works, when required by the Procuring Entity.

**26 Acceleration Ordered by Procuring Entity's Representative**

- 26.1 When the Procuring Entity wants the Contractor to finish the Works before the Intended Completion Date, the Procuring Entity's Representative shall obtain a priced proposal for achieving the necessary acceleration from the Contractor. If the Procuring Entity accepts these proposals, the Intended Completion Date will be adjusted accordingly and confirmed by both the Procuring Entity and the Contractor.
- 26.2 If the Contractor's Financial Proposals for an acceleration are accepted by the Procuring Entity, they are incorporated in the Contract Price and treated as a Variation.

**27. Extension of Intended Completion Date**

- 27.1 The Procuring Entity's Representative shall extend the Intended Completion Date if a Variation Order is issued which makes it impossible for the Intended Completion Date to be achieved by the Contractor without taking steps to accelerate the remaining work, which would cause the Contractor to incur additional costs. No payment shall be made for any event which may warrant the extension of the Intended Completion Date.
- 27.2 The Procuring Entity's Representative shall decide whether and by how much to extend the Intended Completion Date within twenty one (21) days of the Contractor asking the Procuring Entity's Representative for a decision thereto after fully submitting all supporting information. If the Contractor has failed to give an early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.

## **28. Contractor's Right to Claim**

If the Contractor incurs a cost as a result of any of the events under GCC Clause 13, the Contractor shall be entitled to the amount of such cost. If as a result of any of the said events, it is necessary to change the Works, this shall be dealt with as a Variation Order.

## **29. Dayworks**

**29.1** Subject to GCC Clause 44 on Variation Orders, and if applicable as indicated in the SCC, the Dayworks rates in the Contractor's Bid shall be used for small additional amounts of work only when the Procuring Entity's Representative has given written instructions in advance for additional work to be paid for in that way.

**29.2** All work to be paid for as Dayworks shall be recorded by the Contractor on forms approved by the Procuring Entity's Representative. Each completed form shall be verified and signed by the Procuring Entity's Representative within two days of the work being done.

**29.3** The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.

## **30. Early Warning**

**30.1** The Contractor shall warn the Procuring Entity's Representative at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the Work, increase the Contract Price, or delay the execution of the Works. The Procuring Entity's Representative may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.

**30.2** The Contractor shall cooperate with the Procuring Entity's Representative in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the Work and in carrying out any resulting instruction of the Procuring Entity's Representative.

## **31. Program of Work**

**31.1** Within the time stated in the SCC, the Contractor shall submit to the Procuring Entity's Representative for approval a Program of Work showing the general methods, arrangements, order, and timing for all the activities in the Works, including a PERT/CPM network diagram.

**31.2** An update of the Program of Work shall show the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.

**31.3** The Contractor shall submit to the Procuring Entity's Representative for approval an updated Program of Work at intervals no longer than the period stated in the

**SCC.** If the Contractor does not submit an updated Program of Work within this period, the Procuring Entity's Representative may withhold the amount stated in the SCC from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program of Work has been submitted.

- 31.4** The Procuring Entity's Representative's approval of the Program of Work shall not alter the Contractor's obligations. The Contractor may revise the Program of Work and submit it to the Procuring Entity's Representative again at any time. A revised Program of Work shall show the effect of any approved Variations.
- 31.5** When the Program of Work is updated, the Contractor shall provide the Procuring Entity's Representative with an updated cash flow forecast. The cash flow forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.
- 31.6** All Variations shall be included in updated Program of Work produced by the Contractor.

## **32. Management Conferences**

- 32.1** Either the Procuring Entity's Representative or the Contractor may require the other to attend a Management Conference. The Management Conference shall review the plans for remaining work and deal with matters raised in accordance with the early warning procedure.
- 32.2** The Procuring Entity's Representative shall prepare the minutes of Management Conferences and provide copies of the minutes to those attending the Conference. The responsibility of the parties for actions to be taken shall be decided by the Procuring Entity's Representative either at the Management Conference or after the Management Conference and stated in writing to all who attended the Conference.

## **33. Bill of Quantities**

- 33.1** The **Bill of Quantities(BOQ)**, shown in **ANNEX II-1.1J** of these **Bidding Documents**, shall contain the items of work for the construction, installation, testing, and commissioning of the Works to be done by the Contractor.
- 33.2** The **BOQ** is used to calculate the Contract Price. The Contractor shall be paid for the actual quantity of each pay item, certified by the Procuring Entity's Representative as accomplished, at the unit price in the Bill of Quantities for that item.
- 33.3** If the final quantity of any pay item accomplished differs from the original quantity in the **BOQ** for that item and is not more than twenty five percent (25%) of that original quantity, provided the aggregate changes for all work items do not exceed ten percent (10%) of the Contract Price, the Procuring Entity's Representative shall make the necessary adjustments to allow for the changes, subject to applicable laws, rules, and regulations.

- 33.4** If requested by the Procuring Entity's Representative, the Contractor shall provide the Procuring Entity's Representative a detailed cost breakdown of any unit price or rate in the **BOQ**.

### **34. Instructions, Inspections and Audits**

- 34.1** The Procuring Entity's personnel shall at all reasonable times during construction of the Works be entitled to examine, inspect, measure and test the materials and workmanship, and to check the progress of the construction.
- 34.2** If the Procuring Entity's Representative instructs the Contractor to carry out a test not specified in the Specifications to check whether any work has a defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no defect, the test shall be a Compensation Event.
- 34.3** The Contractor shall permit the Funding Source named in the **SCC** to inspect the accounts and records of the Contractor relating to its performance and to have them audited by auditors approved by the Funding Source, if so required by the Funding Source.

### **35. Identification of Defects**

The Procuring Entity's Representative shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Procuring Entity's Representative may instruct the Contractor to uncover Defects and test any work that the Procuring Entity's Representative considers below standard and defective.

### **36. Cost of Repairs**

Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Liability Period shall be remedied by the Contractor at the Contractor's expense if the loss or damage arises from the Contractor's acts or omissions.

### **37. Correction of Defects**

- 37.1** The Procuring Entity's Representative shall give notice to the Contractor of any defects before the end of the Defects Liability Period, which is one (1) day from the Completion Date up to the date of issuance of the Certificate of Acceptance by the Procuring Entity.
- 37.2** Every time notice of a Defect is given, the Contractor shall correct the notified defect within the length of time specified in the Procuring Entity's Representative's notice.
- 37.3** The Contractor shall correct the Defects which it notices itself before the end of the Defects Liability Period.

**37.4** The Procuring Entity's Representative shall certify that all Defects have been corrected. If the Procuring Entity's Representative considers that correction of a Defect is not essential, he can request the Contractor to submit a quotation for the corresponding reduction in the Contract Price. If the Procuring Entity's Representative accepts the quotation, the corresponding change shall be covered by a Variation Order.

### **38. Uncorrected Defects**

**38.1** The Procuring Entity shall give the Contractor at least fourteen (14) days notice of its intention to use a third party to correct a Defect. If the Contractor itself does not correct the Defect within that period, the Procuring Entity may have the Defect corrected by the third party. The cost of the correction will be deducted from the Contract Price.

**38.2** The use of a third party to correct Defects that are uncorrected by the Contractor shall in no way relieve the Contractor of its liabilities and warranties under the Contract.

### **39. Advance Payment**

**39.1** The Procuring Entity shall, upon a written request of the Contractor which shall be submitted as a Contract document, make an Advance Payment to the Contractor in an amount not to exceed fifteen percent (15%) of the total Contract Price, to be made in lump sum or, at most, two installments according to a schedule specified in the SCC. The advance payment, if requested in two installments, shall be subject to the following prerequisites:

- a. The first installment shall require the written request of the Contractor and submission of the instrument prescribed in GCC Clause 39.2.
- b. The second installment shall require a certification of the Project Engineer of the Procuring Entity that the Contractor has mobilized major equipment according to the approved Equipment Utilization Schedule.

**39.2** The Advance Payment shall be made only upon the submission by the Contractor to and acceptance by the Procuring Entity of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the Procuring Entity.

**39.3** The Advance Payment shall be repaid by the Contractor by deducting, from periodic progress payments to be made to the Contractor, a percentage equal to the percentage of the total Contract Price used for the Advance Payment.

**39.4** The Contractor may reduce its standby letter of credit or guarantee instrument by the amounts refunded by the Monthly Certificates in the advance payment.

#### **40. Monthly Statements or Progress Billings**

- 40.1** The Contractor shall submit to the Procuring Entity's Representative, after the end of each month, a Statement of Work Accomplished (SWA) or Progress Billing, showing the amounts which the Contractor consider itself to be entitled up to the end of the month, to cover:
- a. the cumulative value of the Works it executed to date, based on the items in the Bill of Quantities; and
  - b. adjustments made for approved Variation Orders executed.
- 40.2** Except as otherwise stipulated in the SCC, materials and equipment delivered on the site but not completely put in place shall not be included for payment.

#### **41. Monthly Certificates and Progress Payments**

- 41.1** The Procuring Entity's Representative shall check the Contractor's monthly SWA and certify the amount to be paid to the Contractor.
- 41.2** The Procuring Entity's Representative shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor.
- 41.3** The value of Work executed shall:
- a. be determined by the Procuring Entity's Representative;
  - b. comprise the value of the quantities of the items in the Bill of Quantities completed; and
  - c. include the valuations of approved variations.
- 41.4** The Procuring Entity's Representative may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.
- 41.5** The Procuring Entity's Representative shall deduct the following from the certified gross amounts to be paid, resulting in the net amount payable to the Contractor as Progress Payment:
- a. Cumulative value of the Work previously certified and paid for.
  - b. Portion of the advance payment to be recouped for the month under the present certificate.
  - c. Retention money in accordance with GCC Clause 42.
  - d. Amount to cover approved third party liabilities.
  - e. Amount to cover uncorrected Defects in the Works.

- f. Value of any work item presently certified but already paid for under an earlier certification.
- 41.6** The Procuring Entity shall pay the Contractor the said net amounts certified by the Procuring Entity's Representative within twenty eight (28) days from the date each certificate was issued. No payment of interest for delayed payments and adjustments shall be made by the Procuring Entity.
- 41.7** The first progress payment may be paid by the Procuring Entity to the Contractor provided that at least twenty percent (20%) of the work has been accomplished as certified by the Procuring Entity's Representative.
- 41.8** Items of the Works for which a price of 000 (zero) has been entered will not be paid for by the Procuring Entity and shall be deemed covered by other rates and prices in the Contract.
- 41.9** The Procuring Entity shall pay the Contractor a cumulative gross amount not exceeding ninety percent (90%) of the total Contract price, since the remainder shall serve as the ten percent (10%) retention money, as provided in GCC Clause 42.

## **42. Retention**

- 42.1** The Procuring Entity shall retain from each progress payment ten percent (10%) of such payment, referred to as the "retention money." Such retention money 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 the Works, as determined by the Procuring Entity, is completed. If, after fifty percent (50%) completion, the Works are satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall again be imposed using the rate specified therefor.
- 42.2** The total retention money shall be due for release upon final acceptance of the Works. The Contractor may, however, request the substitution of the retention money for each progress billing with an irrevocable standby letter of credit from a commercial bank, bank guarantee and/or surety bond callable on demand, of amounts equivalent to the retention money substituted for and in a form acceptable to the Procuring Entity. The Procuring Entity shall allow such substitution provided that the Contract is on schedule and is satisfactorily undertaken. The said irrevocable standby letter of credit, bank guarantee and/or surety bond, to be posted in favor of the Procuring Entity, shall be valid for a duration to be determined by the Procuring Entity and shall answer for the purpose for which the retention is intended, i.e., to cover uncorrected discovered Defects and third party liabilities.
- 42.3** On completion of the whole Works, the Contractor may substitute retention money with an "on demand" Bank guarantee in a form acceptable to the Procuring Entity.



### 43. Variation Orders

- 43.1** Variation Orders (VOs) shall be subject to the provisions of Annex E of RA 9184-IRR and DPWH DO 28, series of 2015. may be issued by the Procuring Entity to cover any increase or decrease in quantities, including the introduction of new work items not included in the original Contract or reclassification of work items 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 ðas staked plansö or construction drawings prepared after a joint survey by the Contractor and the Procuring Entity after award of the Contract. The cumulative amount of the positive or additive VOs, however, shall not exceed ten percent (10%) of the original Contract cost. The addition or deletion of works shall be within the general scope of the Contract as bid and awarded. The scope of the Works shall not be reduced so as to accommodate a positive VO. .
- 43.2** A deductive VO may be allowed only if it would not significantly impair the functionality of the original design, i.e., it must not reduce the size of the facility by more than ten percent (10%) of the original scope (e.g., shortening of road length) or must not make the facility unsafe (e.g., removal of guard rails) or structurally unstable (e.g., removal of a column) or unusable (e.g., removal of a bridge abutment).
- 43.3** A VO in the form of a Change Order may be issued by the Procuring Entity to cover any increase or decrease in quantities of original Work items in the Contract.
- 43.4** A VO in the form 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 Works or character provided for in the Contract.
- 43.5** Any cumulative positive VO beyond ten percent (10%) shall be the subject of another contract to be bid out if the works are separable from the original Contract.
- 43.6** In claiming for any VO, 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 Contractor shall not ðaccumulateö claims for VOs before submitting them to the Procuring Entity for investigation and processing.
- 43.7** The preparation and submission of VOs shall be as follows:

- a. If the Procuring Entity's Representative/Project Engineer finds that a Variation Order is necessary, he shall prepare the proposed Order, accompanied with the Notice submitted by the Contractor, the plans therefor, his computations on the quantities of the additional, reduced or modified 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 Variation 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 Change Order or Extra Work Order.
- 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 HOPE 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 of the Procuring Entity, shall approve the Change Order or Extra Work Order, after being satisfied that the same is justified, necessary, and in order.
- d. The timeframe for the processing of VO from the preparation up to the approval by the HoPE concerned shall not exceed thirty (30) calendar days.

**43.8** Work under VOs shall be valued and paid as follows:

- a. At the unit prices for the same items in this Contract.
- b. In the absence of unit prices for the same items rates in this Contract, at prices or rates obtained from those of similar or related items in this Contract.
- c. Failing the above, at appropriate new unit prices or rates equal to or lower than current market rates and to be agreed upon by both parties and approved by the HoPE.

**44. Punch List**

Once the Contract reaches an accomplishment of ninety five percent (95%) of the total Contract Works, the Procuring Entity may create an inspectorate team to make a preliminary inspection and submit a punch list to the Contractor in preparation for the total completion of the Works. The punch list shall contain, among other things, the remaining unfinished portions of the Works, deficiencies in the Works for necessary

corrections, and the specific time to fully complete the whole Works considering the approved remaining Contract time. This, however, shall not preclude any claim of the Procuring Entity for liquidated damages.

## **45. Suspension of Work**

**45.1** In accordance with DPWH DO 100, series of 2015, the Procuring Entity, through its Project Engineer/Engineer's Representative, shall have the authority to issue a Work Suspension Order to the Contractor suspend the work wholly or partly by written order for such period as may be deemed necessary, on any of the following grounds:

- a. Force majeure or any fortuitous event that has taken place, which inflicts extensive damage and/or makes it difficult to proceed with the work, such as a devastating earthquake or flood.
- b. Failure on the part of the Contractor to correct bad conditions which are unsafe for workers or for the general public.
- c. Failure of the contractor to carry out valid orders given by the Procuring Entity or to perform any provisions of the contract.
- d. Adjustments of plans to suit field conditions as found necessary during construction.
- e. Major right-of-way (ROW) problems which prohibit the contractor from performing work in accordance with the approved construction schedule.
- f. Peace and order conditions which makes it extremely dangerous, if not impossible to work, as certified in writing by the Philippine National Police (PNP) Station Commander which has responsibility over the affected area, and confirmed by the Department of Interior and Local Government (DILG) Regional Director.
- g. Major variations initiated by the Government in the scope of the contract during its implementation to suit changes in physical and economic conditions.

The Contractor shall immediately comply with such order to suspend the Works 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, on any of the following grounds:

- a. There exist right-of-way problems which prevent 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 and the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the Contractor.

**45.3** The contractor shall immediately demobilize its equipment and manpower upon its receipt of the Work Suspension Order and to remobilize the same upon the lifting by the Procuring Entity the Work Suspension Order through a Work Resumption Order.

**45.4** The issuance of a Work Suspension Order shall not be an automatic contract time extension. A corresponding time extension, complete with the documentary requirements in accordance with DO No. 52, series of 2012, has to be approved by the authorized DPWH official in lieu of suspension, subject to evaluation to consider pre-determined unworkable days, bond extension, quit claim for damages, and their effect on the approved PERT/CPM schedule in order to reflect the official revised contract time and expiry date as a result of such suspension. If the suspension is due to any fault of the contractor, no contract time extension shall be granted.

## **46. Extension of Contract Time**

**46.1** Extension of the Contract Time shall be subject to the provisions of DPWH DO 100, series of 2015 and the provisions of this GCC Clause 46.

**46.2** Should the amount of additional work under an approved Variation Order 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 to complete the contract work when, in the Procuring Entity's opinion, the findings of facts justify an extension.

- 46.3** 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.
- 46.4** Extension of contract time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.
- 46.5** 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.
- 46.6** Extension of contract time may be granted for any of the following grounds:
- a. 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. In these cases, the time extension shall be processed for approval only after the total number of pre-determined rainy/unworkable days as indicated in the contract has been fully utilized as duly certified by the Procuring Entity's Representative.
  - b. 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 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.
  - c. Shortage of construction materials, general labor strikes, and peace and order problems that disrupt construction operations through no fault of the Contractor, provided that they are publicly felt and certified by appropriate government agencies such as Department of Trade and Industry (DTI), Department of Labor and Employment (DOLE), Department of Interior and Local Government (DILG), and Department of National Defense (DND), among others.
- 46.7** 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.

#### **47. Price Adjustment**

Except for extraordinary circumstances as determined by the National Economic and Development Authority (NEDA) and approved by the GPPB, no price adjustment shall be allowed unless otherwise indicated in the SCC. 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.

#### **48. Certificates of Completion and Acceptance**

**48.1** The issuance of a Certificate of Completion shall be subject to the provisions of DPWH DO 99, series of 2015.

- a. Upon receipt of notice from the contractor that the project is completed, the HOPE shall instruct its Inspectorate Team to conduct an inspection of the project and to submit its Completion Inspection Report within fifteen (15) days, indicating any construction defects/deficiencies detected and the corresponding measures that must be taken by the contractor to correct them. If no defects/deficiencies are detected, the report is considered as the Final Completion Inspection Report.
- b. Based on the Inspection Report, the HOPE shall issue to the Contractor a Notice of Defects/Deficiencies and Required Corrective Repair Works, with the instructions for the Contractor to commence the repair works within seven (7) days and to complete the works within thirty (30) days.
- c. Upon receipt of advice from the Contractor that the defects and deficiencies indicated in the said Notice have been corrected, the HOPE shall instruct the Inspectorate Team to conduct an inspection of the project and to submit its Completion Inspection Report within seven (7) days. If the report shows that the defects/deficiencies have been satisfactorily corrected, the report is considered as the Final Completion Inspection Report. Otherwise, the process is repeated until the noted defects/deficiencies have been satisfactorily corrected.
- d. Upon the receipt of the Final Completion Inspection Report from the Inspectorate Team, the HoPE shall issue the Certificate of Completion of the project, certifying that the Project has been satisfactorily completed as of the date indicated in the Final Inspection Report.

**48.2** The Certificate of Acceptance shall be issued by the HoPE at the end of the one-year Defects Liability period, after all defects/deficiencies, if any, shall have been repaired by the Contractor to the satisfaction of the same Inspectorate Team of the Procuring Entity mentioned above and upon submission of the Warranty Certificate by the Contractor in accordance with the provisions of GCC Clause

12. The issuance of a Certificate of Acceptance shall be subject to the provisions of DPWH DO 99, series of 2015.

- a. Upon receipt of notice from the Contractor that the project is ready for inspection after the one-year Defects Liability Period from the issuance of the Certificate of Completion, the HoPE shall instruct its Inspectorate Team to conduct an inspection of the project and to submit its Inspection Report within fifteen (15) calendar days, indicating any construction defects/deficiencies detected and the corresponding measures that must be taken by the Contractor to correct them. If no defects/deficiencies are detected, the report is considered as the Final Acceptance Inspection Report.
- b. Based on the Inspection Report, the HoPE shall issue to the Contractor a Notice of Defects/Deficiencies and Required Corrective Repair Works, with the instructions for the Contractor to commence the repair works within seven (7) calendar days and to complete the works within ninety (90) days.
- c. Upon receipt of advice from the contractor that the defects/deficiencies in the said Notice have been corrected, the HoPE shall instruct the Inspectorate Team to conduct an inspection of the project and to submit its Acceptance Inspection Report within seven (7) days. If the report shows that the defects/deficiencies have been satisfactorily corrected, the report is considered as the Final Acceptance Inspection Report. Otherwise, the process is repeated until the noted defects/deficiencies have been satisfactorily corrected.
- d. Upon the receipt of the Final Acceptance Report, the Head of the IO shall issue the Certificate of Acceptance.

#### **49. 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 Acceptance.

#### **50. As-Built Drawings and Operating and Maintenance Manuals**

- 50.1** If As-Built Drawings and/or Operating and Maintenance Manuals are required, the Contractor shall supply them by the dates stated in the SCC.
- 50.2** If the Contractor does not supply the said Drawings by the date stated in the SCC, or if they do not receive the approval of the Procuring Entity's Representative, the Procuring Entity's Representative shall withhold the amount stated in the SCC from payments due to the Contractor.

***ANNEX II-1.1G***  
***Section VII. Special Conditions of Contract***

**Notes on the Special Conditions of Contract**

The clauses in this Section on Special Conditions of Contract (SCC) are intended to assist the Procuring Entity in providing contract-specific information in relation to corresponding clauses in the **General Conditions of Contract (GCC)** under **ANNEX II-1.1F**.

The provisions of this Section complement the GCC, by specifying contractual requirements linked to the special circumstances of the Procuring Entity and of the Works procured.

No special condition which defeats or negates the general intent and purpose of the provisions of the **GCC**, however, should be incorporated herein.



**STANDARD FORMAT**  
**SPECIAL CONDITIONS OF CONTRACT**

GCC Clause	
1.19	The <b>Intended Completion Date</b> is <i>[Insert date]</i> .
1.24	The <b>Procuring Entity</b> is <i>[Insert full name and address of the PROCURING ENTITY]</i> .
1.25	The <b>Procuring Entity's Representative</b> is <i>[Name, address, and name of authorized representative]</i> .
1.26	The <b>Site</b> is located at <i>[Insert location]</i> and is defined in Drawings No. <i>[Insert Number]</i> .
1.30	The <b>Start Date</b> is <i>[Insert date]</i> .
1.33	The <b>Works</b> consist of <i>[Insert a brief summary, including relationship to other contracts under this Project]</i> .
2.2	<i>If different dates are specified for completion of the Works by section ("sectional completion"), these dates should be listed here</i>
5.1	The Procuring Entity shall give possession of the Site to the Contractor on <i>[Insert date]</i> .
6.5	The Contractor shall employ the following <b>Key Personnel</b> :  <i>[List key personnel by name and designation]</i>
7.4 c	<i>Specify additional conditions, if any, that must be met prior to the release of the performance security, otherwise, state "No further instructions".</i>
8.1	<i>Insert any exceptions or qualifications, e.g., provisions of approved loan agreements for a foreign-assisted project pertaining to sub-contracts,</i>
8.3	<i>Specify any limitations on the extent of portions of the Works that may be sub-contracted.</i>
10.	The Site Investigation Reports are: <i>[List here or state none]</i>
12.3	No further instructions.
12.5	<i>Select one from a to c below, whichever is applicable to the Contract, and delete the rest:</i>  a. <u>Permanent Structures: Fifteen (15) years</u>  Buildings of types 4 (steel, iron, concrete, or masonry construction with

	<p>walls, ceilings, and permanent partitions of incombustible fire resistance) and 5 (steel, iron, concrete, or masonry construction), steel and concrete bridges, flyovers, concrete aircraft movement areas, ports, dams, diversion tunnels, causeways, wharves, piers, dikes, filtration and treatment plants, sewerage systems, power plants, transmission and communication towers, railway system, and other similar structures.</p> <p><i>Or</i></p> <p>b. <u>Semi-Permanent Structures: Five (5) years</u></p> <p>Buildings of types 1 (wooden), 2 (wood with 1 hour fire resistance), and 3 (masonry and wood construction), concrete roads, asphalt roads, river control, drainage, irrigation and drainage canals, municipal ports and river landing, deep wells, rock causeway, pedestrian overpass, and other similar structures.</p> <p><i>Or</i></p> <p>c. <u>Other Structures: Two (2) years</u></p> <p>Bailey and wooden bridges, shallow wells, spring developments, and other similar structures.</p>
22.2	<p>The Arbiter is: <i>[Insert name]</i></p> <p><i>[Insert address]</i></p>
29.1	<p><i>Select one, delete the other:</i></p> <p>Dayworks are applicable at the rate shown in the Contractor's original Bid.</p> <p><i>Or</i></p> <p>No dayworks are applicable to the contract.</p>
31.1	<p>The Contractor shall submit the Program of Work to the Procuring Entity's Representative within <i>[insert number]</i> days of delivery of the Letter of Acceptance.</p>
31.3	<p>The period between Program of Work updates is <i>[insert number]</i> days.</p> <p>The amount to be withheld for late submission of an updated Program of Work is <i>[insert amount]</i>.</p>
34.3	<p>The Funding Source is the <i>Government of the Philippines</i>.</p>
39.1	<p>The amount and schedule of the advance payment is <i>[insert amount as percentage of the Contract Price and schedule of payment]</i></p>
40.2	<p>Materials and equipment delivered on the site but not completely put in place shall be included for payment.</p>

50.1	The date by which the As-Built Drawings and/or Operating and Maintenance Manuals are required is <i>[Insert date]</i> .
50.2	The amount to be withheld for failing to supply the As-Built Drawings and/or Operating and Maintenance Manuals by the date required is <i>[Insert amount in Pesos equal to 10% of the Contract Price]</i> .

## ***ANNEX II-1.1H***

## ***Section VIII. Specifications***

### **1. DPWH Standards**

The **DPWH Standard Specifications for Public Works and Highways** (öBlue Bookö) shall be the main basis for the standards and codes to be met by the goods and materials to be furnished and work performed or tested for the Contract. In particular, Volume II of the Blue Book shall be used if the Contract pertains to Highways, Bridges and Airports. Volume III of the Blue Book shall be used if the Contract pertains to Buildings, Flood Control and Drainage, or Water Supply. The Blue Book incorporates standards of the American Association of State Highway and Transportation Officials (AASHTO), American Society for Testing and Materials (ASTM), and American Concrete Institute (ACI), among others, pertaining to construction.

The Procuring Entity shall use the Standard Pay Items in the Project and Contract Management Application (PCMA) in drawing up the Specifications.

### **2. Modifications of Standards**

**2.1** Modifications of and additions to standards and codes as stated in the DPWH Standard Specifications for Public Works and Highways, if any, shall be included in the enclosed Supplemental Specifications, which is part of these Bidding Documents.

**2.2** Entries in the Supplemental Specifications are numbered to coincide with the numbering of items in the DPWH Standard Specifications for Public Works and Highways.

***ANNEX II-1.1I***  
***Section IX. Drawings***

Insert here a list of approved Drawings for the Contract. The actual Drawings, including Site plans, shall be attached to this Section or annexed in a separate folder.

## ***ANNEX II-1.1J***

### ***Section X. Bill of Quantities***

1. The Bill of Quantities (BOQ) contains the following parts:
  - a. BOQ for each Part of the Contract, using **Form DPWH-INFR-17**.
  - b. Summary of Bid Prices for all Parts of the Contract, using **Form DPWH-INFR-18**.
2. For the BOQ for each Part of the Contract, the Bidder shall not change the entries under Pay Item No. (Column 1), Pay Item Description (Column 2), Unit (Column 3), and Quantity (Column 4) in the Bill of Quantities, which are set by the Procuring Entity. For each pay item in the BOQ, the Bidder shall indicate its unit bid price in words and in figures (₱) in Column 5, and its total bid price in Column 6 (Column 4 x Column 5)
3. For the Summary of Bid Prices, the Bidder shall not change the entries and Part No. (Column 1) and Part Description (Column 2), which are provided by the Procuring Entity. The Bidder shall indicate the Total Amount (Column 3) for each Part No. at the Total of All Amounts at the bottom.
4. The Procuring Entity shall use the Standard Pay Items in the Project and Contract Management Application (PCMA) in preparing the BOQ.

## *ANNEX II-1.1K*

### *Section XI. Bidding Forms*

The Bidder shall use the Bidding Forms (BFs) listed below in preparing its Bid and, in case it is awarded the contract, in preparing the documents required to perfect the contract.

- DPWH-INFR-05: Contractor's Confidential Application Statement for Registration (CCASR)
- DPWH-INFR-06: Contractor's Registration Certificate (CRC)
- DPWH-INFR-07: Contractor's Information (CI)
- DPWH-INFR-09: Bid Form
- DPWH-INFR-10: Form of Bid Security: Bank Guarantee
- DPWH-INFR-11: Form of Bid Security: Irrevocable Letter of Credit
- DPWH-INFR-12: Form of Bid Securing Declaration
- DPWH-INFR-13: Contractor's Organizational Chart for the Contract
- DPWH-INFR-14: List of Contractor's Key Personnel to be Assigned to the Contract, with their Qualification and Experience Data
- DPWH-INFR-15: List of Contractor's Equipment Units to be Assigned to the Contract, Supported by Certificates of Availability
- DPWH-INFR-16: Sworn Statement Required by IRR Section 25.2b)iv)
- DPWH-INFR-17: Bill of Quantities (BOQ)
- DPWH-INFR-18: Summary of Bid Prices
- DPWH-INFR-19: Cash Flow by Quarter
- DPWH-INFR-20: Bidder's Checklist of Requirements for Its Bid, Including Technical and Financial Proposals Requirement for Bidders
- DPWH-INFR-43: Performance Security: Irrevocable Letter of Credit
- DPWH-INFR-44: Performance Security: Bank Guarantee
- DPWH-INFR-45: Construction Methods
- DPWH-INFR-46: Construction Schedule in the form of PERT/CPM or Precedence Diagram and Bar Chart with S-Curve and Cash Flow

DPWH-INFR-47 Manpower Schedule

DPWH-INFR-48: Major Equipment Utilization Schedule

DPWH-INFR-49: Construction Safety and Health Program

DPWH-INFR-50: Checklist of Contract Documents and Supporting Documents

DPWH-INFR-51: Form of Contract Agreement

The content of each of these forms is given in the attached folder marked "ANNEX IIB ó **Standard Bidding Forms**." The bidder may download these forms from the DPWH website. The bidder may also obtain from the Procuring Entity hard copies of these forms as part of the **BDs** for the contract.



## *ANNEX II-1.11*

### *Section XII. Foreign-Assisted Projects*

#### **Notes on Foreign-Assisted Projects (FAPs)**

This Section is intended to assist the Procuring Entity in providing the specific information for FAPs of the Asian Development Bank (ADB), the Japan International Cooperation Agency (JICA), and the World Bank (WB).

- (a) If the Funding Source is ADB, the Procuring Entity should use the ADB Bid Data Sheet and ADB Special Conditions of Contract.
- (b) If the Funding Source is JICA, the Procuring Entity should use Section III. Bid Data Sheet and Section V. Special Conditions of Contract, both of the GOP.
- (c) If the Funding Source is WB, the Procuring Entity should use the WB Bid Data Sheet and the WB Special Conditions of Contract.

The Procuring Entity shall use the **SBDs** with minimum changes as necessary to address project-specific conditions. Any such changes shall be introduced only through the Bid Data Sheet (**BDS**) or through the Special Conditions of Contract (**SCC**), and not by introducing changes in the standard wording of the Instructions to Bidders and the General Conditions of Contract (**GCC**).

The Procuring Entity shall allow the Bidders sufficient time to study the Bidding Documents (**BDs**), prepare and complete responsive bids, and submit their bids. A period of at least 30 days for bid preparation shall be required.

#### **Notes on the Invitation to Bid (IB)**

The **IB** provides information that enables potential Bidders to decide whether to participate in the procurement at hand. The IB shall be:

- (a) advertised at least once in a newspaper of general nationwide circulation which has been regularly published for at least two (2) years before the date of issue of the advertisement, subject to Sections 21.2.2 of the IRR of RA 9184;
- (b) posted continuously in the Philippine Government Electronic Procurement System (PhilGEPS) website, the DPWH, and the website prescribed by the foreign government/foreign or international financing institution, if applicable, from the time the Invitation to Bid is advertised until the deadline for the submission and receipt of bids; together with the IB, also post the other parts of the BDs for the contract on the three websites mentioned; and
- (c) posted at any conspicuous place reserved for this purpose in the premises of the Procuring Entity concerned from the time the Invitation to Bid is advertised until the deadline for the submission and receipt of bids, as certified by the head of the Bids and Awards Committee (BAC) Secretariat of the Procuring Entity concerned.

Apart from the essential items listed in the **BDs**, the **IB** should also indicate the following:

- (a) The date of availability of the **BDs**, which shall be from the time the **IBs** first advertised/posted until the deadline for the submission and receipt of bids.
- (b) The place where the **BDs** may be purchased or the websites where it may be downloaded.
- (c) The deadline for the submission and receipt of bids from the last day of posting of the Invitation to Bid; and
- (d) Any important bid evaluation criteria.

The **IB** should be incorporated into the **BDs**. The information contained in the **IB** must conform to the other sections of the **BDs**, including the relevant information in the **BDS**.

### **Notes on the Bid Data Sheet (BDS)**

The **BDS** is intended to assist the Procuring Entity in providing the specific information in relation to the corresponding clauses in the Instructions to Bidders (**ITB**), and has to be prepared for each specific procurement.

The Procuring Entity should specify in the **BDS** information and requirements specific to the circumstances of the Procuring Entity, the processing of the procurement, the applicable rules regarding Bid price and currency, and the Bid evaluation criteria that will apply to the Bids. In preparing this Section, the following aspects should be checked:

- (a) Information that specifies and complements provisions of Section IV -**ITB** must be incorporated.
- (b) Amendments and/or supplements, if any, to provisions of Section IV -**ITB** as necessitated by the circumstances of the specific procurement, must also be incorporated.

### **Notes on the Special Conditions of the Contract (SCC)**

Similar to the Section V -**BDS**, the clauses in Section VII - **SCC** are intended to assist the Procuring Entity in providing contract-specific information in relation to corresponding clauses in Section VI -**GCC**.

The provisions of the **SCC** complement the **GCC**, specifying contractual requirements linked to the special circumstances of the Procuring Entity, the Procuring Entity's country, the sector, and the Works procured. In preparing this Section, the following aspects should be checked:

- (a) Information that complements provisions of Section VI - **GCC** must be incorporated.
- (b) Amendments and/or supplements to provisions of Section VI - **GCC**, as necessitated by the circumstances of the specific project, must also be incorporated.

However, no special condition which defeats or negates the general intent and purpose of the provisions of Section VI - **GCC** should be incorporated herein.

# Foreign-Assisted Projects

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## Invitation to Bid for Foreign-Assisted Projects

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### ***[Letterhead of the Procuring Entity]*** **INVITATION TO BID FOR *[Insert name of Project]***

1. The Government of the Philippines (GOP) *[has received/has applied for/intends to apply for]* a *[Loan//Grant]* from the *[state the foreign government/foreign or international financing institution (e.g., Asian Development Bank, Japan International Cooperation Agency, or World Bank)]* toward the cost of *[insert name of project]*, and it intends to apply part of the proceeds of this *[loan//grant]* to payments under the contract for *[insert name/no. of contract]*.
2. The *[insert name of Procuring Entity]* now invites bids for *[insert brief description of Works to be procured]*.<sup>1</sup> Completion of the Works is required *[insert the required completion date or expected contract duration]*. Bidders should have completed, within \_\_\_\_\_ (\_\_\_), a contract similar to the Project. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II. Instructions to Bidders.
3. Bidding will be conducted in accordance with relevant procedures for open competitive bidding as specified in the IRR of RA 9184 (R.A. 9184), with some amendments, as stated in these bidding documents and is open to all bidders from eligible source countries as defined in the applicable procurement guidelines of the *[state the foreign government/foreign international financing institution concerned ]*.The contract shall be awarded to the Lowest Calculated Responsive Bidder (LCRB) who was determined as such during post-qualification. The approved budget for the contract (ABC) is *[insert here the amount of the ABC]*.  
  
*[If ADB-funded project, please do not indicate the ABC in this Invitation to Bid.]*
4. Interested bidders may obtain further information from *[insert name of the Procuring Entity]* and inspect the Bidding Documents at the address given below from *[insert office hours]*.
5. A complete set of Bidding Documents may be purchased by the interested bidders on *[insert date of availability of Bidding Documents]* from the address below and upon payment of a nonrefundable fee for the bidding documents in the amount *[ insert amount in pesos]*.

It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity, *as*

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<sup>1</sup> A brief description of the scope of Works should be provided, including quantities, location of project, and other information necessary to enable potential bidders to decide whether or not to respond to the invitation.

*applicable*, provided that bidders shall pay the nonrefundable fee for the Bidding Documents not later than the submission of their bids.

6. The *[insert name of the Procuring Entity]* will hold a Pre-Bid Conference on *[insert time and date]* at *[insert address for Pre-Bid Conference, if applicable]*, which shall be open to all interested parties.
7. Bids must be delivered to the address below on or before *[insert date and time]* at *[insert address for submission and receipt of bids]*. All bids must be accompanied by a bid security in the amount of \_\_\_\_\_ in *[insert the acceptable form]*.

Bids will be opened in the presence of the bidders' representatives who choose to attend at the address below. Late bids shall not be accepted.

8. *[Insert such other necessary information deemed relevant by the Procuring Entity]*
9. The *[insert name of the Procuring Entity]* reserves the right to accept or reject any bid, to annul the bidding process, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders.
10. For further information, please refer to:

*[Insert name of officer]*

*[Insert name of office]*

*[Insert postal address] and/or [Insert street address]*

*[Insert telephone number, indicate city code]*

*[Insert contact's email address]*

*[Insert facsimile number]*

*[Insert website address, if applicable]*

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*[Insert Name and Signature of the BAC Chairperson or the Authorized Representative of the BAC Chairperson]*

## Asian Development Bank Bid Data Sheet

ITB Clause	
1.1	<p>The Procuring Entity is <i>[insert name of purchasing organization]</i>.</p> <p>The name of the Contract is <i>[insert the name of the contract]</i>.</p> <p>The identification number of the Contract is <i>[insert identification number of the contract]</i>.</p>
1.3	<p>The Funding Source is the Asian Development Bank (ADB) through <i>[indicate the Loan/Grant No.]</i> in the amount of <i>[insert amount of funds]</i>.</p> <p>The name of the Project is <i>[Insert the name of the project or "Not Applicable"]</i></p> <p>Payments by the Foreign Funding Source will be made only at the request of the Procuring Entity and upon approval by the Funding Source in accordance with the terms and conditions of the Loan Agreement between the Procuring Entity and the Funding Source in accordance with the International or Executive Agreement dated _____ (hereinafter called the "Loan Agreement").</p> <p>The payments will be subject in all respect to the terms and conditions of that Loan Agreement and the applicable law. No party other than the Procuring Entity shall derive any rights from the Loan Agreement or have any claim to the funds.</p>
2.1	<p>ADB's anti-corruption policy requires borrowers (including beneficiaries of ADB-financed activity), as well as bidders, suppliers, and contractors under ADB-financed contracts, to observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, ADB:</p> <p>(a) defines, for the purposes of this provision, the terms set forth below as follows:</p> <p style="margin-left: 40px;">(i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;</p> <p style="margin-left: 40px;">(ii) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;</p> <p style="margin-left: 40px;">(iii) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any</p>

	<p>party or the property of the party to influence improperly the actions of a party;</p> <p>(iv) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;</p> <p>(b) will reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in question;</p> <p>(c) will cancel the portion of the financing allocated to a contract if it determines at any time that representatives of the borrower or of a beneficiary of ADB-financing engaged in corrupt, fraudulent, collusive, or coercive practices during the procurement or the execution of that contract, without the borrower having taken timely and appropriate action satisfactory to ADB to remedy the situation;</p> <p>(d) will sanction a firm or an individual, at any time, in accordance with ADB's Anticorruption Policy and Integrity Principles and Guidelines (both as amended from time to time), including declaring ineligible, either indefinitely or for a stated period of time, to participate in ADB-financed or ADB-administered activities or to benefit from an ADB-financed or ADB-administered contract, financially or otherwise, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive or other prohibited practices.</p>
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5	<p>Eligible Bidders are as described in ADB Procurement Guidelines as stated in the Loan Agreement and as described on ADB's web page <a href="http://www.adb.org">www.adb.org</a></p> <p>An Eligible Bidder shall be deemed to have the nationality of a country if it is a citizen or constituted or incorporated, and operates in conformity with the provisions of the laws of that country.</p> <p>Eligible Bidders are as described in ADB Procurement Guidelines as stated in the Loan Agreement and as described on ADB's web page <a href="http://www.adb.org">www.adb.org</a>.</p> <p>To be considered eligible and qualified a Bidder must have a successful experience as prime contractor in the construction of at least one (1) work of a nature and complexity equivalent to the Works generally in the last five (5) years (to comply with this requirement, single works cited should be at least eighty percent (80%) of value of estimated contract cost of Works under bid), such being verifiable from completion certificates; and have an annual turnover from all works averaged over the last three (3) years equal to one hundred percent (100%) of the estimated value of the contract to be bid.</p> <p>For this purpose, similar contracts shall refer to [insert description of similar contracts].</p> <p>NOTE: ADB may set forth a different requirement depending on the nature, method, or complexity of the contract to be bid provided said requirement is clearly stated in the Bidding Documents.</p>
8.1	Instruction is the same as the GOP Bid Data Sheet
8.2	Instruction is the same as the GOP Bid Data Sheet
9.1	<p>The Procuring Entity will hold a pre-bid conference for this Project on [State date and time] at [State address of venue].</p> <p>NOTE: The pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids.</p>
11.1	Instruction is the same as the GOP Bid Data Sheet



14.1	<p>The first envelope shall contain the following eligibility and technical documents:</p> <p>a. Eligibility Requirements</p> <p>i. Registration Certification of the Company;</p> <p>ii. List of relevant contracts that comply to the experience requirement as specified in Section X BDS Clause 5.4 hereof;</p> <p>iii. Audited financial statement for the past two years;</p> <p>iv. In case of Joint Venture, the JV Agreement, if existing, or a signed statement from the partner companies that they will enter into a JV in case of award of contract;</p> <p>b. Technical Documents</p> <p>v. Project Requirements, which shall include the following:</p> <p>(v.1) List of contractor's personnel (viz., project Manager, Project Engineers, Materials Engineers, and Foremen), to be assigned to the contract to be bid, with their complete qualification and experience data; and</p> <p>(v.2) List of contractor's equipment units, which are owned, leased, and/or under purchase agreements, supported by certification of availability of equipment from the equipment lessor/vendor for the duration of the project;</p> <p>vi. Bid security as required in the ITB;</p> <p>vii. Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding Forms; and</p> <p>viii. A commitment from a Universal or Commercial Bank to extend a credit line in favor of the bidder if awarded the contract for the project.</p> <p>Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder.</p> <p>List any additional acceptable proof of registration mentioned in the ITB Clause or state "No other acceptable proof of registration is recognized. Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder. Such documents shall be translated in English."</p> <p>Foreign bidders may submit their valid Philippine Contractors Accreditation Board (PCAB) license and registration for the type and cost of the contract for this Project as a pre-condition for award as provided in the Loan Agreement.</p>
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14.3a	There is no ceiling for Financial Proposals.
14.3b	Instruction is the same as the GOP Bid Data Sheet
15.4	<p>If the contract is less than eighteen (18) months duration, state "No further instructions."</p> <p>If the contract is of over eighteen (18) months duration, insert the appropriate special condition of contract and state the following: Adjustments are authorized in accordance with the price adjustment provisions specified in the GCC Clause 48.</p>
16.1	Instruction is the same as the GOP Bid Data Sheet
17.1	Instruction is the same as the GOP Bid Data Sheet
18.1	Instruction is the same as the GOP Bid Data Sheet
18.2	Instruction is the same as the GOP Bid Data Sheet
21.3	Instruction is the same as the GOP Bid Data Sheet
22	Instruction is the same as the GOP Bid Data Sheet
26.1	Instruction is the same as the GOP Bid Data Sheet
26.2	During bid opening, if the first bid envelope lacks any of the documents listed in the ADB BDS 12.1(a), the bid shall be declared non-responsive but the documents shall be kept by the Procuring Entity. Only the unopened price proposal shall be returned to the Bidder.
29e-ii	Instruction is the same as the GOP Bid Data Sheet
29 i	There is no ceiling for Financial Proposals.
30 b-i)	Instruction is the same as the GOP Bid Data Sheet
30 b-ii	Instruction is the same as the GOP Bid Data Sheet
34..1	Instruction is the same as the GOP Bid Data Sheet
35.1 b(12)	Instruction is the same as the GOP Bid Data Sheet

### Asian Development Bank Special Conditions of Contract

GCC Clause	
1.19	Instruction is the same as the GOP Special Conditions of Contract
1.24	Instruction is the same as the GOP Special Conditions of Contract
1.25	Instruction is the same as the GOP Special Conditions of Contract
1.26	Instruction is the same as the GOP Special Conditions of Contract
1.30	Instruction is the same as the GOP Special Conditions of Contract
1.33	Instruction is the same as the GOP Special Conditions of Contract
2.2	Instruction is the same as the GOP Special Conditions of Contract
5.1	Instruction is the same as the GOP Special Conditions of Contract
6.5	Instruction is the same as the GOP Special Conditions of Contract
7.4(c)	Instruction is the same as the GOP Special Conditions of Contract
7.7	The Contractor shall be primarily and solely responsible for the acts, defaults, and negligence of any subcontractor.
8.1	Instruction is the same as the GOP Special Conditions of Contract
10.	Instruction is the same as the GOP Special Conditions of Contract
12.3	In case the Contractor fails to comply with the preceding paragraph, the Procuring Entity shall forfeit its performance security. All payables of the GOP in the Contractor's favor shall be offset to recover the costs.
12.5	Instruction is the same as the GOP Special Conditions of Contract
13	Instruction is the same as the GOP Special Conditions of Contract
16.1 e(6)(a)	In case it is determined prima facie by the Procuring Entity that the Contractor has engaged, before or during the implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation, such as, but not limited to, corrupt, fraudulent, collusive and coercive practices as defined in <b>ITB</b> Clause 3.10
22.2	Instruction is the same as the GOP Special Conditions of Contract
29.1	Instruction is the same as the GOP Special Conditions of Contract
31.1	Instruction is the same as the GOP Special Conditions of Contract

31.3	Instruction is the same as the GOP Special Conditions of Contract
34.3	The Funding Source is the Asian Development Bank.
39.1	Instruction is the same as the GOP Special Conditions of Contract
40.	Materials and equipment delivered on the site but not completely put in place shall be included for payment.
41.6	If the Procuring Entity delays payment, the Contractor shall be paid interest on such payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made at the annual rate of <i>[insert percentage rate]</i> .
47	<p>The Contract <i>[specify “is” or “is not”]</i> subject to price adjustment and the following information regarding coefficients <i>[specify “does” or “does not”]</i> apply.</p> <p>If bid payment is in more than one currency, the coefficients for adjustment of prices are:</p> <p>For currency <i>[type of currency]</i>:</p> <ul style="list-style-type: none"> <li>(i) <i>[percent]</i> percent non-adjustable element (coefficient A).</li> <li>(ii) <i>[percent]</i> percent adjustable element (coefficient B).</li> </ul> <p>For currency <i>[type of currency]</i>:</p> <ul style="list-style-type: none"> <li>(i) <i>[percent]</i> percent non-adjustable element (coefficient A).</li> <li>(ii) <i>[percent]</i> percent adjustable element (coefficient B).</li> </ul> <p>The Procuring Entity’s Representative shall adjust the Contract Price if taxes, duties, and other levies are changed within the period between twenty eight (28) days before the submission of Bids for the Contract and the date of the last Completion certificate. The adjustment shall be the change in the amount of tax payable by the Contractor, provided such changes are not already reflected in the Contract Price or are a result of GCC Clause 48.</p> <p>If the bid price is wholly in Philippine peso, the above formula on the coefficients for adjustment of prices shall not apply.</p> <p><i>NOTE: Adjustments are authorized in accordance with the price adjustment provisions specified in the GCC Clause 48 if the contract is of over eighteen (18) months duration.</i></p>
50.1	Instruction is the same as the GOP Special Condition of Contract
50.2	Instruction is the same as the GOP Special Condition of Contract

### World Bank Bid Data Sheet

ITB Clause	
1.1	<p>The PROCURING ENTITY is <i>[insert name of purchasing organization]</i>.</p> <p>The name of the Contract is <i>[insert the name of the contract]</i>.</p> <p>The identification number of the Contract is <i>[insert identification number of the contract]</i>.</p>
2.	<p>The Funding Source is World Bank through <i>[indicate the Loan/Grant No.]</i> in the amount of <i>[insert amount of funds]</i>.</p> <p>The name of the Project is <i>[Insert the name of the project]</i></p> <p>Payments by the Foreign Funding Source will be made only at the request of the PROCURING ENTITY and upon approval by the Funding Source in accordance with the terms and conditions of the Loan Agreement No. _____ between the PROCURING ENTITY and the Funding Source in accordance with the International or Executive Agreement dated _____ (hereinafter called the "Loan Agreement").</p> <p>The payments will be subject in all respect to the terms and conditions of that Loan Agreement and the applicable law. No party other than the PROCURING ENTITY shall derive any rights from the Loan Agreement or have any claim to the funds.</p>
3.1	Instruction is the same as GOP Bid Data Sheet
5.	<p>The Loan/Grant Agreement states in its Procurement NCB Annex that foreign bidders shall be eligible to bid xxxö. Eligible Bidders are as defined in the Guidelines: Procurement under IBRD Loans and IDA Credits as stated in the Loan Agreement.</p> <p>The Loan/Grant Agreement states in its Procurement NCB Annex that foreign bidders shall be eligible to bid xxxö. Eligible Bidders are as defined in the Guidelines: Procurement under IBRD Loans and IDA Credits as stated in the Loan Agreement.</p> <p>To be considered eligible and qualified a Bidder must have a successful experience as prime contractor in the construction of at least one (1) work of a nature and complexity equivalent to the Works generally in the last five (5) years (to comply with this requirement, single works cited should be at least eighty percent (80%) of value of estimated contract cost of Works under bid), such being verifiable from completion certificates; and have an annual turnover from all works averaged over the last three (3) years equal to one hundred percent (100%) of the estimated value of the contract to be</p>

	<p>bid.</p> <p>For this purpose, similar contracts shall refer to <i>[insert description of similar contracts or state “No further instructions”]</i>.</p> <p><i>NOTE: World Bank may set forth a different requirement depending on the nature, method, or complexity of the contract to be bid provided said requirement is clearly stated in the Bidding Documents.</i></p>
8.1	Instruction is the same as GOP Bid Data Sheet
8.2	Instruction is the same as GOP Bid Data Sheet
9.1	<p>The Procuring Entity will hold a pre-bid conference for this Project on [State date and time] at [State address of venue].</p> <p>NOTE: The pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids.</p>
1111	Instruction is the same as GOP Bid Data Sheet
10.3	This clause does not apply to WB funded projects. The BAC is responsible to send any amendments and/or clarifications on the provisions of the bidding documents.
14.1	<p>During Bid opening, if the first bid envelope lacks any of the following documents, the bid shall be declared non-responsive.</p> <p>The first envelope shall contain the following required documents:</p> <ul style="list-style-type: none"> <li>a. Registration Certification of the Company</li> <li>b. List of relevant contracts as specified in ITB Clause 5.4 hereof;</li> <li>c. Audited financial statement for the past two years</li> <li>d. In case of Joint Venture, the JV Agreement, if existing, or a signed Statement from the partner companies that they will enter into a JV in case of award of contract.</li> <li>e. Bid security as required in the ITB;</li> <li>f. Project Requirements, which shall include the following: <ul style="list-style-type: none"> <li>(i) List of contractor's personnel (viz., project Manager, Project Engineers, Materials Engineers, and Foremen), to be assigned to the contract to be bid, with their complete qualification and experience data; and</li> <li>(ii) List of contractor's equipment units, which are owned, leased, and/or under purchase agreements, supported by certification of availability of equipment from the equipment lessor/vendor for the duration of the project; and</li> </ul> </li> <li>g. Sworn statement in accordance with Section 25.2(a)(iv) of the IRR of RA 9184 and using the form prescribed in Section VIII. Bidding</li> </ul>

	<p>Forms; and</p> <p>h. A commitment from a Universal or Commercial Bank to extend a credit line in favor of the bidder if awarded the contract for the project.</p> <p>Notwithstanding the BAC's declaration of non-responsiveness of the first bid envelope, the financial proposals contained in the second bid envelopes of all the bidders shall be read. The first and second envelopes shall not be returned to the bidders.</p> <p>Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder.</p> <p>List any additional acceptable proof of registration mentioned in the ITB Clause or state "No other acceptable proof of registration is recognized."</p> <p>Foreign bidders may submit the equivalent documents, if any, issued by the country of the foreign bidder.</p> <p>Foreign bidders may submit their valid Philippine Contractors Accreditation Board (PCAB) license and registration for the type and cost of the contract for this Project as a pre-condition for award as provided in the Loan Agreement.</p>
14.3 a	<p>Select one, delete the other:</p> <p>There is no ceiling for Financial Proposals.</p> <p>OR</p> <p>The ABC is [insert amount]. Any bid with a financial component exceeding this amount shall not be accepted.</p>
14.3 b	<p>NOTE: Subject to prior concurrence by the World Bank, for foreign-funded procurement, a ceiling may be applied to bid prices provided the following conditions are met:</p> <p>a) Bidding Documents are obtainable free of charge on a freely accessible website. If payment of Bidding Documents is required by the procuring entity, payment could be made upon the submission of bids.</p> <p>b) The procuring entity has procedures in place to ensure that the ABC is based on recent estimates made by the engineer or the responsible unit of the procuring entity and that the estimates are based on adequate detailed engineering (in the case of works) and reflect the quality, supervision and risk and inflationary factors, as well as prevailing market prices, associated with the types of works or goods to be procured.</p> <p>c) The procuring entity has trained cost estimators on estimating prices</p>

	<p>and analyzing bid variances. In the case of infrastructure projects, the procuring entity must also have trained quantity surveyors.</p> <p>d) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineerø/procuring entityø estimate.</p> <p>e) The procuring entity has established a monitoring and evaluation system for contract implementation to provide a feedback on actual total costs of goods and works.</p>
15.4	Instruction is the same as GOP Bid Data Sheet
16.1	Instruction is the same as GOP Bid Data Sheet
17.1	Instruction is the same as GOP Bid Data Sheet
18.1	Instruction is the same as GOP Bid Data Sheet
18.2	Instruction is the same as GOP Bid Data Sheet
21.3	Instruction is the same as GOP Bid Data Sheet
22	Instruction is the same as GOP Bid Data Sheet
26.1	Instruction is the same as GOP Bid Data Sheet
26.7	During Bid opening, if the first envelope lacks any of the documents listed in World Bank BDS 12.1(a), the bid shall be declared non-responsive but the documents shall be kept by the Procuring Entity. The financial proposals in the second envelope of all the bidders shall be read for record purposes. The first and second envelopes shall not be returned to the bidders.
29 e-ii	Instruction is the same as GOP Bid Data Sheet
29 i	A ceiling may be applied to bid prices provided the conditions in BDS 13.2 above are met
30 b-i	If the winner is a foreign bidder, the requirement applies to relevant Philippine tax only.
30 b-iii	Instruction is the same as GOP Bid Data Sheet
34.1	Instruction is the same as GOP Bid Data Sheet
35.1 b(12)	Instruction is the same as GOP Bid Data Sheet



### World Bank Special Conditions of Contract

SCC Clause	
1.19	Instruction is the same as the GOP Special Conditions of Contract
1.24	Instruction is the same as the GOP Special Conditions of Contract
1.25	Instruction is the same as the GOP Special Conditions of Contract
1.26	Instruction is the same as the GOP Special Conditions of Contract
1.30	Instruction is the same as the GOP Special Conditions of Contract
1.33	Instruction is the same as the GOP Special Conditions of Contract
2.2	Instruction is the same as the GOP Special Conditions of Contract
5.1	Instruction is the same as the GOP Special Conditions of Contract
6.5	Instruction is the same as the GOP Special Conditions of Contract
7.4(c)	Instruction is the same as the GOP Special Conditions of Contract
7.7	Instruction is the same as the GOP Special Conditions of Contract
8.1	Instruction is the same as the GOP Special Conditions of Contract
10	Instruction is the same as the GOP Special Conditions of Contract
12.3	Instruction is the same as the GOP Special Conditions of Contract
12.5	Instruction is the same as the GOP Special Conditions of Contract
13	Instruction is the same as the GOP Special Conditions of Contract
16.1 e(6)(a)	Instruction is the same as the GOP Special Conditions of Contract
22.2	Instruction is the same as the GOP Special Conditions of Contract
29.1	Instruction is the same as the GOP Special Conditions of Contract
31.1	Instruction is the same as the GOP Special Conditions of Contract
31.3	Instruction is the same as the GOP Special Conditions of Contract
34.3	The Funding Source is the World Bank.
39.1	Instruction is the same as the GOP Special Conditions of Contract

40.	Instruction is the same as the GOP Special Conditions of Contract
50.1	Instruction is the same as the GOP Special Conditions of Contract
50.2	Instruction is the same as the GOP Special Conditions of Contract

**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

**PROCUREMENT MANUAL**

**VOLUME II - INFRASTRUCTURE**

**ANNEX IIB: STANDARD FORMS**

**10 June 2016**

**DPWH PROCUREMENT MANUAL**  
**VOLUME II – INFRASTRUCTURE**  
**ANNEX IIB - STANDARD BIDDING FORMS FOR INFRASTRUCTURE**  
**TABLE OF CONTENTS**

FORM NO.	NAME OF FORM	TO BE ACCOMPLISHED BY	
		PROCURING ENTITY	BIDDER
	<b>PROCUREMENT PLANNING</b>		
DPWH-INFR-01	Project Procurement Management Plan (PPMP)	X	
DPWH-INFR-02	Annual Procurement Plan (APP)	X	
DPWH-INFR-03	Approved Budget for the Contract (ABC)	X	
	<b>PREPARATION OF BIDDING DOCUMENTS</b>		
DPWH-INFR-04	Invitation to Bid	X	
DPWH-INFR-05	Contractor's Confidential Application Statement for Registration (CCASR)		X
DPWH-INFR-06	Contractor's Registration Certificate (CRC)	X	
DPWH-INFR-07	Contractor's Information (CI)	X	
DPWH-INFR-08	Contract Profile (CP) for Eligibility Processing		
DPWH-INFR-09	Bid Form		X
DPWH-INFR-10	Form of Bid Security: Bank Guarantee		X
DPWH-INFR-11	Form of Bid Security: Irrevocable Letter of Credit		X
DPWH-INFR-12	Form of Bid Securing Declaration		X
DPWH-INFR-13	Contractor's Organizational Chart for the Contract		X
DPWH-INFR-14	List of Contractor's Key Personnel to be Assigned to the Contract, with their Qualification and Experience Data		X
DPWH-INFR-15	List of Contractor's Major Equipment Units to be assigned to the Contract, Supported by Certificates of Availability		X
DPWH-INFR-16	Omnibus Sworn Statement Required by IRR Sec. 25.2b)iv)		X
DPWH-INFR-17	Bill of Quantities (BOQ)	X	X
DPWH-INFR-18	Summary of Bid Prices		X
DPWH-INFR-19	Cash Flow By Quarter		X
DPWH-INFR-20	Bidder's Checklist of Requirements for its Bid, including Technical and Financial Proposals		X
	<b>CONDUCT OF PRE-PROCUREMENT CONFERENCE</b>		
DPWH-INFR-21	Agenda of Pre-Procurement Conference	X	
DPWH-INFR-22	Pre-Procurement Conference Notice	X	
DPWH-INFR-23	Outline of Minutes of Pre-Procurement Conference	X	
	<b>CONDUCT OF PRE-BID CONFERENCE</b>		
DPWH-INFR-24	Agenda of Pre-Bid Conference	X	
DPWH-INFR-25	Pre-Bid Conference Notice	X	
DPWH-INFR-26	Outline of Minutes of Pre-Bid Conference	X	
DPWH-INFR-27	Supplemental Bulletin	X	
DPWH-INFR-28	Bid Bulletin		
	<b>ELIGIBILITY CHECK</b>		
DPWH-INFR-29	Results of Eligibility Check	X	
DPWH-INFR-30	Notice of Ineligibility	X	
	<b>RECEIPT AND OPENING OF BIDS</b>		
DPWH-INFR-31	Preliminary Examination of Technical Proposal vs. Checklist	X	
DPWH-INFR-32	Preliminary Examination of Financial Proposal vs. Checklist	X	
DPWH-INFR-33	Abstract of Bids as Read	X	
DPWH-INFR-34	Outline of Minutes of Opening of Bids	X	
	<b>DETAILED EVALUATION OF BIDS</b>		

FORM NO.	NAME OF FORM	TO BE ACCOMPLISHED BY	
		PROCURING ENTITY	BIDDER
DPWH-INFR-35	Abstract of Bids as Calculated	X	
DPWH-INFR-36	Outline of Bid Evaluation Report (BER)	X	
	<b>POST-QUALIFICATION</b>		
DPWH-INFR-37	Post-Qualification Report (PQR)	X	
DPWH-INFR-38	Notice of Post-Qualification (NPQ)	X	
DPWH-INFR-39	Notice of Post-Disqualification (NPD)	X	
DPWH-INFR-40	BAC Resolution Declaring the Bidder with the LCRB and Recommending Award Thereto	X	
	<b>AWARD OF CONTRACT</b>		
DPWH-INFR-41	Notice of Award (NOA)	X	
DPWH-INFR-42	Notification of Bidding Results	X	
	<b>PERFECTION OF CONTRACT</b>		
DPWH-INFR-43	Performance Security: Irrevocable Letter of Credit		X
DPWH-INFR-44	Performance Security: Bank Guarantee		X
DPWH-INFR-45	Construction Methods		X
DPWH-INFR-46	Construction Schedule in PERT/CPM or Precedence Diagram and Bar Chart with S-Curve and Cash Flow		X
DPWH-INFR-47	Manpower Schedule		X
DPWH-INFR-48	Major Equipment Utilization Schedule		X
DPWH-INFR-49	Construction Safety and Health Program		X
DPWH-INFR-50	Checklist of Contract Documents and Supporting Documents	X	X
DPWH-INFR-51	Form of Contract Agreement	X	X
DPWH-INFR-52	Notice to Proceed (NTP)	X	
DPWH-INFR-53	Evaluation of Bids for Design-Build Project	X	
DPWH-INFR-54	Procurement Performance Report	X	

**Department of Public Works and Highways**

**Procurement ID/Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
Name of Procuring Entity

Address

**PROJECT PROCUREMENT MANAGEMENT PLAN  
FOR INFRASTRUCTURE**

1. Brief Scope of Work: \_\_\_\_\_  
\_\_\_\_\_

2. Approved Budget for the Contract: Php \_\_\_\_\_

3. Readiness of the Contract for Procurement:

3.1 Availability of Fund: If NEP: PAP No. \_\_\_\_\_, Amount \_\_\_\_\_

If GAA: Project/Component ID \_\_\_\_\_, Amount \_\_\_\_\_

3.2 Completed and Approved Detailed Engineering, including EIS: Yes \_\_\_\_\_ No \_\_\_\_\_

3.3 Completed and Approved Bidding Documents: Yes \_\_\_\_\_ No \_\_\_\_\_

3.4 Right-of-Way Acquisition Plan: Yes \_\_\_\_\_ No \_\_\_\_\_

4. Contract Implementation Schedule

4.1 Contract Duration: \_\_\_\_\_ calendar days

4.2 Target Start Date of Contract: \_\_\_\_\_

4.3 Target Completion Date of Contract: \_\_\_\_\_

5. Proposed Procurement Method: Public Bidding \_\_\_\_\_

Others (Specify Justification) \_\_\_\_\_

6. Procurement Schedule:

Activity	Date		No. of cal. days
	From	To	
6.1 Pre-Procurement Conference			
6.2 Advertisement of Invitation to Bid			
6.3 Issuance of Bidding Documents			
6.4 Pre-Bid Conference			
6.5 Receipt and Opening of Bids			
6.6 Eligibility Check			
6.7 Evaluation of Bids			
6.8 Post-Qualification			
6.9 Award of Contract			

7. Contract Processing:

Activity	Date		No. of cal. days
	From	To	
7.1 Perfection and Signing of Contract			
7.2 Approval of Contract			
7.3 Notice to Proceed			

Submitted by:

Evaluated by:

Name and Signature

Head of Implementing Unit

Date: \_\_\_\_\_

Name and Signature

Head of Budget Office

Date: \_\_\_\_\_





(IMPLEMENTING OFFICE)

FORM INFRA-03-2016

(NAME OF PROJECT)  
(Location)

**SUMMARY OF APPROVED BUDGET FOR THE CONTRACT**

Contract Duration :

ITEM NO.	DESCRIPTION	ESTIMATED DIRECT COST	TOTAL MARK-UP		VAT	TOTAL INDIRECT COST	TOTAL COST
			%	VALUE			
PART A	FACILITIES FOR THE ENGINEER	AS EVALUATED					
		AS SUBMITTED					
PART B	OTHER GENERAL REQUIREMENTS	AS EVALUATED					
		AS SUBMITTED					
PART C	EARTHWORKS	AS EVALUATED					
		AS SUBMITTED					
PART D	SUBBASE AND BASE COURSE	AS EVALUATED					
		AS SUBMITTED					
PART E	SURFACE COURSE	AS EVALUATED					
		AS SUBMITTED					
PART F	BRIDGE CONSTRUCTION	AS EVALUATED					
		AS SUBMITTED					
PART G	DRAINAGE AND SLOPE PROTECTION STRUCTURES	AS EVALUATED					
		AS SUBMITTED					
PART H	MISCELLANEOUS STRUCTURES	AS EVALUATED					
		AS SUBMITTED					
PART I	PROVISIONAL SUM	AS EVALUATED					
		AS SUBMITTED					
PART J	DAYWORK	AS EVALUATED					
		AS SUBMITTED					
TOTAL		AS EVALUATED					
		AS SUBMITTED					

Preparation and Submission:

Evaluation:

Approval:

Prepared by:

Checked/Submitted by:

Evaluated by:

Recommending Approval:

Approved:

Name & Signature

Name & Signature

Name & Signature

Name & Signature

Name & Signature

Position Title

Position Title

Position Title

Position Title

Position Title

Planning/Const. Section/Division/Consultant

Planning/Const. Section/Division/UPMO

Planning/Construction Division/BOC





(IMPLEMENTING OFFICE)

(NAME OF PROJECT)  
(Location)

FORM INFRA-03-2016

APPROVED BUDGET FOR THE CONTRACT

Contract Duration :

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ESTIMATED DIRECT COST	TOTAL MARK-UP		VAT	TOTAL INDIRECT COST	TOTAL COST	UNIT COST
					%	VALUE				
<b>PART A</b>	<b>FACILITIES FOR THE ENGINEER</b>									
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
	<b>TOTAL OF PART A</b>	AS EVALUATED								
		AS SUBMITTED								
<b>PART B</b>	<b>OTHER GENERAL REQUIREMENTS</b>									
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
	<b>TOTAL OF PART B</b>	AS EVALUATED								
		AS SUBMITTED								
<b>PART C</b>	<b>EARTHWORKS</b>									
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
	<b>TOTAL OF PART C</b>	AS EVALUATED								
		AS SUBMITTED								
<b>PART D</b>	<b>SUBBASE AND BASE COURSE</b>									
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
	<b>TOTAL OF PART D</b>	AS EVALUATED								
		AS SUBMITTED								
<b>PART E</b>	<b>SURFACE COURSE</b>									
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
	<b>TOTAL OF PART E</b>	AS EVALUATED								
		AS SUBMITTED								

Preparation and Submission:

Evaluation:

Approval:

Prepared by:

Checked/Submitted by:

Reviewed as to Unit Cost:

Recommending Approval:

Approved:

Name & Signature

Position Title

Planning/Const. Section/Division/Consultant

Name & Signature

Position Title

Planning/Const. Section/Division/UPMO

Name & Signature

Position Title

Planning/Construction Division/BOC

Name & Signature

Position Title

Name & Signature

Position Title



(IMPLEMENTING OFFICE)

FORM INFRA-03-2016

(NAME OF PROJECT)  
(Location)

APPROVED BUDGET FOR THE CONTRACT

Contract Duration :

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ESTIMATED DIRECT COST	TOTAL MARK-UP		VAT	TOTAL INDIRECT COST	TOTAL COST	UNIT COST
					%	VALUE				
<b>PART F</b>	<b>BRIDGE CONSTRUCTION</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART F</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART G</b>	<b>DRAINAGE AND SLOPE PROTECTION STRUCTURES</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART G</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART H</b>	<b>MISCELLANEOUS STRUCTURES</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART H</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART I</b>	<b>PROVISIONAL SUM</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART J</b>	<b>DAYWORK</b>									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL</b>			( AI )		( AJ )	( AK )	( AL )	( AM )	
	AS SUBMITTED			( AN )		( AO )	( AP )	( AQ )	( AR )	

Preparation and Submission:

Prepared by:

Checked/Submitted by:

Evaluation:

Reviewed as to Unit Cost:

Approval:

Recommending Approval:

Approved:

Name & Signature  
Position Title

Planning/Const. Section/Division/Consultant

Name & Signature  
Position Title

Planning/Const. Section/Division/UPMO

Name & Signature  
Position Title

Planning/Construction Division/BOC

Name & Signature  
Position Title

Name & Signature  
Position Title



(IMPLEMENTING OFFICE)

(NAME OF PROJECT)  
(Location)

FORM INFRA-03-2016

**APPROVED BUDGET FOR THE CONTRACT**

Contract Duration : ( D )

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ESTIMATED DIRECT COST	TOTAL MARK-UP		VAT	TOTAL INDIRECT COST	TOTAL COST	UNIT COST
					%	VALUE				
<b>PART A</b>	<b>FACILITIES FOR THE ENGINEER</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART A</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART B</b>	<b>OTHER GENERAL REQUIREMENTS</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART B</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART C</b>	<b>EARTHWORKS</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART C</b>									
	AS EVALUATED									
	AS SUBMITTED									

Preparation and Submission:

Prepared by:

Checked/Submitted by:

Evaluation:

Reviewed as to Unit Cost:

Name & Signature  
Position Title

Planning/Const. Section/Division/Consultant

Name & Signature  
Position Title

Planning/Const. Section/Division/UPMO

Name & Signature  
Position Title

Planning/Construction Division/BOC



(IMPLEMENTING OFFICE)

(NAME OF PROJECT)  
(Location)

FORM INFRA-03-2016

**APPROVED BUDGET FOR THE CONTRACT**

Contract Duration : ( D )

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ESTIMATED DIRECT COST	TOTAL MARK-UP		VAT	TOTAL INDIRECT COST	TOTAL COST	UNIT COST
					%	VALUE				
<b>PART D</b>	<b>SUBBASE AND BASE COURSE</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART D</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART E</b>	<b>SURFACE COURSES</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART E</b>									
	AS EVALUATED									
	AS SUBMITTED									
<b>PART F</b>	<b>BRIDGE CONSTRUCTION</b>									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	AS EVALUATED									
	AS SUBMITTED									
	<b>TOTAL OF PART F</b>									
	AS EVALUATED									
	AS SUBMITTED									

Preparation and Submission:

Prepared by:

Checked/Submitted by:

Evaluation:

Reviewed as to Unit Cost:

Name & Signature  
Position Title

Planning/Const. Section/Division/Consultant

Name & Signature  
Position Title

Planning/Const. Section/Division/UPMO

Name & Signature  
Position Title

Planning/Construction Division/BOC



(IMPLEMENTING OFFICE)

(NAME OF PROJECT)  
(Location)

FORM INFRA-03-2016

**APPROVED BUDGET FOR THE CONTRACT**

Contract Duration : ( D )

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	ESTIMATED DIRECT COST	TOTAL MARK-UP		VAT	TOTAL INDIRECT COST	TOTAL COST	UNIT COST
					%	VALUE				
<b>PART G</b>	<b>DRAINAGE AND SLOPE PROTECTION STRUCTURES</b>									
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
	<b>TOTAL OF PART G</b>	AS EVALUATED								
		AS SUBMITTED								
<b>PART H</b>	<b>MISCELLANEOUS STRUCTURES</b>									
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
		AS EVALUATED								
		AS SUBMITTED								
	<b>TOTAL OF PART H</b>	AS EVALUATED								
		AS SUBMITTED								
<b>PART I</b>	<b>PROVISIONAL SUM</b>									
		AS EVALUATED								
		AS SUBMITTED								
<b>PART J</b>	<b>DAYWORK</b>									
		AS EVALUATED								
		AS SUBMITTED								
	<b>GRAND TOTAL</b>	AS EVALUATED								
		AS SUBMITTED								

Preparation and Submission:

Evaluation:

Prepared by:

Checked/Submitted by:

Reviewed as to Unit Cost:

Name & Signature

Position Title

Planning/Const. Section/Division/Consultant

Name & Signature

Position Title

Planning/Const. Section/Division/UPMO

Name & Signature

Position Title

Planning/Construction Division/BOC

**(NAME OF PROJECT)**  
(Location)  
**DETAILED UNIT PRICE ANALYSIS (DUPA)**

Item No. : \_\_\_\_\_  
 Description : \_\_\_\_\_  
 Unit of Measurement : \_\_\_\_\_  
 Output per hour - As Submitted : \_\_\_\_\_  
 Output per hour - As Evaluated : \_\_\_\_\_

	Designation	No. of Person/s	No. of Hour/s	Hourly Rate	Amount (PhP)
A.1	Labor				
	Sub - Total for A.1 - As Submitted				
A.2	Labor				
	Sub - Total for A.2 - As Evaluated				
	Name and Capacity	No. of Unit/s	No. of Hour/s	Hourly Rate	Amount (PhP)
B.1	Equipment				
	Sub - Total for B.1 - As Submitted				
B.2	Equipment				
	Sub - Total for B.2 - As Evaluated				
C.1	Total (A.1 + B.1) - As Submitted				
C.2	Total (A.2 + B.2) - As Evaluated				
D.1	Output per hour - As Submitted				
D.2	Output per hour - As Evaluated				
E.1	Direct Unit Cost (C.1 ÷ D.1) - As Submitted				
E.2	Direct Unit Cost (C.2 ÷ D.2) - As Evaluated				
	Name and Specification	Unit	Quantity	Unit Cost	Amount (PhP)
F.1	Materials				
	Sub - Total for F.1 - As Submitted				
F.2	Materials				
	Sub - Total for F.2 - As Evaluated				
G.1	Direct Unit Cost (E.1 + F.1) - As Submitted				
G.2	Direct Unit Cost (E.2 + F.2) - As Evaluated				
H.1	Overhead, Contingencies & Miscellaneous (OCM) - As Submitted		12% / 9% / 7% / 6% of G.1		
H.2	Overhead, Contingencies & Miscellaneous (OCM) - As Evaluated		12% / 9% / 7% / 6% of G.2		
I.1	Contractor's Profit (CP) - As Submitted		10% / 8% of G.1		
I.2	Contractor's Profit (CP) - As Evaluated		10% / 8% of G.2		
J.1	Value Added Tax (VAT) - As Submitted		5% of (G.1 + H.1 + I.1)		
J.2	Value Added Tax (VAT) - As Evaluated		5% of (G.2 + H.2 + I.2)		
K.1	Total Unit Cost - As Submitted		(G.1 + H.1 + I.1 + J.1)		
K.2	Total Unit Cost - As Evaluated		(G.2 + H.2 + I.2 + J.2)		

Prepared by:

Checked/Reviewed by:

\_\_\_\_\_  
**Name & Signature**  
 \_\_\_\_\_  
**Position Title**  
 Implementing Office/Consultant

\_\_\_\_\_  
**Name & Signature**  
 \_\_\_\_\_  
**Position Title**  
 Reviewing Office













( A ) - (IMPLEMENTING OFFICE)

FORM POW-2015-01-00

PROGRAM OF WORK/BUDGET COST

Project : \_\_\_\_\_ ( B )  
 \_\_\_\_\_ ( C )  
 Project ID : \_\_\_\_\_  
 Location : \_\_\_\_\_ ( D )  
 Station Limits : \_\_\_\_\_ ( E )  
 Appropriation : \_\_\_\_\_ ( F )  
 Source of Fund : \_\_\_\_\_ ( G )

Net Length : ( a ) Road \_\_\_\_\_ ( H )  
 ( b ) Bridge \_\_\_\_\_ ( I )  
 ( c ) Others \_\_\_\_\_ ( J )  
 Target Start Date : \_\_\_\_\_ ( K )  
 Total Project Duration : \_\_\_\_\_ ( L )  
 No. of Pre-determined : \_\_\_\_\_ ( M )  
 Unworkable Days

DESCRIPTION OF WORKS TO BE DONE	QUANTITY	UNIT	AS SUBMITTED		AS EVALUATED	
			% TOTAL	TOTAL DIRECT COST	% TOTAL	TOTAL DIRECT COST
Part A: Facilities for the Engineer						
B: Other General Requirements						
C: Earthworks						
D: Subbase and Base Course	( PLS. SEE FORM POW-2015-01C-00)			( PLS. REFER VALUE FROM FORM POW-2015-01C-00)		
E: Surface Courses						
F: Bridge Construction						
G: Drainage and Slope Protection Structures						
H: Miscellaneous Structures						
I: Provisional Sum						
J: Daywork						
	<b>Total</b>					

EQUIPMENT:

DESCRIPTION	REQUIRED
( PLS. SEE FORM POW-2015-01B-00)	

BREAKDOWN OF EXPENDITURES:

	AS SUBMITTED	AS EVALUATED
1. Labor		
2. Materials	( PLS. REFER VALUE FROM FORM POW-2015-01C-00)	
3. Rental of Equipment		
4. Provisional Sum / Daywork	( N )	( T )
5. OCM and Profit	( PLS. REFER VALUE FROM FORM POW-2015-01C-00)	
6. Value Added Tax		
7. EAO, %	( O )	( U )
8. RROW Acquisition	( P )	( V )
9. Physical Reserved (Contingency)	( Q )	( W )
10. TOTAL ESTIMATED COST	( R )	( X )

	AS SUBMITTED	AS EVALUATED
A. Total Direct Cost		
B. OCM and Profit	( PLS. REFER VALUE FROM FORM POW-2015-01C-00)	
C. Value Added Tax		
D. Total Construction Cost		
E. Eng'g & Administrative Overhead, %		
F. RROW Acquisition		
G. Physical Reserved (Contingency)		
H. TOTAL ESTIMATED COST		

Preparation and Submission:

Prepared by: \_\_\_\_\_  
 Checked/Submitted by: \_\_\_\_\_

Evaluation:

Reviewed as to Unit Cost: \_\_\_\_\_

Approval:

Recommending Approval: \_\_\_\_\_  
 Approved: \_\_\_\_\_

\_\_\_\_\_  
 Name & Signature  
 Position Title  
 Planning/Const. Section/Division/Consultant

\_\_\_\_\_  
 Name & Signature  
 Position Title  
 Planning/Const. Section/Division/UPMO

\_\_\_\_\_  
 Name & Signature  
 Position Title  
 Planning/Construction Division/BOC

\_\_\_\_\_  
 Name & Signature  
 Position Title

\_\_\_\_\_  
 Name & Signature  
 Position Title



(Project Name)  
Location

FORM POW-2015-01B-00

MINIMUM EQUIPMENT REQUIREMENT							
No.	Equipment Description	Capacity	Number of Equipment	No.	Equipment Description	Capacity	Number of Equipment
1	( C )	( D )	( E )	31			
2				32			
3				33			
4				34			
5				35			
6				36			
7				37			
8				38			
9				39			
10				40			
11				41			
12				42			
13				43			
14				44			
15				45			
16				46			
17				47			
18				48			
19				49			
20				50			
21				51			
22				52			
23				53			
24				54			
25				55			
26				56			
27				57			
28				58			
29				59			
30				60			
	<b>SUB-TOTAL</b>		( F )		<b>SUB-TOTAL</b>		( G )
					<b>TOTAL</b>		( H )

Department of Public Works and Highways (DPWH)

Contract ID:

Contract Name:

Location of the Contract:

---

Name of Procuring Entity

Address

**INVITATION TO BID**

The Name of Procuring Entity, through its Bids and Awards Committee (BAC), invites contractors to submit bids for the following Contract:

Contract ID: \_\_\_\_\_  
Contract \_\_\_\_\_ Name:  
Contract \_\_\_\_\_ Location:  
Brief \_\_\_\_\_ Description:  
Approved Budget for the Contract (ABC): PhP \_\_\_\_\_  
Source of Funds: \_\_\_\_\_  
Contract Duration: \_\_\_\_\_ calendar days

The BAC is conducting the public bidding for this Contract in accordance with Republic Act No. 9184 and its Implementing Rules and Regulations (IRR).

To be eligible to bid for this Contract, a contractor must meet the following major requirements: (a) Filipino citizen or 75% Filipino-owned partnership/corporation with PCAB license for Size Range \_\_\_\_\_, (b) completion of a similar contract costing at least 50% of the ABC\*, and (c) Net Financial Contracting Capacity (NFCC) at least equal to the ABC.

The DPWH will use non-discretionary pass/fail criteria in the eligibility check, preliminary examination of bids, evaluation of bids, post-qualification, and award.

*Insert the following three paragraphs if the Procuring Entity will adopt Electronic Bidding, pursuant to GPPB Resolution No. 13-2013:*

*As stipulated in Section 8.2.4.3 of the Implementing Rules and Regulations of RA 9184, the PhilGEPS may support the implementation of e-Bid submission processes, which includes creation of electronic bid forms, creation of bid box, delivery of bid submissions, notification to supplier of receipt of bids, bid receiving and electronic bid evaluation. This facility shall cover all types of procurement for goods, infrastructure projects and consulting services.*

*E-Bid submission shall be conducted wherein bidders shall submit their bids electronically through the PhilGEPS. Manual submission of bids shall not be allowed. This notwithstanding, bidders who submit e-bids shall be required to submit hard copies of the documents submitted electronically for purposes of validation and/or verification during the electronic opening in the event the BAC encounters technical problems or difficulty in opening e-bids. For this purpose, bidders shall register as Platinum Members in the Government-Official Merchants*

**Department of Public Works and Highways (DPWH)**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

*Registry (OMR). In addition, bidders who have purchased the Bidding Documents for this project shall be tagged as pilot users of the e-Bidding.*

*Registered e-bidding pilot users can download the original copy of the bidding documents including the electronic bid response form, submit and modify bids online, submit queries online and monitor the progress of bidding online.*

The schedule of key procurement activities for this Contract is shown below:

Activity	Time	Place
1. Issuance/Downloading of Bidding Documents	<u>Date to Date</u>	Hard copies at BAC Secretariat, <u>Address</u> . Downloadable from DPWH website www.dpwh.gov.ph, PhilGEPs website www.philgeps.gov.ph, and website of concerned foreign financing institution
2. Pre-Bid Conference	<u>Time and Date</u>	<u>Address</u>
3. Receipt by the BAC of Bids	Deadline: <u>Time and Date</u>	BAC, <u>Address</u>
4. Opening of Bids	<u>Time and Date</u>	BAC, <u>Address</u>

Bidders shall pay the BAC a non-refundable fee of Amount for the Bidding Documents, upon securing hard copies of the Documents. Bidders that download the Documents from the DPWH/ PhilGEPs website shall pay the fee upon submission of their bids.

The Name of Procuring Entity reserves the right to accept or reject any bid and to annul the bidding process any time before the Contract award, without incurring any liability to the affected bidders, in accordance with the provisions of Section 41 of RA 9184 and its IRR.

Any requests for additional information concerning this bidding shall be directed to the following:

BAC Chairperson: _____	BAC	Secretariat	Head:
_____			
Address: _____	Address:		
_____			
Telephone No. _____	Telephone		No.
_____			
Email address: _____	Email		address:
_____			

Approved by:

Dates of Publication: \_\_\_\_\_ Name and Signature  
 Newspaper: \_\_\_\_\_ BAC Chairperson

*\*For PCAB Small A and Small B Contractors, delete (c) of this paragraph, and rename (d) as (c).*



Department of Public Works and Highways  
Registry of Contractors for Civil Works Projects  
**Contractor's Confidential Application Statement for Registration (CCASR)**

(Please read the attached Instructions)

I, \_\_\_\_\_ of legal age, with postal address at \_\_\_\_\_, after having been duly sworn in accordance with the law, hereby depose and say:

1. That I am the: \_\_\_\_\_ of the \_\_\_\_\_ duly authorized to make this statement, as evidenced by the attached written authority from the proprietor/governing board of the firm,
2. That I hereby present the following information for registration with the Department of Public Works and Highways.

**A. GENERAL INFORMATION**

1. **Name of Firm/Company** : \_\_\_\_\_
  - a. Head Office Address : Number: \_\_\_\_\_ Street Name: \_\_\_\_\_  
Municipality/City: \_\_\_\_\_ Province: \_\_\_\_\_ Region: \_\_\_\_\_  
Postal Code: \_\_\_\_\_ Country: \_\_\_\_\_
  - b. Telephone Number : \_\_\_\_\_
  - c. Fax Number : \_\_\_\_\_
  - d. Email Address : \_\_\_\_\_
  - e. Company TIN : \_\_\_\_\_

2. **Foreign Contractors Only**
  - a. Nationality : \_\_\_\_\_
  - b. Philippine Address : Number: \_\_\_\_\_ Street Name: \_\_\_\_\_  
Municipality/City: \_\_\_\_\_ Province: \_\_\_\_\_ Region: \_\_\_\_\_  
Postal Code: \_\_\_\_\_
  - c. Telephone Number : \_\_\_\_\_
  - d. Fax Number : \_\_\_\_\_
  - e. Email Address : \_\_\_\_\_
  - f. Percentage of Filipino Ownership : \_\_\_\_\_ (if applicable)

3. **Person Managing the Affairs of the Firm:** Attach Annex òAö
  - a. Name : \_\_\_\_\_
  - b. Designation : \_\_\_\_\_
  - c. Telephone Number : \_\_\_\_\_
  - d. Specimen Signature : \_\_\_\_\_

3. **Authorized Liaison Officers:** Attach Annex òBö
  - a. Name : 1. \_\_\_\_\_ 2. \_\_\_\_\_
  - b. Designation : 1. \_\_\_\_\_ 2. \_\_\_\_\_
  - c. Telephone Number : 1. \_\_\_\_\_ 2. \_\_\_\_\_
  - d. Specimen Signature : 1. \_\_\_\_\_ 2. \_\_\_\_\_











**Department of Public Works and Highways (DPWH)**

**C. FINANCIAL ASPECTS** (*Amounts shall be in Philippine Pesos*): Attach Annex 6Kö

	CY -1	CY -2	CY -3	CY -4	CY -5
Total Assets					
Current Assets					
Total Liabilities					
Current Liabilities					
Total Net Worth					
Current Net Worth					
Gross Annual Turnover (construction)					

**Note: CY-1 = Current Year minus one**

**Taxpayer Identification Number (TIN)** \_\_\_\_\_

**D. AFFIDAVIT**

I hereby certify that all information provided herein, including the annexes and enclosures thereto, is true and correct, and I hold myself liable, criminally or civilly, for any misrepresentation or false statement made herein.

I hereby authorize the Department of Public Works and Highways to investigate and verify the said information.

In witness thereof, I have hereunto affixed my signature this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
(Affiant)

(Republic of the Philippines )  
PROVINCE/CITY OF \_\_\_\_\_)

SUBSCRIBED and SWORN TO before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at \_\_\_\_\_ affiant exhibited to me his/her Government-issued ID (*insert type of ID*) No. \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_.

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series No. \_\_\_\_\_

**Notary Public**  
Until \_\_\_\_\_  
PTR No. \_\_\_\_\_  
Issued at \_\_\_\_\_  
Issued on \_\_\_\_\_

**CONTRACTOR'S CONFIDENTIAL APPLICATION STATEMENT FOR  
REGISTRATION (CCASR)**

**INSTRUCTIONS FOR CONTRACTOR'S APPLICATION**

1. The Contractor-Applicant shall accomplish/answer all items in the Application Statement using the English language. Answers must be given to all questions in the aforesaid statement. All blanks shall be properly filled up. If necessary, additional sheets may be added to the form or, if the form has limited space, it can be reproduced and enlarged to suit the Contractor-Applicant's needs. Documents submitted on forms or in any format other than that prescribed in the aforesaid Statement shall be considered non-complying and will be rejected outright. Forms that may require attachments shall be clearly marked, i.e., Attachments to Form No.1; Attachments to Form No. 2, etc.
2. The information/data submitted by the Contractor-Applicant are to be used by the DPWH in determining, according to its judgment, the eligibility and qualification of the Contractor. In view thereof, Contractor-Applicants are encouraged to communicate with the DPWH for any clarification or interpretation of the documents. Requests for reconsideration will not be entertained on any erroneous interpretations or conclusions made by the Contractor-Applicant. A Contractor-Applicant submitting its qualifications as a prospective Contractor for review and consideration waives any claim against any decision thereon. The signing by the Contractor or his duly authorized representative of the Contractor-Applicant's Application Statement for Registration acknowledges the truth and correctness of all statements made therein; otherwise, the Contractor shall be liable for perjury as provided in the Revised Penal Code.
3. Aside from the main Contractor's Confidential Application Statement for Registration, the following documents shall be annexed to and form part of the Statement:
  - Annex ðAö Appointment or authority of the Authorized Manager of the Organization with specimen signature duly notarized
  - Annex ðBö Appointment or authority of the officially designated Liaison Officer with specimen signature duly notarized and copies of two (2) valid ID's showing his/her proper identification
  - Annex ðCö Certified Copy of Contractor's PCAB License for the current year
  - Annex ðDö Certified Copy of Registration of Business Name
  - Annex ðEö Certified Copy of SEC Certificate of Registration
  - Annex ðFö Certified Copy of Articles of Incorporation (if applicable)
  - Annex ðGö Certified true copy of valid and current Mayor's Business Permit
  - Annex ðHö Certified Copy of BIR Tax Clearance, using BIR Form 17.14B
  - Annex ðIö Certified true copy of Contract Agreement and of Certificate of Completion/Acceptance from the Implementing Office/Owner, with Contract ID (pursuant to DO No. 241, series of 2001, scope of work, and Contract cost, for completed contracts
  - Annex ðJö Certified true copy of Contract Agreement from the Implementing Office/Owner, with Contract ID (pursuant to D.O. No. 241, series of 2001), scope of work, Contract costs and statement from the Implementing Office as to %WA and %TE for all ongoing contracts, including private contracts and those already awarded but not yet started, including certified true copy of NTP.
  - Annex ðKö Audited Financial Statement as reflected in Contractor's Income Tax Return stamped received by the Bureau of Internal Revenue for the last five years
  - Annex ðLö Letter authorizing verification of the integrity of the Registration documents

## **Department of Public Works and Highways (DPWH)**

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4. Each page of the annexes, attachments and other supporting documents shall be marked in the right top corner, e.g., Annex "A", Page 1 of 5; Annex "A", Page 2 of 5; etc.
5. The Contractor's Confidential Application Statement for Registration, including Annexes, shall be submitted in one (1) envelope. The envelope should be captioned "Application for Registration" and submitted to the DPWH Head Office: BAC-TWG/Secretariat. All documents submitted shall be treated as confidential and will not be returned.
6. The DPWH will inform all applicants of the result of their application. It reserves the right to accept or reject any application without any liability to the affected applicants or any obligation to inform the applicants of the grounds for the action taken thereon.

## Department of Public Works and Highways (DPWH)

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### Attachment A - TABLE OF MAJOR CATEGORIES OF WORK

Code	Description of Category of Work	Unit of Measure
<b>BCB</b>	Bridges- Construction- Bailey	lineal meter (lm)
<b>BCC</b>	Bridges- Construction- Concrete	lm
<b>BCS</b>	Bridges- Construction- Steel	lm
<b>BCP</b>	Bridges- Construction- With Bored Piles	lm
<b>BEL</b>	Building - Electrical	set
<b>BIH</b>	Buildings/ Industrial Plant- High Rise	storey
<b>BIL</b>	Buildings/ Industrial Plant- Low Rise	storey
<b>BRB</b>	Bridges- Rehabilitation- Bailey	lm
<b>BRC</b>	Bridges- Rehabilitation- Concrete	lm
<b>BRP</b>	Bridges- Rehabilitation- With Bored Piles	lm
<b>BRR</b>	Bridges- Rehabilitation- Retrofitting	lm
<b>BRS</b>	Bridges- Rehabilitation- Steel	lm
<b>BRT</b>	Bridges- Rehabilitation-Timber	lm
<b>FEN</b>	Perimeter Fence	square meter(sq.m)
<b>FEX</b>	Foundation Excavation	cu. m
<b>FHD</b>	Flood Control/ Hydraulics/ Dams	cu. m
<b>FHG</b>	Flood Control/ Hydraulics/ Dredging	cubic meter (cu.m)
<b>FHN</b>	Flood Control/ Hydraulics/ Drainage	lm
<b>FHP</b>	Flood Control/ Hydraulics/ Pumping Station	unit
<b>FHR</b>	Flood Control/ Hydraulics/ River Control	lm
<b>FHW</b>	Flood Control/ Hydraulics/ Water Supply	lm
<b>MBG</b>	Maintenance of Buildings	storey
<b>MFC</b>	Maintenance of Flood Control	cu. m
<b>MRB</b>	Maintenance of Roads and Bridges	kilometer (km)
<b>PHC</b>	Ports/ Harbors- Causeway	lm
<b>PHW</b>	Ports/ Harbors- Wharf	lm
<b>RCA</b>	Roads- New Construction- Asphalt	km
<b>RCG</b>	Roads- New Construction- Gravel	km
<b>RCP</b>	Roads- New Construction- PCCP	km
<b>REC</b>	Reclamation Works	cu. m
<b>RRA</b>	Roads- Rehabilitation- Asphalt	km
<b>RRG</b>	Roads- Rehabilitation- Gravel	km
<b>RRP</b>	Roads- Rehabilitation- PCCP	km
<b>TEA</b>	Traffic Engineering- Signage	piece
<b>TEG</b>	Traffic Engineering-Guardrails	piece
<b>TEP</b>	Traffic Engineering- Pavement Markings	lm
<b>TES</b>	Traffic Engineering- Signalization	set
<b>TEP-S</b>	Traffic Engineering- Pavement Studs	piece
<b>TLS</b>	Transmission Lines	km

ANNEX "L"

**Department of Public Works and Highways (DPWH)**

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**ANNEX "L"**

**LETTER AUTHORIZING VERIFICATION OF THE INTEGRITY OF REGISTRATION DOCUMENTS**

*Name of the Head of the Procuring Entity*  
*Position of the Head of the Procuring Entity*  
*Name of the Procuring Entity*  
*Address*

Dear \_\_\_\_\_:

\_\_\_\_\_  
(Name of Firm)

I hereby request that our application for inclusion of the above-mentioned firm in the DPWH Registry of Contractors for Civil Works be approved.

I am fully aware that:

1. all documents submitted in support of this application are subject to verification by the DPWH, and
2. any discovered misrepresentation of information and/or manifestations of fraud on the application documents submitted by our firm applicant or its Authorized Representative/Agent/Liaison Officer shall be subjected to investigation which may result in the disapproval/denial/suspension/revocation of this application and blacklisting of our firm and myself as its Authorized Managing Officer; and

Name and Signature  
Authorized Managing Officer

Republic of the Philippines)  
\_\_\_\_\_ )S.S.

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_; affiant exhibited to me his Community Tax Certificate No. \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_ 20\_\_.

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;

Name and Signature  
**NOTARY PUBLIC**  
(Until December 31, 20\_\_)



## Department of Public Works and Highways (DPWH)

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Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
Manila

### CONTRACTOR'S REGISTRATION CERTIFICATE

Contractor Identification Number: No.  
Effective Dates: From Date to Date

This is to certify that Name of Contractor, with office address at Address of the Contractor, is a duly registered contractor with the DPWH Registry of Contractors for Civil Works Projects, and recognized to undertake the following types, sizes, and cost ranges of civil works projects, subject to the eligibility check by the DPWH for every particular contract to be bid:

Type, Size, and Cost Range  
Type, Size, and Cost Range  
Type, Size, and Cost Range, etc.

This Contractor's Registration Certificate (CRC) is personal and non-transferable and may be renewed only at the instance of the herein named Contractor. Any misuse of this CRC shall cause the forfeiture of the established right and consequent debarment of the herein named Contractor.

The Contractor's Information (CI) is attached as part of this CRC.

The herein named Contractor is advised to immediately inform this Office, within seven (7) days upon receipt hereof, of any correction and updating of its CRC and CI so that these can be adjusted accordingly.

Every time the Contractor submits to the Bids and Awards Committee a bid for a particular contract, it shall also include therein an update of its CI, including the latest list and status of its on-going contracts and contracts awarded but not yet started.

Given at Manila, Philippines, on \_\_\_\_\_ *date* \_\_\_\_\_.

Name and Signature  
Head, Central BAC Secretariat/  
Technical Working Group

**Department of Public Works and Highways**

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**Republic of the Philippines**  
**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**  
**Manila**  
**CONTRACTOR'S INFORMATION**  
**Date last updated \_\_\_\_\_**

**Date Printed:**

**Name of Firm/Company:**

**Contractor ID:**

**Tax Account No.**

**Department of Public Works and Highways**

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**General Information**

**Address:**

**Telephone Number:**

**Fax Number:**

**E-mail Address:**

**Legal Aspects:**

**PCAB License Information**

**Type of Firm:**

**Head Office Location:**

**License First Issue Date:**

**License Number:**

**Validity Period:**                      From                                      To

**Principal Classification:**

**Category:**

**Other Classifications:**

**Registration Date:**

**Registration Number:**

**Validity Period:**                      From                                      To

**Projects**

**Kinds  
of Projects**

**Foreign Contractor**

**Nationality:**

**Philippine Address:**

**Telephone Number:**

**Fax Number:**

**E-mail Address:**

**Percent of Filipino Ownership:**

**Person Managing Affairs of Firm**

**Name:**

**Designation:**

**Telephone Number:**

**Authorized Liaison Officer**

**Name:**

**Designation:**

**Telephone Number:**

**Authorized Liaison Officer**

**Name:**

**Designation:**

**Telephone Number:**

**Respective  
Size Ranges**

## Department of Public Works and Highways

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Building and Industrial Plant  
 Dam, Reservoir and Tunneling  
 Irrigation and Flood Control  
 Park-Playground or Recreational Work  
 Port, Harbor and Offshore Engineering  
 Road, Highway, Pavement, Railway, Airport, Horizontal Structure, Bridge  
 Sewerage and Sewage System  
 Water Supply  
 Water Treatment Plant and System

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### Completed Projects

Contract ID	Name of Contract	Owner	Participation Percentage	Contract Date Started	Contract Date Completed	Major Categories of Work	Dimensions	Total As Built Cost Per Major Work Category
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### Ongoing Projects

Contract ID	Name of Contract	Owner	Participation Percentage	Contract Date Started	Contract Date Completed	% WA <sup>1</sup>	% TE <sup>2</sup>	Major Categories of Work	Dimensions	Total As Built Cost Per Major Work Category
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### Financial Aspects

Record Year	Total Assets	Current Assets	Total Liabilities	Current Liabilities	Total Net Worth	Current Net Worth
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<sup>1</sup> WA = Work Accomplished

<sup>2</sup> TE = Time Elapsed

**Department of Public Works and Highways**

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**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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Registry of Contractors for Civil Works Projects  
**Contract Profile for Eligibility Processing**

**Date:** \_\_\_ / \_\_\_ / \_\_\_

Advertisement Date: \_\_\_\_\_

Procuring Entity: \_\_\_\_\_

Deadline for Receipt of Bids: \_\_\_\_\_

Approved Budget for the Contract (ABC): P \_\_\_\_\_

<b>Major Categories of Work of the Contract to be Procured</b>	<b>Unit of Measure</b>	<b>Dimension</b>	<b>Cost Estimate for Each Major Category of Work</b>	<b>Similar Major Categories of Work*</b>

\*öSimilar Major Categories of Workö for this Contract shall be selected from the attached overall list of Major and Similar Categories of Work.

Submitted by:

*Name and Signature*  
*Head, Implementing Unit*

Noted By:

BAC Chairman, Procuring Entity)

Date: \_\_\_\_\_

- Notes: 1. The BAC Chairman of the Procuring Entity shall submit this form, duly accomplished, to the DPWH Procurement Service, at least 10 calendar days before the first day of Advertisement of the Invitation to Bid.
2. All blanks should be filled up.

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**OVERALL LIST OF MAJOR AND SIMILAR CATEGORIES OF WORK**

<b>Major Categories of Work Table</b>					
<b>Code</b>	<b>Category of Work Description</b>	<b>Unit of Measure</b>	<b>Code</b>	<b>Category of Work Description</b>	<b>Unit of Measure</b>
<b>BCB</b>	Bridges- Construction- Bailey	lm	<b>FHW</b>	Flood Control/ Hydraulics/Water Supply	lm
<b>BCC</b>	Bridges- Construction- Concrete	lm	<b>MBG</b>	Maintenance of Buildings	stories
<b>BCP</b>	Bridges- Construction- with Bored Piles	lm	<b>MFC</b>	Maintenance of Flood Control	cu. m
<b>BCS</b>	Bridges- Construction- Steel	lm	<b>MRB</b>	Maintenance of Roads and Bridges	km
<b>BIH</b>	Buildings/ Industrial Plant- High Rise	stories	<b>PHC</b>	Ports/ Harbors- Causeway	lm
<b>BIL</b>	Buildings/ Industrial Plant- Low Rise	stories	<b>PHW</b>	Ports/ Harbors- Wharf	lm
<b>BRB</b>	Bridges- Rehabilitation- Bailey	lm	<b>RCA</b>	Roads- New Construction- Asphalt	km
<b>BRC</b>	Bridges- Rehabilitation- Concrete	lm	<b>RCG</b>	Roads- New Construction- Gravel	km
<b>BRP</b>	Bridges- Rehabilitation- with Bored Piles	lm	<b>RCP</b>	Roads- New Construction- PCCP	km
<b>BRR</b>	Bridges- Rehabilitation- Retrofitting	lm	<b>RRA</b>	Roads- Rehabilitation- Asphalt	km
<b>BRS</b>	Bridges- Rehabilitation- Steel	lm	<b>RRG</b>	Roads- Rehabilitation- Gravel	km
<b>FHD</b>	Flood Control/ Hydraulics/ Dams	cu. m	<b>RRP</b>	Roads- Rehabilitation- PCCP	km
<b>FHG</b>	Flood Control/ Hydraulics/ Dredging	cu. m	<b>TEA</b>	Traffic Engineering- Signage	piece
<b>FHP</b>	Flood Control/ Hydraulics/ Pumping Station	unit	<b>TEP</b>	Traffic Engineering-Pavement Marking	lm
<b>FHN</b>	Flood Control/ Hydraulics/ Drainage	lm	<b>TES</b>	Traffic Engineering- Signalization	set
<b>FHR</b>	Flood Control/ Hydraulics/ River Control	lm	<b>FEN</b>	Perimeter Fence	sq. m

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
**BID FORM**

Date:

To: Name of Procuring Entity  
Address

We, the undersigned, declare that:

- a. we have examined and have no reservation on the Bidding Documents (BDs), including Supplemental/Bid Bulletins, for the above stated Contract;
- b. we offer to execute the Works for this Contract in accordance with the said BDs, including the Bid Data Sheet, General and Special Conditions of Contract, Specifications and Drawings therein;
- c. we present our Bid to execute the Works, consisting of our Technical Proposal (Annex ðAö) and our Financial Proposal (Annex ðBö);
- d. our Technical Proposal includes the following required documents:
  - (1) Bid Security in the required form, amount and validity period, using Form DPWH-INFR-09, 10, or 11, as applicable (Annex ðA-1ö)
  - (2) Organizational Chart for the Contract, using Form DPWH-INFR-13 (Annex ðA-3ö)
  - (3) Contractor's Certification on Key Personnel for the Contract, with the Key Personnel's Affidavits of Commitment to Work on the Contract, using Form DPWH-INFR-14 (Annex ðA-4ö)
  - (4) List of Contractor's Major Equipment Pledged for the Contract, using Form DPWH-INFR-15 (Annex ðA-5)
  - (5) Omnibus Sworn Statement required under RA 9184-IRR Sec. 25.2b)iv), using Form DPWH-INFR-15 (Annex ðA-6ö);
- e. our Financial Proposal includes the following required documents:
  - (1) Tis Bid Form (Annex ðB-1ö)
  - (2) Bid prices in the Bill of Quantities Form, using Forms DPWH-INFR-16 and 17 (Annex ðB-2ö)
  - (3) Detailed estimates (Annex ðB-3ö)
  - (4) Cash flow by quarter, using Form DPWH-INFR-18 (Annex ðB-4ö);
- f. the total price of our Bid for this Contract based on the unit prices in the said Bill of Quantities, excluding any discounts offered in item (g) below, is: total Bid price in words and in figures;
- g. the discounts we offer and the methodology for their application for this Contract are:  
\_\_\_\_\_;



**Department of Public Works and Highways**

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**Location of the Contract:**

- 
- h. our Bid shall be valid for a period of \_\_\_\_\_ days after the date fixed for the opening of bids in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted by you at any time before the expiration of that period;
  - i. if our Bid is accepted and we receive from you a Notice of Award, we commit, within ten (10) calendar days after our receipt of the said Notice, (1) to submit to you the required Performance Security and other documents prescribed in the Bidding Documents, and (2) to sign the Contract Agreement;
  - j. we understand that, if the contract is awarded to us, this Bid, together with your written acceptance thereof through your Notice of Award, shall constitute a binding contract between us, until a formal Contract Agreement is prepared and executed;
  - k. we understand that you are not bound to accept the Lowest Calculated Bid or any other Bid that you may receive; and
  - l. we acknowledge that failure to sign each page of this Form of Bid and the accomplished 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:



**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----

**FORM OF BID SECURITY: IRREVOCABLE LETTER OF CREDIT**

Date of Issuance

Name of Head of Procuring Entity

Position

Name of Procuring Entity

Address

Irrevocable Letter of Credit No. \_\_\_\_\_

For: Contract ID and Name \_\_\_\_\_

WHEREAS, Name of Bidder, hereinafter called the "Bidder," has undertaken to submit to you a bid for the above stated Contract, and whereas you have stipulated in the Instructions to Bidders for the said Contract that the Bidder shall furnish you with an irrevocable standby Letter of Credit for a sum specified therein as Bid Security for the faithful compliance of the obligations of the Bidder:

WHEREAS, the Conditions of this obligation are that:

- 1) if the Bidder withdraws the Bid during the period of bid validity specified in the Form of Bid; or
- 2) if the Bidder does not accept the correction of arithmetical errors of its bid price in accordance with the Instructions to Bidder; or
- 3) if the Bidder having been notified of the acceptance of the Bid and award of contract to it by the Entity during the period of bid validity:
  - a) fails or refuses to submit the requirements for and to execute the Form of Contract in accordance with the Instructions to Bidders; or
  - b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders;

we undertake to pay to the Entity up to the above amount upon receipt of its first written demand, without the Entity having to substantiate its demand, provided that in its demand the Entity will note that the amount claimed by it is due to the occurrence of any one or combination of the three (3) conditions stated above.

WHEREAS, we have agreed to guarantee this obligation of the Bidder.

THEREFORE, we hereby affirm that we are guarantors and responsible to you, on behalf of the Bidder, up to the total amount of amount of guarantee and we undertake to pay you, upon first written demand declaring the Bidder to be in default under the Instructions to

**Department of Public Works and Highways**

**Contract ID:**

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**Location of the Contract:**

-----

Bidders and without cavil or argument, any sum or sums within the limits of     *amount of*      
    *guarantee*     as aforesaid, without you needing to prove or show grounds or reasons for  
your demand for the sum specified therein.

This irrevocable guarantee is valid until one hundred twenty (120) calendar days after the  
date of opening of bids for the said Contract on     *date*    .

This certification is being issued in favor of the said Bidder in connection with your  
requirements of the bidding for the said Contract. We are aware that any false statements  
issued by us make us liable to perjury.

*Name and Signature of Authorized Financing Institution*  
*Official Designation*

Concurred by:

*Name and Signature of Bidder's Authorized Representative*  
*Official Designation*

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
**REPUBLIC OF THE PHILIPPINES )**  
**CITY OF \_\_\_\_\_ ) S.S.**

X-----X

**BID-SECURING DECLARATION**

**Invitation to Bid:** *[Insert reference number]*

**Contract ID:**

**Contract Name:**

To: *[Insert name and address of the Procuring Entity]*

I/We, the undersigned, declare that:

1. I/We 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 the 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/We 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/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;
  - (c) I am/we are declared as the bidder with the Lowest Calculated and Responsive Bid, and I/we have furnished the performance security and signed the Contract.

**IN WITNESS WHEREOF**, I/We have hereunto set my/our hand/s this \_\_\_\_ day of *[month]* *[year]* at *[place of execution]*.

*[Insert NAME OF BIDDER'S  
AUTHORIZED REPRESENTATIVE]  
[Insert signatory's legal capacity]  
Affiant*

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
**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 \_\_\_\_.

*Note: This must be dry-sealed.*

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**CONTRACTOR'S ORGANIZATIONAL CHART FOR THE CONTRACT**

Submit a copy of the Organizational Chart that the Contractor intends to use to execute the Contract if awarded to it. Indicate in the chart the names of the Project Manager, Project Engineer, Structural Engineer, Materials and Quality Control Engineer, Foremen, and other Key Personnel, as required in the Instructions to Bidders (Bid Data Sheet). Include Sub-Contractors, if any.

Attach the required Proposed Organizational Chart for the Contract as stated above.

Name and Signature of Bidder's Representative

Date: \_\_\_\_\_

Position

Name of Bidder

**Department of Public Works and Highways**

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**Contract Name:**

**Location of the Contract:**

-----

**LIST OF CONTRACTOR'S KEY PERSONNEL TO BE ASSIGNED TO THE  
CONTRACT, WITH THEIR QUALIFICATION DATA**

Date of Issuance

Name of Head of Procuring Entity

Position

Name of Procuring Entity

Address

Dear Sir/Madame:

Supplementing our Organizational Chart for the abovestated Contract, we submit, and certify as true and correct, the following information:

1. We have engaged the services of the following key personnel to perform the duties of the positions indicated in the abovestated Contract if it is awarded to us:

Proposed Position ( <i>as applicable</i> )	Name	Years of Experience	
		Total (Similar and Related)	Similar Position
Project Manager			
Project Engineer			
Materials Engineer			
Construction Safety Officer			
Foreman			
<i>Others (specify)</i>			

2. We submit the enclosed Curriculum Vitae and Affidavits of Commitment to Work on the Contract of these key personnel.
3. We ensure that the abovementioned personnel shall employ their best care, skill, and ability in performing the duties of their respective positions in accordance with the provisions of the Contract, including the Conditions of Contract, Specifications, and Drawings, and that they shall be personally present in the jobsite during the period of their assignment in the Contract.
4. In the event that we choose to replace any of the abovementioned key personnel, we shall submit to you in writing at least fourteen (14) days before making the replacement, for your approval, the name and biodata of the proposed replacement whose qualifications shall be equal to or better than that of the person to be replaced.
5. We understand that any violation of the abovestated conditions shall be a sufficient ground for us to be disqualified from this Contract and future biddings of the DPWH.

Very truly yours,



**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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*Name and Signature of Bidder's Authorized Representative*

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
**LIST OF CONTRACTOR'S MAJOR CONSTRUCTION AND LABORATORY EQUIPMENT UNITS TO BE ASSIGNED TO THE CONTRACT,  
 SUPPORTED BY CERTIFICATIONS OF AVAILABILITY**

Business Name : \_\_\_\_\_

Business Address : \_\_\_\_\_

Description	Model/Year	Capacity / Performance / Size	Plate No.	Motor No. / Body No.	Location	Condition	Proof of Ownership / Lease/Purchase
<b>A. Owned<sup>1</sup></b>							
i.							
ii.							
iii.							
iv.							
v.							
<b>B. Leased<sup>2</sup></b>							
i.							
ii.							
iii.							
iv.							
v.							
<b>C. Under Purchase Agreements<sup>3</sup></b>							
i.							
ii.							
iii.							
iv.							
v.							

<sup>1</sup>Attached are copies of sales invoice / Registration Certificate from LTO.

<sup>2</sup>Attached are the certifications from the lessors that the equipment units under B (Leased) shall be available for this contract.

<sup>3</sup>Attached are the certifications from the vendors that the equipment units under C (Purchase Agreements) shall be available for this contract.

Minimum major construction equipment requirement as prescribed in the Bid Data Sheet:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Minimum major laboratory equipment requirements as prescribed in Bid Data Sheet:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*Name and Signature of Bidder's Representative*

Date: \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
*Position*

*Name of Bidder*

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**OMNIBUS SWORN STATEMENT  
AS REQUIRED BY RA 9184-IRR SECTION 25.2b)iv)**

REPUBLIC OF THE PHILIPPINES)  
CITY/MUNICIPALITY OF \_\_\_\_\_) S.S.

**AFFIDAVIT**

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

**1. *Select one, delete the other:***

*If a sole proprietorship:* I am the sole proprietor or authorized representative of *[Name of Bidder]* with office address at *[address of Bidder]*;

*If a partnership, corporation, cooperative, or joint venture:* I am the duly authorized and designated representative of *[Name of Bidder]* with office address at *[address of Bidder]*;

**2. *Select one, delete the other:***

*If a sole proprietorship:* 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 the Project]* of the *[Name of the Procuring Entity]**[insert "as shown in the attached duly notarized Special Power of Attorney" for the authorized representative]*;

*If a partnership, corporation, cooperative, or joint venture:* 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 the *[Name of the Project]* of the *[Name of the Procuring Entity]* 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 Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

**Department of Public Works and Highways**

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-----

**6. *Select one, delete the rest:***

*If a sole proprietorship:* The owner or sole proprietor is not related to the Head of the 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/Implementing Unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a partnership or cooperative:* None of the officers and members of *[Name of Bidder]* is related to the Head of the 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//Implementing Unit, and the project consultants by consanguinity or affinity up to the third civil degree;

*If a corporation or joint venture:* None of the officers, directors, and controlling stockholders of *[Name of Bidder]* is related to the Head of the 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/Implementing 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;
8. *[Name of Bidder]* is aware of and has undertaken the following responsibilities as a Bidder:
- a) Carefully examine all of the Bidding Documents;
  - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
  - c) Make 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 *[Name of the Project]*; and
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]*

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**SUBSCRIBED AND SWORN** to before me this \_\_\_ day of *[month]* *[year]* at *[place of execution]*, Philippines. Affiant/s is personally known to me and was 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 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 \_\_\_\_.

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**BILL OF QUANTITIES**

**Part No.** \_\_\_\_\_

**Part Description:** \_\_\_\_\_

<i>(Columns (1), (2), (3), and (4) are to be filled up by the Procuring Entity)</i>				<i>(Columns (5) and (6) are to be filled up by the Bidder)</i>	
Pay Item No.	Description	Unit	Quantity	Unit Price (Pesos)	Amount (Pesos)
(1)	(2)	(3)	(4)	(5)	(6)
	<Description of 1st Item>			In words: Pesos _____ _____ _____ In figures: Php _____ _____	In figures: Php _____ _____
	<Description of 2nd Item>			In words: Pesos _____ _____ _____ In figures: Php _____ _____	In figures: Php _____ _____
	<Description of 3rd Item>			In words: Pesos _____ _____ _____ In figures: Php _____ _____	In figures: Php _____ _____
	<Description of 4th Item>			In words: Pesos _____ _____ _____ In figures: Php _____ _____	In figures: Php _____ _____

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	<u>&lt;Description of 5th Item&gt;</u>			In words: Pesos _____ _____ _____ _____ In figures: Php _____ _____	In figures: Php _____ _____
	<u>&lt;Description of 6th Item, etc.&gt;</u>			In words: Pesos _____ _____ _____ _____ In figures: Php _____ _____	In figures: Php _____ _____
<b>Sub-Total for this Page</b>					In words: Pesos _____ _____ _____ _____ In figures: Php _____ _____

Submitted by:

Name and Signature of Bidder's Representative

Date:

\_\_\_\_\_  
Position

Name of Bidder





**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**CASH FLOW BY QUARTER**

PARTICULAR	TOTAL.	YEAR _____				YEAR _____			
		1st Q	2nd Q	3rd Q	4th Q	1ST Q	2ND Q	3RD Q	4TH Q
ACCOMPLISHMENT, IN %	100.0%								
CASH FLOW, IN PhP									
CUMULATIVE ACCOMPLISHMENT, IN %	100.0%								
CUMULATIVE CASH FLOW, IN PhP									

PARTICULAR	TOTAL.	YEAR _____				YEAR _____			
		1st Q	2nd Q	3rd Q	4th Q	1ST Q	2ND Q	3RD Q	4TH Q
ACCOMPLISHMENT, IN %									
CASH FLOW, IN PhP									
CUMULATIVE ACCOMPLISHMENT, IN %									
CUMULATIVE CASH FLOW, IN PhP									

Submitted by:

Name and Signature of Bidder's Representative

Position

Name of Bidder

Date: \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**BIDDER'S CHECKLIST OF REQUIREMENTS FOR ITS BID, INCLUDING  
TECHNICAL AND FINANCIAL PROPOSALS**

The Technical Proposal shall contain the following:

- If Joint Venture, PCAB Special JV License
- Bid Security (Form DPWH-INFR-09, 10, or 11, as applicable)
- Duly initialed Organizational Chart for the Contract (Form DPWH-INFR-12)
- Duly initialed Contractor's List of Key Personnel for the Contract (Form DPWH-INFR-13)
- Duly initialed List of Contractor's Major Equipment (Form DPWH-INFR-14)
- Sworn statement under RA9184-IRR Sec. 25.2b)iv) (Form DPWH-INFR-15)
  - Signatory is proprietor/duly authorized representative of bidder.
  - Full power and authority to perform acts or represent bidder.
  - Not blacklisted or barred from bidding.
  - Each document is authentic copy of original, complete, and correct.
  - Authorizing Head of Procuring Entity to verify all documents submitted.
  - Not related to HOPE, BAC, TWG, Secretariat, PMO/IU, within 3<sup>rd</sup> civil degree.
  - Complies with existing labor laws and standards.
  - Aware of and undertaken responsibilities as a bidder.
  - Did not give any commission, amount, fee, or consideration.

The Financial Proposal shall contain the following:

- Duly signed Bid Form
- Duly signed Bid Prices in the Bill of Quantities (Forms DPWH-INFR-16 and 17)
- Duly initialed Detailed Estimates
- Duly initialed Cash Flow by Quarter (Form DPWH-INFR-18)

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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*Name of Procuring Entity*  
*Address*

**AGENDA OF PRE-PROCUREMENT CONFERENCE**

Date and Time:

Place:

Participants: BAC Members  
BAC Secretariat  
Implementing Unit Representatives  
TWG Members and Consultants  
Others concerned

Agenda Items:

1. Review of Basic Contract Data, including Contract Description, ABC, and Duration
2. Confirmation of Consistency of Proposed Contract Procurement with PPMP and APP
3. Determination of Readiness of Proposed Contract Procurement
  - a. Completion of Detailed Engineering
  - b. Completeness of Bidding Documents (BDs)
  - c. Inclusion of Contract in DPWH Budget or GAA or SARO or MYOA
  - d. Right-of-Way Acquisition Plan
4. Confirmation of Criteria for Eligibility Check, Preliminary Examination of Bids, Evaluation of Bids, Post-Qualification, and Award
5. Adoption of Procurement Schedule: Deadlines and Times for Invitation, Issuance of BDs, Pre-Bid Conference Receipt and Opening of Bids, Eligibility Check, Bids Evaluation, Post-Qualification, Award, Contract Processing and Approval, and Notice to Proceed
6. Approval of Invitation to Bid (IB)
7. Other Matters: ñno contactö rule, etc.
8. Summary of Agreements

**Department of Public Works and Highways (DPWH)**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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Name of Procuring Entity

Address

**PRE-PROCUREMENT CONFERENCE NOTICE**

Date of Issuance

MEMORANDUM TO:

BAC Members

BAC Secretariat

Representatives of Implementing Unit

TWG Members

Consultants and Officials who prepared, reviewed, or approved the BDs or parts thereof.

Other Officials concerned

Please attend the Pre-Procurement Conference for Contract ID and Name on  
date and time at the venue.

Name and Signature

Chairperson, BAC

Department of Public Works and Highways

Contract ID:

Contract Name:

Location of the Contract:

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Name of Procuring Entity

Address

**OUTLINE OF MINUTES OF PRE-PROCUREMENT CONFERENCE**

Date: \_\_\_\_\_

1. Attendance. Present were:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Call to Order. The Name of BAC Chairman / Vice Chairman called the Pre-Procurement Conference for Contract ID and Name to order at time on date, at venue.

3. Matters Taken Up. The following matters were discussed:

a. Review of Contract data:

b. Confirmation of consistency of procurement with PPMP and APP:

c. Determination of readiness of procurement:

d. Agreement on criteria for eligibility screening, preliminary examination and evaluation of bids, post-qualification, and award:

e. Adoption of procurement schedule:

f. Approval of IB:

g. Other Matters:

\_\_\_\_\_

4. Adjournment. There being no other remaining subjects for discussion, the Pre-Procurement Conference adjourned at time.

Prepared by:

Name and Signature of Head of BAC Secretariat

Head of BAC Secretariat

Approved by:

Name and Signature

Name and Signature

Name and Signature

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**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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Member

Member

Member

Name and Signature  
Member

Name and Signature  
Chairperson

-----

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

*Name of the Procuring Entity*  
*Address*

**AGENDA OF PRE-BID CONFERENCE**

Date and Time:

Place:

1. Brief Presentation/Explanation by the BAC of the following:
  - a. Basic Contract Data ó including Contract Description, ABC, and Duration
  - b. Requirements of Bidding Documents - including Instructions to Bidders, General Conditions of Contract, Special Conditions of Contract, Specifications, Drawings, Bill of Quantities, and Forms
  - c. Documents to be submitted by the Bidders:
    - (a) Technical Proposal: PCAB Special JV License (if applicable), Bid Security, Authority of Signing Official, Organizational Chart for the Contract, Contractorø Certification on Key Personnel, List of Major Equipment, Omnibus Sworn Statement required in RA 9184-IRR Sec. 25.2b)iv).
    - (b) Financial Proposal: Bid Form, Bid Prices in the Bill of Quantities, Detailed Estimates, and Cash Flow
  - d. Criteria and Procedure for Eligibility Check, Preliminary Examination of Bids, Detailed Evaluation of Bids, Post-Qualification, and Award.
2. Questions/Comments from Bidders and Replies of BAC and other Representatives of Procuring Entity
3. Other Matters
4. Summary of Proceedings, including Supplemental/Bid Bulletins to be issued



**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Name of the Procuring Entity

Address

**PRE-BID CONFERENCE NOTICE**

Date of Issuance

**MEMORANDUM TO:**

BAC Members

BAC Secretariat

Representatives of Implementing Unit

TWG Members

Consultants and Officials who prepared/reviewed/approved the Bidding Documents

Other Officials concerned

Please attend the Pre-Bid Conference for Contract ID and Name set on date  
and time at the venue.

Name and Signature

Chairperson, BAC

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
*Name of the Procuring Entity*  
*Address*

**OUTLINE OF MINUTES OF PRE-BID CONFERENCE**

Date: \_\_\_\_\_

1. Attendance. Present were:

_____	_____
_____	_____
_____	_____
_____	_____

2. Call to Order. The Name of BAC Chairman/Vice Chairman called to order the Pre-Bid Conference for Contract ID and Name at time on date at venue.

3. Presentation/Explanation by BAC:

- a. Brief on Basic Contract Data
- b. Review of Requirements of Bidding Documents
- c. Review of Documents to be submitted by the Bidder ó Bid Form, Technical and Financial Proposals
- d. Explanation of Criteria for Eligibility Screening, Preliminary Examination of Bids, Evaluation of Bids, and Post-Qualification

4. Questions and Comments from Bidders and Responses of BAC and Other DPWH Officials:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. Other Matters Discussed:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

6. Summary by BAC Chairman of Proceedings, including Supplemental/Bid Bulletins to be issued.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Adjournment. There being no other remaining topics for discussion, the Conference adjourned at time.

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Prepared by:

Name and Signature

Head, BAC Secretariat

Approved by BAC:

Name and Signature

Member

Name and Signature

Member

Name and Signature

Member

Name and Signature

Member

Name and Signature

Chair

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----

*Name of the Procuring Entity*  
*Address*

**SUPPLEMENTAL BULLETIN NO. \_\_\_\_**

**Subject: \_\_\_\_\_**

This Supplemental Bulletin No. \_\_\_\_ is issued to amend provisions in the Bidding Documents (BDs) for the above stated Contract, as follows:

<b>Current Provision of BDs (including Previous Amendments)</b>	<b>Amended Provision of BDs under this Supplemental Bulletin</b>

This Supplemental Bulletin shall form an integral part of the said Bidding Documents.

For the guidance and information of all concerned.

*Name and Signature*  
BAC Chairman

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----

*Name of the Procuring Entity*  
*Address*

**BID BULLETIN NO. \_\_\_\_**

**Subject: \_\_\_\_\_**

*Select either or both of the following two paragraphs:*

This Bid Bulletin No. \_\_\_\_ is issued in response to queries/requests for clarification on the Bidding Documents for the abovementioned Contract, as follows:

<b>Bidders' Query or Request for Clarification</b>	<b>BAC's Response</b>

*Or*

This Bid Bulletin No. \_\_ is issued for the following purpose(s) *(at the initiative of the BAC)*:

*Insert announcement, e.g., clarification of a specific Section of the Bidding Documents.*

\_\_\_\_\_  
\_\_\_\_\_

This Bid Bulletin shall form an integral part of the said Bidding Documents.

For the guidance and information of all concerned.

*Name and Signature*

BAC Chairman

Received by the Bidder:

*Name and Signature of Bidder's Representative*

*Position*

Date received \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Central Office/Regional Office/District Office  
Address

**RESULTS OF ELIGIBILITY CHECK**

Date of Issuance

Based on the evaluation of the information about the legal, technical and financial capabilities, as indicated in the Contractor's Information of the bidders as recorded in our computerized Registry of Contractors for Civil Works, vis-à-vis the requirements of the abovementioned contract as indicated in the Contract Profile submitted by Name of Procuring Entity, we find the following bidders eligible to participate in the bidding for the Contract.

1. \_\_\_\_\_
2. \_\_\_\_\_
- .
- n. \_\_\_\_\_

On the other hand, based on the same evaluation, we find the following bidders ineligible to participate in the bidding for the Contract.

1. \_\_\_\_\_
2. \_\_\_\_\_
- .
- n. \_\_\_\_\_

The reasons for the ineligibility of the above bidders are stated in the individual Notices of Ineligibility to them.

Name and Signature

BAC Chairperson

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
Procurement Entity  
Address

**NOTICE OF INELIGIBILITY**

Date of Issuance

Name of the Bidder

Address of the Bidder

Email Address of the Bidder

Dear Sir / Madame:

We refer to your bid for the abovementioned contract.

Based on the information about your legal, technical and financial capabilities as indicated in your Contractor's Information recorded in our Registry of Contractors for Civil Works, vis-à-vis the requirements of the abovementioned Contract as indicated in the Contract Profile submitted by the Name of Procuring Entity, we declare your firm ineligible to participate in the bidding for the Contract in view of the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Should you disagree with our findings, you may submit to us, within three (3) calendar days, a request for reconsideration, citing the specific reasons as to why you should not be declared ineligible. We will not accept now, however, any updating of your legal, financial and technical records insofar as this Contract is concerned. Updating of your records will be considered by the DPWH only for the bidding of other new contracts in which you intend to participate.

Very truly yours,

Name and Signature

BAC Chairman

Received by the Bidder:

Name and Signature of the Bidder's Representative

Date: \_\_\_\_\_

**Contract ID:**  
**Contract Name:**  
**Location of the Contract:**

**Department of Public Works and Highways**

**PRELIMINARY EXAMINATION OF TECHNICAL PROPOSAL**

Date of Submission/Opening of Bids : \_\_\_\_\_

Name of Contractor : \_\_\_\_\_

Approved Budget for the Contract (ABC) : \_\_\_\_\_

**TOTAL AMOUNT OF BID** \_\_\_\_\_

**Technical Requirements**

<b>1 Bid Security in the prescribed form, amount and validity period.</b>						
<b>a. Acceptable Forms</b>	:	Cash, Cashier's Check, Manager's Check, issued by a Universal or Commercial Bank (2% of ABC)	Bank Draft / Guarantee, or Irrevocable Letter of Credit issued by a Universal or Commercial Bank (If issued by a Foreign Bank it shall be confirmed or authenticated by a Universal or Commercial Bank (2% of ABC)	Surety Bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security (5% of ABC)	Bid Securing Declaration	
<b>Form Submitted by Contractor</b>						
<b>b. Amount Required</b>	:					
<b>Amount Submitted by Contractor</b>				<b>( ) Sufficient ( ) Insufficient</b>		
<b>c. Validity Period</b>	:	_____				
<b>d. Issuing Company / Bank</b>	:	_____				
<b>e. Official Receipt No.</b>	:	_____				
<b>f. Callable on Demand</b>	:	_____				
<b>g. Certificate from Insurance Commission</b>	:	_____				
				Tab. No.	Implementing Unit	BAC Member
<b>1 Bid Security in Prescribed Form, Amount and Validity Period.</b>						
<b>2. Eligibility Requirements under Section 23.1 of the IRR.</b>						
<u>Electronic Evaluation using CWR:</u>						
		<input type="checkbox"/>	<b>ELIGIBLE</b>	<input type="checkbox"/>	<b>INELIGIBLE</b>	
<b>i.</b>	Class "B" Documents, if any, (Special PCAB JV License and Valid Joint Venture Agreement) .					
<b>3. Project Requirements, which shall include the following:</b>						
<b>a.</b>	Organizational Chart for the contract to be bid.					
<b>b.</b>	List of Contractor's Key Personnel, (see Clause 14.2a(3)(b), BDS of Bidding Documents) to be assigned to the contract, with their complete qualification data.					
<b>iii.</b>	List of Contractor's Major Equipment Units owned, leased and/or under purchase agreements, supported by proof of ownership/lease/purchase and certification of availability of equipment from lessor/vendor for the duration of the project. (see Clause 14.2a(3)(c)), BDS of BDS)					
<b>4. Omnibus Sworn Statement in the form prescribed by GPPB.</b>						
<b>Note :</b> Any missing, incomplete or patently insufficient document in the above-mentioned checklist is a ground for outright rejection of the bid.						

**Overall Rating :** ( ) Passed ( ) Failed



**Contract ID:**

**Contract Name:**

**Location of the Contract:**

**Department of Public Works and Highways**

**PRELIMINARY EXAMINATION OF FINANCIAL PROPOSAL**

Date of Submission/Opening of Bids :

Name of Contractor :

Approved Budget for the Contract (ABC) :

**TOTAL AMOUNT OF BID AS READ**

ee

		Tab No.	Implementing Unit	BAC Member	BAC Member	BAC Member	BAC Chair
1.	Bid Form						
2.	Bid Prices in the Bill of Quantities						
3.	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;						
4.	Quarterly/Monthly Cash Flow and Payment Schedule						
Note : Any missing, incomplete or patently insufficient document in the above-mentioned checklist is a ground for outright rejection of the bid.							

**Overall Rating:** ( ) Passed ( ) Failed

DPWH-INFR-32-2016

**Contract ID:**  
**Contract Name:**  
**Location of the Contract:**

Department of Public Works and Highways

**ABSTRACT OF BIDS  
AS READ**

IMPLEMENTING OFFICE :  
APPROVED BUDGET FOR THE CONTRACT \_\_\_\_\_

**DATE :** \_\_\_\_\_  
**TIME :** \_\_\_\_\_

NAME OF BIDDERS					
<b>TOTAL AMOUNT OF BID</b>	Original Bid Amount	<b>Php</b>			
	Discount				
	Discounted Bid Amount	<b>Php</b>			
FORM OF BID SECURITY					
REQUIRED BID SECURITY		<b>Php</b>			
AMOUNT BID SECURITY SUBMITTED		<b>Php</b>			
SUFFICIENT / INSUFFICIENT					
VALIDITY PERIOD					
ISSUING COMPANY / BANK					
OFFICIAL RECEIPT NO.					
CALLABLE ON DEMAND					
<b>REMARKS - Overall Rating: Passed or Failed</b>					

Chairman  
BAC

Vice Chairman  
BAC

Member  
BAC

Member  
BAC

Member  
BAC

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
*Name of the Procuring Entity*  
*Address*

**OUTLINE OF MINUTES OF OPENING OF BIDS**

Date: \_\_\_\_\_

1. Attendance. Present were:

_____	_____
_____	_____
_____	_____
_____	_____

2. Call to Order and Introduction. The BAC Chairman/Vice Chairman called the meeting to order at time and introduced the Bidders representatives, BAC members, and others present.

3. Opening and Preliminary Examination of Bids. *Discuss briefly the proceedings of this activity, including the determination of compliance of the bids with the requirements of the Technical and Financial Proposals*

4. Reading of Bids and Approved Budget for the Contract (ABC)

A. Contractors Bids

Required Bid Security:

	Bidders Name	Name/Type of Bid Security	Amount of Bid Security	Amount of Bid as Read
1.				
2.				
3.				
4.				
5.				
6.				

B. Approved Budget for the Contract (ABC):

5. Comments/Reactions from Bidders and BAC members.

*Insert comments/reactions.*

6. Adjournment. There being no other bids to be read and clarifications to be made, the meeting for the bid opening adjourned at time.

Prepared by:

Name and Signature  
BAC Secretariat Head

Approved by:

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Name and Signature

Member

Name and Signature

Member

Name and Signature

Member

Name and Signature

Member

Name and Signature

Chairperson

Department of Public Works and Highways

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

*Name of Procuring Entity*

*Address*

**ABSTRACT OF BIDS AS CALCULATED (AFTER THE EVALUATION OF BIDS)**

**Date Prepared:** \_\_\_\_\_

Approved Budget for the Contract :  
Date and Time of Opening of Bids :  
Place of Opening of Bids :

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

		<i>Name of Bidder 1</i>	<i>Name of Bidder 2</i>	<i>Name of Bidder 3</i>	<i>Name of Bidder 4</i>
Total Amount of Bid as Read	₱				
Total Amount of Bid as Calculated	₱				
Form of Bid Security:					
Bank / Company					
Number					
Validity Period					
Bid Security Amount	₱				
Required Bid Security Amount	₱				
Sufficient / Insufficient					
Remarks					

*Name and Signature*  
BAC Chairman

*Name and Signature*  
BAC Vice-Chairman

*Name and Signature*  
BAC Member

*Name and Signature*  
BAC Member

*Name and Signature*  
BAC Member

*Name and Signature*  
Implementing Unit

*Name and Signature*  
Head. BAC-TWG

*Name and Signature*  
Representative

*Name and Signature*  
Representative

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
*Name of Procuring Entity*  
*Address*

**OUTLINE OF BID EVALUATION REPORT**

**Date:** \_\_\_\_\_

**1.0 CONTRACT DESCRIPTION**

Narrative description of Contract under procurement.

**Table 1. Basic Contract Information**

1.1 Approved Budget for the Contract	
1.2 Contract Duration	
1.3 Method of Procurement	

**2.0 INITIAL STEPS IN THE BIDDING PROCESS**

Narrative description of bidding process.

**Table 2. Initial Steps in the Bidding Process**

2.1	Pre-Procurement Conference Date of Conference
2.2	Invitation to Bid (a) Date of advertisement (b) Name of newspaper for (a) (c) Date of posting on websites of DPWH, PhilGEPS, IFI
2.3	Issuance of Bidding Documents (BDs) (a) Period of availability of BDs (b) Number and names of Bidders that purchased hard copies of BDs
2.4	Amendments to BDs, if any List all Bid Bulletins by subject
2.5	Pre-Bid Conference, if any (a) Date of Conference (b) Date Minutes sent to bidders

**3.0 RECEIPT, OPENING, AND PRELIMINARY EXAMINATION OF BIDS**

Narrative description of bids receipt, opening, and preliminary examination.

**Table 3. Bids Receipt and Opening**

3.1	Bids Receipt Deadline (a) Original date and time (b) Extensions, if any
3.2	Eligibility Check (a) Date of Eligibility Check (b) Number and Names of Eligible Bidders (c) Number and Names of Ineligible Bidders

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

3.3	Bids Opening date and time
3.4	Minutes of Bids Opening; Date sent to Bidders
3.5	Bid Validity Period (a) Originally specified (b) Extensions/revisions, if any
3.6	Number and Names of Bidders that Submitted Bids
3.7	Number and Names of Bidders that Withdrew Bids
3.8	Number and Names of Bidders that Submitted Letters of Non-Participation

**Table 4. Bidders' Compliance (Presence) or Non-Compliance (Absence) of Documentary Requirements of Technical and Financial Proposals**

Bidder's Name	Complying/ Passed	Non-Complying/ Failed	Reasons for Non-Compliance/Failure

**Table 5. Bid Prices as Read of Complying Bidders**

Bidder's Name	Amount of Bid as Read (₱)

**4.0 EVALUATION OF BIDS**

Narrative description of detailed evaluation of bids.

**Table 6. Correction of Bids**

Bidder's Name	Total Amount of Bid as Read (₱)	Total Amount of Bid as Calculated (₱)	Reasons for Variance

Prepared by BAC-TWG:

Name and Signature  
Member

Name and Signature  
Member

Name and Signature  
Member

Name and Signature  
Member

Name and Signature  
Head



**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Submitted by:

*Name and Signature*

Head, BAC Secretariat

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----

*Name of Procuring Entity*

*Address*

<p><b>POST-QUALIFICATION REPORT</b> Date: _____</p>
---

1. Name of Bidder: \_\_\_\_\_
2. Rank in the List of Complying Calculated Bids: \_\_\_\_\_
3. Bid Price : \_\_\_\_\_
4. Period of Post-Qualification: \_\_\_\_\_
5. Results of Post-Qualification :

Requirements	Parties Consulted	Findings
<b>Legal Requirements</b>		
PCAB License		
SEC/DTI/CDA Registration		
Mayorø/Business Permit		
JVA if applicable		
Sub-contract agreement if applicable		
Latest Income and Business Tax Returns		
Not in Blacklist		
<b>Technical Requirements</b>		
Bidderø stated competence and experience, including required SLCC		
Key personnelø stated competence and experience vs requirements in BDS		
Availability, commitment, capacities and operating conditions of eqpt units owned/ leased/under purchase for the contract, vs requirements in BDS		
Performance in on-going govt and private contracts: <ul style="list-style-type: none"> <li>• No slippage of at least 15% in 1 project</li> <li>• No slippage of at least 10% in 2 or more projects</li> <li>• Repair works done on time</li> <li>• No substandard work</li> <li>• No unsatisfactory performance</li> </ul>		

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----

	• No liquidated damages		
	Sufficiency of Bid Security as to type, amount, form, wording, and validity period		
Financial Requirements			
	Examination of latest Financial Statements, especially current assets and liabilities		
	Latest value of uncompleted portions of on-going/awarded contracts coinciding with the subject contract		
	Updated NFCC vs ABC		

6. Findings:

Responsive

Non-Responsive

Prepared by:

Submitted by:

Name and Signature

Head of BAC-TWG

Unit

Date: \_\_\_\_\_

Name and Signature

Head of BAC-Secretariat/Procurement

Date: \_\_\_\_\_

Noted by:

Name and Signature

Chairperson, BAC

Date: \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Name of the Procuring Entity

Address

**NOTICE OF POST-QUALIFICATION**

Date of Issuance

Name of the Bidder

Address

Fax Number

Dear Sir / Madame:

After determining your bid as the Lowest Calculated Bid for the abovestated Contract and after conducting the post-qualification of your firm, involving the examination, validation and verification of the eligibility, technical and financial requirements that you have submitted for the bidding for this Contract, we are pleased to inform you that you have passed the post-qualification and, therefore, we consider your bid as the Lowest Calculated Responsive Bid for the said Contract.

Upon the approval of this finding by the Head of the Procuring Entity, we will issue to you the Notice of Award for this Contract.

Very truly yours,

Name and Signature

BAC Chairman

Received by:

Name and Signature of Bidder's Representative

Position

Date received: \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Name of the Procuring Entity

Address

**NOTICE OF POST-DISQUALIFICATION**

Date of Issuance

Name of Bidder

Address

Dear Sir / Madame:

Upon our post-qualification, validation and verification of the eligibility, technical and financial documents that you have submitted for the bidding for the abovestated Contract, we found that your bid is non-responsive and, therefore, your firm is post-disqualified for the Contract on the following grounds:

---

---

---

---

---

Should you wish, you may submit a request for a reconsideration of our decision for your post-disqualification within three (3) calendar days from the receipt of this notice.

We look forward to your participation in the bidding for our other projects.

Very truly yours,

Name and Signature

BAC Chairman

Received by:

Name and Signature of Bidder's Representative

Position

Date received: \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
Name of Procuring Entity  
Address

**BAC RESOLUTION DECLARING THE BIDDER WITH THE LOWEST  
CALCULATED RESPONSIVE BID AND RECOMMENDING AWARD THERETO**

**RESOLUTION NO. \_\_\_\_**

WHEREAS, the Name of Procuring Entity advertised the Invitation to Bid for the abovestated Contract in a newspaper of general nationwide circulation on date and posted the same at the websites of the DPWH and the PhilGEPS and at a conspicuous place at the premises of the Name of Procuring Entity continuously for 7 days starting on date;

WHEREAS, in response to the said Invitation, the BAC received number bids for the Contract;

WHEREAS, on date, after opening the bids, the BAC conducted the Eligibility Check and found number bidders eligible and number bidders ineligible.

WHEREAS, of the bids from the eligible bidders, number bids passed the preliminary examination by the BAC of the Technical and Financial Proposals based on the presence of the submitted documents as against the checklist of required documents, and, consequently, the BAC read and recorded their bids as follows:

Name of Bidder	Total Bid Amount As Read (Php)	Discount Offered

WHEREAS, the BAC, with the assistance of its Technical Working Group, conducted the detailed evaluation of the abovementioned bids on dates, which resulted in the following bids as calculated:

Name of Bidder	Total Bid Amount As Calculated (Php)	% Variance from ABC	Remarks: Corrections and Observations

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----

WHEREAS, upon post-qualification, validation and verification of the eligibility, technical and financial documents submitted by the Bidder with the Lowest Calculated Bid, Name of Bidder, the BAC found its bid responsive and, therefore, the bidder is post-qualified;

NOW, THEREFORE, we, the Members of the Bids and Awards Committee, hereby RESOLVE as it is hereby RESOLVED:

- a) To declare Name of Bidder as the Bidder with the Lowest Calculated Responsive Bid (LCRB) for the abovementioned Contract; and
- b) To recommend to the Head of Procuring Entity, for approval, the award of the said Contract to Name of the Bidder with the LCRB at its total submitted bid or total Calculated Bid, whichever is lower, in the amount of \_\_\_\_\_ in words and figures\_\_\_\_\_.

RESOLVED, at \_\_\_\_\_ venue \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Name and Signature

BAC Chairperson

Name and Signature

BAC Member

Name and Signature

BAC Member

Name and Signature

BAC Member

Name and Signature

BAC Member

Approved by:

Name and Signature

Head of Procuring Entity

Date approved: \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
Name of the Procuring Entity  
Address

**NOTICE OF AWARD**

Date of Issuance

Name of the Bidder

Address of the Bidder

Fax Number of the Bidder

Dear Sir / Madame:

We hereby accept your bid for the abovestated Contract and, therefore, award the Contract to you, as the Bidder with the Lowest Calculated Responsive Bid, at a total Contract price equivalent to amount in words and figures.

You are, therefore, required, within ten (10) calendar days from your receipt of this Notice of Award, to submit to us the following documents as conditions for the signing of the Contract:

- a. Notice of Award (NOA) with the bidder's signed "conforme"
- b. Authority of Signing Official/Board Resolution/Secretary's Certificate
- c. For a joint venture (JV), Contractor's PCAB Special JV License and JV Agreement.
- d. Performance Security in any of the forms specified in the Instructions to Bidders (Use Form DPWH-INFR-43 or DPWH-INFR-44, as applicable).
- e. Construction Methods (Use Form DPWH-INFR-45)
- f. Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve and Cash Flow (Use Form DPWH-INFR-46).
- g. Manpower Schedule (Use Form DPWH-INFR-47).
- h. Equipment Utilization Schedule (Use Form DPWH-INFR-48).
- i. Construction Safety and Health Program (Use Form DPWH-INFR-49).
- j. Contractor's All Risk Insurance (CARI)
- k. Latest Income Tax and Business Returns duly stamped and received by BIR and duly validated with the tax payments made. Tax Clearance from the BIR to prove full and timely payment of taxes
- l. For a local contractor, Certification under oath stating that the Contractor is free and clean of all tax liabilities
- m. For a foreign bidder, valid PCAB License and Registration for the type and cost of the contract to be bid, when the Treaty or International or Executive Agreement expressly allows submission of the PCAB License and Registration for the type and cost of the contract at hand as a pre-condition to the NOA.
- n. Integrity Pledge under Department Order No. 86, series of 2013.

You are also required, within the said ten (10) calendar days, to formally sign the Contract Agreement.



**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
Your failure to comply with these requirements shall constitute a sufficient ground for the cancellation of this award and the forfeiture of your Bid Security.

Very truly yours,

*Name and Signature of Head of Procuring Entity*  
*Position*

Conforme:

*Name and Signature of Bidder's Representative*  
*Position*

*Name of Bidder*

Date: \_\_\_\_\_

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

Name of Procuring Entity

Address

**NOTIFICATION OF BIDDING RESULTS**

Date of Issuance

Name of Losing Bidder

Address

Fax Number

Dear Sir / Madame:

We regret to notify you that the abovestated Contract has been awarded to a competing contractor, (Name of Bidder with the LCRB), at its bid of amount in words and figures, which has been determined as the Lowest Calculated Responsive Bid for the Contract.

We look forward to your participation in the bidding for our other projects.

Very truly yours,

Name and Signature

BAC Chairperson

Department of Public Works and Highways

Contract ID:

Contract Name:

Location of the Contract:

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PERFORMANCE SECURITY: IRREVOCABLE LETTER OF CREDIT

Date: \_\_\_\_\_

Name of Head of Procuring Entity

Position

Name of Procuring Entity

Address

Fax Number

Subject: Irrevocable Letter of Credit No. \_\_\_\_\_  
For Contract ID and Name \_\_\_\_\_

WHEREAS, Name of Contractor, hereinafter called "Contractor," has undertaken to enter into a contract with you to execute Contract ID and Name, and whereas you have stipulated in the said Contract that the Contractor shall furnish you with an irrevocable standby Letter of Credit for a sum specified therein as Performance Security for the faithful compliance of the Contractor's obligations in accordance with the Contract.

WHEREAS, we have agreed to guarantee this obligation by the Contractor.

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

The right to institute action on this guarantee pursuant to Act No. 3688 of any individual, firm, partnership, corporation and association supplying the Contractor with labor and materials for the prosecution of the works is hereby acknowledged and confirmed.

This irrevocable guarantee is valid until the issuance by you of the Certificate of Acceptance of the completed Contract works after the end of the one-year Defects Liability Period of the Contract.

This certification is being issued in favor of the said Contractor in connection with the requirements of the bidding by your office for the abovementioned contract. We are aware that any false statements issued by us make us liable for perjury.

Name and Signature of Authorized  
Financing Institution Officer : \_\_\_\_\_  
Official Designation : \_\_\_\_\_

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Department of Public Works and Highways

Contract ID:

Contract Name:

Location of the Contract:

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Concurred By:

Name and Signature of Contractorø

Authorized Representative : \_\_\_\_\_  
Official Designation : \_\_\_\_\_

Note:

*The amount committed should be machine validated.*

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
affiant exhibiting to me his/her [insert Government ID No. \_\_\_\_] issued on  
\_\_\_\_\_ at \_\_\_\_\_, Philippines.

Notary Public  
Until 31 December 20\_\_\_\_  
PTR No. \_\_\_\_\_  
Issued at: \_\_\_\_\_  
Issued on: \_\_\_\_\_  
TIN No. \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_.

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**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**PERFORMANCE SECURITY: BANK GUARANTEE**

To : Name of Head of the Procuring Entity  
Address

WHEREAS, Name and Address of Contractor, hereinafter called "the Contractor," has undertaken to enter into a contract with you to execute Contract ID and Name, hereinafter called "the Contract";

WHEREAS, you have stipulated in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as Performance Security for compliance with his obligations in accordance with the Contract; and

WHEREAS, we have agreed to give the Contractor such a Bank Guarantee;

NOW THEREFORE, we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, up to a total of amount of guarantee, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of amount of guarantee as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

The right to institute action on this guarantee pursuant to Act No. 3688 of any individual, firm, partnership, corporation and association supplying the Contractor with labor and materials for the prosecution of the works is hereby acknowledged and confirmed.

This guarantee shall be valid until the date of issuance to the Contractor of your Certificate of Acceptance of the completed Contract works after the end of the one-year Defects Liability Period of the Contract.

**SIGNATURE AND SEAL OF THE GUARANTOR**

\_\_\_\_\_

NAME OF BANK \_\_\_\_\_

ADDRESS \_\_\_\_\_

DATE \_\_\_\_\_

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**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**CONSTRUCTION METHODS  
OUTLINE OF NARRATIVE DESCRIPTION**

**1.0 INTRODUCTION**

Refer to the Bidding Documents and related materials.

**2.0 BRIEF DESCRIPTION OF CONTRACT WORKS**

State the general features of the contract works. Use tables and drawings as necessary.

**3.0 CONSTRUCTION METHODS AND PROCEDURES**

3.1 Methodology or General Approach

State the general approach in construction in terms of the use of equipment-intensive or labor-based methods, any special techniques, methods or procedures to ensure completion on time and quality of the materials, workmanship, and completed structure, according to the approved specifications and drawings/plans.

3.2 Program of Work

Progress bar chart with S-curve of activities in the contract works.

3.3 Financial Program

Cash flow schedule, provision for working capital, schedule of receipts, etc.

Submitted by:

Name and Signature of Bidder's Representative

Position

Name of Bidder

Date: \_\_\_\_\_

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Department of Public Works and Highways

Contract ID:

Contract Name:

Location of the Contract:

Manpower Schedule

Name of Contractor:

Entries are example only

NO.	MANPOWER CATEGORY	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	13th Month	14th Month
		30 C.D.	60 C.D.	90 C.D.	120 C.D.	150 C.D.	180 C.D.	210 C.D.	240 C.D.	270 C.D.	300 C.D.	330 C.D.	360 C.D.	390 C.D.	420 C.D.
1	Project Manager	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2	Deputy Project Manager (Operation)	1	1	1	1	1	1	1	1	1	1	1	1	1	1
3	Deputy Project Manager (Administration)	1	1	1	1	1	1	1	1	1	1	1	1	1	1
4	Project Engineer	1	1	1	1	1	1	1	1	1	1	1	1	1	1
5	Bridge/Structural Engineer	1	1	1	1	1	1	1	1	1	1	1	1	1	1
6	Highway/Pavement Engineer	1	1	1	1	1	1	1	1	1	1	1	1	1	1
7	Materials/Quality Control Engineer	1	1	1	1	1	1	1	1	1	1	1	1	1	1
8	Safety Engineer	1	1	1	1	1	1	1	1	1	1	1	1	1	1
9	Construction Foreman	1	1	1	1	1	1	1	1	1	1	1	1	1	1
10	Geodetic Engineer	1	1	1	1	1	1	1	1	1	1	1	1	1	1
11	Quantity Engineer	0	1	1	1	1	1	1	1	1	1	1	1	1	1
12	Office Engineer	1	1	1	1	1	1	1	1	1	1	1	1	1	1
13	Autocad Operator/Draftsman	1	1	1	1	1	1	1	1	1	1	1	1	1	0
14	Office Staff	0	1	1	1	1	1	1	1	1	1	1	1	1	0
15	Financing and Accounting	1	1	1	1	1	1	1	1	1	1	1	1	1	1
16	Purchasing and Supplying	1	1	1	1	1	1	1	1	1	1	1	1	1	0
17	Human Resources/Manpower	1	1	1	1	1	1	1	1	1	1	1	1	1	1
18	Camp Management/Security	2	4	4	6	6	6	6	6	6	6	5	5	4	2
19	Equipment In-Charge	1	1	1	1	1	1	1	1	1	1	1	1	1	1
20	Laboratory Technician	1	1	1	1	1	1	1	1	1	1	1	1	1	0
21	Laboratory Aide	1	1	1	1	1	1	1	1	1	1	1	1	1	0
22	Clerk Typist/Encoder	1	1	1	1	1	1	1	1	1	1	1	1	1	0
23	Instrumentman	1	2	2	2	2	2	2	2	2	2	2	2	1	0
24	Survey Aides	2	2	2	2	2	2	2	2	2	2	2	2	1	1
25	Health and Environment	0	1	1	1	1	1	1	1	1	1	1	1	1	1
26	First Aider/Health Personnel	1	1	1	1	1	1	1	1	1	1	1	1	1	1
27	Utility Personnel	1	1	1	1	1	1	1	1	1	1	1	1	1	1
28	Laundry Woman	1	1	1	1	1	1	1	1	1	1	1	1	1	1
29	Heavy Equipment Operator	4	8	8	10	10	15	15	15	15	15	15	8	6	4
30	Driver For Vehicles	3	5	7	8	8	8	8	8	8	8	8	8	7	3
31	Truck Driver	2	6	8	10	12	19	19	19	19	19	12	12	6	4
32	Skilled Laborer	3	8	8	12	16	16	16	16	16	16	16	12	8	6
33	Semi-Skilled Laborer	5	8	8	15	21	21	21	21	21	21	15	10	8	4
34	Unskilled Laborer	8	10	15	20	25	25	25	25	25	25	18	15	10	5
35	Field Watchmen	0	5	5	10	16	16	16	16	16	12	12	9	4	0
	<b>Total</b>	<b>52</b>	<b>82</b>	<b>91</b>	<b>120</b>	<b>143</b>	<b>155</b>	<b>155</b>	<b>155</b>	<b>155</b>	<b>145</b>	<b>130</b>	<b>106</b>	<b>80</b>	<b>48</b>

Department of Public Works and Highways

Contract ID:

Contract Name:

Location of the Contract:

Major Equipment Utilization Schedule

Name of Contractor:

Entries are example only.

NO.	DESCRIPTION	MAKE/TYPE	MIN. CAPACITY	TOTAL	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	13th Month	14th Month
					30 C.D.	60 C.D.	90 C.D.	120 C.D.	150 C.D.	180 C.D.	210 C.D.	240 C.D.	270 C.D.	300 C.D.	330 C.D.	360 C.D.	390 C.D.	420 C.D.
1	Concrete Batching Plant	LQC-80-II	80 tons/hr	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
2	Aggregate Crusher	PE750X1060	175 tons/hr	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
3	Washing and Screening Plant	4YZS2160	175 tons/hr	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
4	Asphalt Paver	RP403	3-4.10m/75 Kw	2	0	1	1	2	2	2	2	2	2	2	2	1	0	0
5	Asphalt Distributor	XL250	1200L	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
6	Bulldozer with Ripper	SD-72 W	520 Hp	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0
7	Bulldozer with Ripper	D20A-5	39 Hp	1	0	1	1	1	1	1	1	1	1	1	1	0	0	0
8	Crawler Dozer	D6HLP	165 Hp	2	0	1	1	1	2	2	2	2	1	1	1	0	0	0
9	Hydraulic Excavator	MS180-8	0.80 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	0	0	0
10	Hydraulic Excavator	XE35C	1.40 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	1	1	0
11	Wheel Loader	865-2	3.10 cu.m.	1	0	1	1	1	1	1	1	1	1	0	0	0	0	0
12	Wheel Loader	840-2	2.00 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
13	Wheel Loader	850-2	3.00 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	0	0	0
14	Crawler Loader	ZY-65 C	2.60 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
15	Motor Grader	GR180R	195 Hp	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
16	Motor Grader	GD31-3H	135 Hp	1	0	1	1	1	1	1	1	1	1	1	0	0	0	0
17	Vibratory Tandem Roller	XD11E	11 tons	2	0	1	2	2	2	2	2	2	2	2	1	1	0	0
18	Vibratory Drum Roller	XS 142	14 tons	1	0	0	0	1	1	1	1	1	1	1	1	0	0	0
19	Pneumatic Tired Roller	XP201	12-20 tons	2	0	1	2	2	2	2	2	2	2	2	2	1	0	0
20	Dump Truck	EQ3121GLJ6	20 cu.m.	15	0	5	8	8	10	15	15	15	15	15	12	8	4	4
21	Dump Truck	NKR58E-7109892	2.15 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	1	1	0
22	Dump Truck	CXZ71J-3016497	11 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	0	0	0
23	Dump Truck	CXZ19J-3008234	12 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	1	0	0
24	Dump Truck	NKR58E-7143065	2.15 cu.m.	1	0	1	1	1	1	1	1	1	1	1	1	1	1	0
25	Water Truck with Pump	CLW5116SST3	1000 Gals.	2	0	1	1	1	2	2	2	2	2	2	2	1	1	0
26	Generator Set	30/380V-50HZ	40,000 W	1	0	1	1	1	1	1	1	1	1	1	1	1	1	0
27	Generator Set	DCAASPF	36,000 W	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0
28	Generator Set	SH100LDE3	100,000 W	1	0	0	0	1	1	1	1	1	1	1	1	1	1	0
<b>Total</b>					<b>2</b>	<b>27</b>	<b>35</b>	<b>38</b>	<b>42</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>46</b>	<b>45</b>	<b>39</b>	<b>25</b>	<b>10</b>	<b>4</b>

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**CONTRACTOR'S CONSTRUCTION SAFETY AND HEALTH PROGRAM**

*Date*

To: *Name of the Head of the Procuring Entity*  
*Address*

Pursuant to the provisions of Section 37.2.3 of the Implementing Rules and Regulations of Republic Act No. 9184 and in accordance with the provisions of Department Order No. 129, series of 2014, of the Department of Public Works and Highways (DPWH) and the provisions of the Memorandum dated 17 July 2014 of the Department of Labor and Employment (DOLE), we hereby submit to you, as part of the contract documents for the abovementioned contract awarded to us, our Construction Health and Safety Program which, once approved by the DPWH and concurred in by the DOLE Regional Office concerned, shall be implemented by us for the said contract.

1. Construction Safety and Health Committee: *State the composition of the Contractor's Construction Safety and Health Committee, if one has been formed. Otherwise, state an undertaking of the Contractor to organize such committee and appoint its members before the start of construction work at the project site.*
2. Specific Safety Policies: *State the specific safety policies which the Contractor undertakes to observe and maintain in its construction site, including the frequency of and persons responsible for conducting toolbox and gang meetings.*
3. Penalties and Sanctions: *State the penalties and sanctions for violations of the Construction Safety and Health Program.*
4. Training: *State the frequency, content and persons responsible for orienting, instructing, and training all workers at the site with regard to the Construction Safety and Health Program under which they operate.*
5. Waste Disposal: *State the manner of disposing waste arising from the construction.*

Submitted by:

Name and Signature of Authorized Officer of the Bidder  
Position

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

-----  
*Name of Procuring Entity*  
*Address*

**CHECKLIST OF CONTRACT DOCUMENTS AND SUPPORTING DOCUMENTS**

A. The Contract itself shall include the following:

1. Contract Agreement
2. Documents forming part of the Contract Agreement in the following order of priority:
  - a. Notice of Award with the Contractor's signed "conforme"
  - b. Contractor's Bid comprised of its Technical and Financial Proposals, as calculated by the Procuring Entity and conformed by the Contractor through the NOA
  - c. Bidding Documents (**BDs**), other than items (2)(d) to (2)g below for the Contract, with Bulletins.
  - d. Specifications
  - e. Drawings
  - f. Special Conditions of Contract (**SCC**)
  - g. General Conditions of Contract (**GCC**)
  - h. Performance Security
  - i. Integrity Pledge under Department Order No. 86, series of 2013
  - j. Other Contract Documents
    - (1) Construction Methods
    - (2) Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve, or other approved tools of project scheduling, and Cash Flow
    - (3) Manpower Schedule
    - (4) Equipment Utilization Schedule
    - (5) Construction Safety and Health Program, as initially approved by the Head of the Procuring Entity

## Department of Public Works and Highways

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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### (6) Contractor's All Risk Insurance (CARI)

The documents in items 1 and 2b to 2g above shall be provided by the Procuring Entity. As indicated in the NOA, the documents in items 2a, and 2h to 2j shall be submitted by the winning bidder to the Procuring Entity within ten (10) calendar days from the date of its receipt of the NOA.

B. The following are the required supporting documents for the Contract:

1. Approved Program of Work (Annex 5L66)
2. Certificate of Availability of Funds (CAF) (Annex 5N6)
3. Abstract of Bids as Calculated (Annex 5O6)
4. Approved BAC Resolution Declaring the Bidder with the LCRB and Recommending Award thereto (Annex 5P6)

**Department of Public Works and Highways**

Contract ID:

Contract Name:

Location of the Contract:

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**FORM OF CONTRACT AGREEMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

This **CONTRACT AGREEMENT**, made this \_\_\_\_ day of month, year, by and between:

The **GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES** through the **Department of Public Works and Highways (DPWH)** represented herein by \_\_\_\_\_, duly authorized for this purpose, with main office address at \_\_\_\_\_, hereinafter referred to as the **“PROCURING ENTITY”**;

-and-

\_\_\_\_\_, a single proprietorship/partnership/corporation/ joint venture organized and existing under and by virtue of laws of the Republic of the Philippines, with main office address at \_\_\_\_\_, represented herein by \_\_\_\_\_, duly authorized for this purpose, hereinafter referred to as the **“CONTRACTOR”**;

**WITNESSETH:**

WHEREAS, the PROCURING ENTITY is desirous that the CONTRACTOR execute the Works under *Contract ID and Name*, hereinafter called *the Works*, and the PROCURING ENTITY has accepted the Calculated Bid of the CONTRACTOR for the execution and completion of the Works at the calculated unit bid prices shown in the attached Bill of Quantities, or a total Contract price of amount in words and numbers.

**NOW, THEREFORE**, for and consideration of the foregoing premises, the parties hereto agree as follows:

1. In this **CONTRACT AGREEMENT**, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this **CONTRACT AGREEMENT**, and shall be interpreted in the following order of priority:
  - a. This Contract Agreement
  - b. Documents forming part of the Contract Agreement:
    - (1) Notice of Award (NOA) with the Contractor’s signed *conforme*

## Department of Public Works and Highways

Contract ID:

Contract Name:

Location of the Contract:

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- (2) Contractor's Bid in the Form of Bid, including its Technical and Financial Proposals, as calculated by the Procuring Entity and conformed to by the Contractor through the NOA.
  - (3) Bidding Documents with Bulletins
  - (4) Specifications
  - (5) Drawings
  - (6) Special Conditions of Contract (SCC)
  - (7) General Conditions of Contract (GCC)
  - (8) Performance Security
  - (9) Integrity Pledge under Department Order No. 86, series of 2013
  - (10) Other Documents
    - (a) Construction Methods
    - (b) Construction Schedule in the form of PERT/CPM Diagram or Precedence Diagram and Bar Chart with S-Curve, or other approved tools of project scheduling, and Cash Flow.
    - (c) Manpower Schedule
    - (d) Equipment Utilization Schedule
    - (e) Construction Safety and Health Program initially approved by the Head of the Procuring Entity
    - (f) Contractor's All Risk Insurance (CARI)
3. In consideration of the payments to be made by the PROCURING ENTITY to the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the PROCURING ENTITY to execute and complete the Works and remedy any defects therein in conformity with the provisions of this **CONTRACT AGREEMENT** in all respects.
4. In consideration of the execution and completion of the Works by the CONTRACTOR, the PROCURING ENTITY hereby covenants to pay the CONTRACTOR the unit prices in the CONTRACTOR's Calculated Bid, as applied to the actual quantities accomplished as certified by the PROCURING ENTITY under the provisions of this **CONTRACT AGREEMENT**, at the times and in the manner prescribed by this **CONTRACT AGREEMENT**.

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

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**IN WITNESS WHEREOF**, the parties hereto set their respective hands on the day, month and year first above written.

**PROCURING ENTITY:**

**CONTRACTOR:**

**Represented by:**

**Represented by:**

\_\_\_\_\_

\_\_\_\_\_

**Witnessed by:**

\_\_\_\_\_

\_\_\_\_\_

**APPROVED** (*if the contracting party for the Procuring Entity is not the approving authority*):

\_\_\_\_\_

Date of Approval: \_\_\_\_\_



**Department of Public Works and Highways (DPWH)**

**Contract ID;**

**Contract Name:**

**Location of the Contract:**

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Name of Procuring Entity

Address

**NOTICE TO PROCEED**

Date of Issuance

Name of Contractor

Address

Fax Number

Dear Sir / Madame:

Since the attached Contract Agreement with you for the abovestated Contract has been approved, we hereby instruct you to proceed, effective upon the date of your receipt of this Notice, with the implementation of the provisions of the Contract, in accordance with the terms of the Contract Agreement, including the Conditions of Contract, Specifications, and Drawings.

Please acknowledge your receipt and acceptance of this Notice by signing both copies thereof in the space provided below. Keep one copy and return the other to us.

Very truly yours,

Name and Signature

Head of the Procuring Entity

I acknowledge receipt of this Notice on       date      :

Name and Signature of Contractor's Representative

Position

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

**EVALUATION OF BIDS FOR DESIGN-BUILD CONTRACT**

*Note: Entries are provided as illustrative example*

**Name of Contractor:**

**ABC of DB Project:**

**I. Eligibility Criteria**

**A. Construction**

- Cost of constructed single largest similar contract (CCSLSC) % (CCSLSC/ABC) which must at least be 50%
- NFCC

Pass	Fail
------	------


**B. Design**

- Cost of designed single largest similar contract (CDSLSC) % (CDSLSC/ABC) which must at least be 50%
- Designers possess appropriate PRC licenses
- Design Manager must have at least 5 years experience


Pass	Fail
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**II. Adherence of prelim design plans to the MPSS, including degree of detail**

**A. Bridge Design Plan**

1. Location Map/Vicinity Map
2. General Notes on Design Parameter and Construction Procedure
3. General plan and elevation
4. Boring Data and Borehole Location
5. Typical Details of Superstructures
6. Typical details of Substructures (piers and abutments)
7. Typical Details of Foundation
8. Typical Details of Abutment and Pier Protection SWorks
9. Typical Details of Temporary Structures, such as craneway, cofferdam etc.
10. Summary of Quantities
11. Typical Lighting Facilities
12. Other Structures


**B. Road Design Plan**

1. Location Map/Vicinity Map
2. General Notes on Design Parameter and Construction Procedure
3. Design Criteria
4. Plans, Profile and Cross Sections
5. Typical Details of Slope Protection Works
6. Traffic Data/Information
7. Typical details of Drainage Structures
8. Summary of Quantities
9. Typical Road Section
10. Typical Lighting Facilities
11. Geotechnical Profile
12. Other Miscellaneous Structure Details


**III. Concept of approach and methodology for detailed engg design and construction (III=A+B+C)**

Maximum	Rating
<b>100</b>	

**A. Clarity, feasibility, innovativeness, and comprehensiveness of the plan approach (A=1+2+3=4)**

Maximum	Rating
<b>80</b>	

1. Clarity - quality of narrative description of the methodology and work plan for performing the project (1=a+b+c).

<b>20</b>	
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- a. The description discussed fully all aspects of the Design Services in the submitted TPF 3-Description of the Methodology and Work Plan for Performing the Project.
- b. The work plan is described in proper order of work activities in the submitted TPF 3-Description of the Methodology and Work Plan for performing the Project.
- c. There are no significant errors and irrelevant discussions in the presentation in the submitted TPF 3-Description of the Methodology and Work Plan for Performing the Project.

(7)	
(7)	
(6)	

2. Feasibility - doability of work program (2=a+b+c+d).

- a. The proposed team includes all required personnel, and the tasks of each key personnel are clearly defined in TPF4 - Team Composition and Tasks.
- b. The work activities are achievable and given in logical sequence in the submitted TPF7 - Activity Work Schedule.
- c. The assignment of personnel in TPF6 - Time Schedule of Proposed Professional Staff - is consistent with the work activities in TPF7 - Activity Work Schedule.
- d. Each of the key personnel has letter of commitment to work on the project  
(d=d.1 +d.2+d.3+d.4+d.5+d.6+d.7+d.8)

	Position
d.1	Sr. Highway Engineer/Team Leader
d.2	Sr. Bridge Structural Engineer
d.3	Sr. Hydraulic/Drainage Engineer
d.4	Sr. Geologist
d.5	Sr. Locating/Geotechnical Engineer
d.6	Sr. Geotechnical/Soil Materials Engineer
d.7	Sr. Specifications Writer
d.8	Sr. Cost Engineer

<b>30</b>	
(6)	
(7)	
(7)	
Max	Rating
<b>10</b>	
(2)	
(1.4)	
(1.1)	
(1.1)	
(1.1)	
(1.1)	
(1.1)	
(1.1)	

3. Innovativeness - adoption of quality standard/new work approach technology/tools (3=a+b).

- a. There is innovation with discussion on how the methodology will enhance the quality of work outputs and/or ensure timely completion of the Design Services in TPF3 - Description of Methodology and Work Plan for Performing the Project..
- b. The methodology completely describes the technology and tools to be used in TPF3 - Description of Methodology and Work Plan for Performing the Project.

Maximum	Rating
<b>10</b>	
(5)	
(5)	

4. Comprehensiveness - completeness and adequate level of detail of the work plan as to how the Design Services shall be carried out as outlined in the Minimum Performance Specifications and Parameters (4=a+b+c+d)

- a. All works required in the Design are covered in TPF7 -Activity Work Schedule.
- b. All the required key personnel are covered in TPF4 - Team Composition and Tasks
- c. There is a clear presentation of interdependency of activities, such as PERT/CPM, as shown in TPF3 - Description of Methodology and Work Plan.
- d. The work plan integrates interactions among the bidder, concerned DPWH Offices, LGUs, and other government agencies, in TPF3 - Description of Methodology and Work Plan, and/or in TPF7 - Activity Work Schedule.

Maximum	Rating
<b>20</b>	
(5)	
(5)	
(5)	
(5)	

**B. Quality of Interpretation of project problems, risks, & suggested solutions (B=1+2).**

1. Interpretation of problems and risks - identified problems and risks that may be encountered in performing the Design Services (1= a+b).

There is clear discussion on possible problems and risks based on actual site inspection.

Maximum	Rating
<b>20</b>	
<b>10</b>	
10	

2. Appropriateness of suggested solutions - doability of suggested solutions to the problems and risks (2=a+b).

- a. The suggested solutions are logical and practicable in the submitted TPF 2 - Comments and Suggestion of Designer on the Minimum Performance Specification and Parameters and on Data to be provided by the Procuring Entity.
- b. There is clear discussion on how the proposed solutions shall be carried out in the submitted TPF 2 - Comments and Suggestion of Designer on the Minimum Performance Specifications and Parameters and on Data to be provided by the Procuring Entity or TPF 3 - Description of the Methodology and Work Plan for Performing the Project.

<b>10</b>	
(5)	
(5)	

**IV. Qualification of Key Personnel to be assigned to the project.**

**A Education**

Position	Minimum Degree Required	Minimum Degree Completed
a. Project Manager		
b. Sr. Highway Engineer		
c. Sr. Bridge Structural Engineer		
d. Sr. Hydraulic/Drainage Engineer		
d. Sr. Geologist		
e. Sr. Locating/Geodetic Engineer		
f. Sr. Geotechnical/Soil Material Engineer		
h. Sr. Cost Engineer		

Pass	Fail

**B Work Experience**

**1. Similar Experience**

Position	Reqd. Min. Years of Similar Experience	As Evaluated
a. Project Manager	8	
b. Sr. Highway Engineer	5	
c. Sr. Bridge Structural Engineer	5	
d. Sr. Hydraulic/Drainage Engineer	5	
d. Sr. Geologist	5	
e. Sr. Locating/Geodetic Engineer	5	
f. Sr. Geotechnical/Soil Material Engineer	5	
h. Sr. Cost Engineer	5	

Pass	Fail

**Similar Experience means design experience in the same position and/or in the same/similar project category**

**2. Total Experience**

Position	Reqd Min. Years of Total (Similar + Related) Experience	As Evaluated
a. Project Manager	8	
b. Sr. Highway Engineer	5	
c. Sr. Bridge Structural Engineer	5	
d. Sr. Hydraulic/Drainage Engineer	5	
d. Sr. Geologist	5	
e. Sr. Locating/Geodetic Engineer	5	
f. Sr. Geotechnical/Soil Material Engineer	5	
h. Sr. Cost Engineer	5	

Pass	Fail

**Total Experience means total design experience regardless of position or project category.**

**V. Total Percentile Points for Parts II and III (IV=II+III)**

Max Rating	Rating
100	

Remarks: ----- Pass

**VI. Overall Evaluation:**

\*PASS if the submitted design proposal passed the criteria in Parts I, II and IV, and obtained at least 50% of the total percentile points of Part III.

\*FAILED if the submitted design proposal did not meet any of the criteria in Parts I, II and IV, and/or obtained less than 50% of the total percentile points of Part III.

Pass	Fail

Prepared and Submitted by the BAC-TWG:

Planning Service  
Member

BOC  
Member

BOD  
Member

Legal Service  
Member

PMO/IU  
Representative, Implementing Office

Procurement Service  
Assistant Head

Procurement Service  
Head

**APPROVED:**

**BIDS AND AWARDS COMMITTEE FOR CIVIL WORKS:**

Member

Member

Provisional Member

Member

Chairman

DPWH-INFR-53-2016

**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**

**PROCUREMENT PERFORMANCE REPORT BASED ON SELECTED INDICATORS  
FOR CALENDAR YEAR \_\_\_\_\_**

**NAME OF PROCURING ENTITY:** \_\_\_\_\_

Indicator	Indicates	Measured by	Satisfactory Threshold	Actual Performance			
				Ratios of Nos.	% Range	Rating	Score
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Adherence to Procurement Targets in APP	Efficiency of procurement planning and management	% of projects in APP actually procured	Not less than 85% of no. of projects in APP	$\frac{\text{No. of projects actually procured}}{\text{Total no. of projects in APP}}$	Above 85% 61-85% 40-60% Below 40%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Extent of Bidders' participation	Level of competition and Bidders' confidence in bidding	No. of bidders submitting bids	Average of 3 bidders or more per bidding	$\frac{\text{No. of bidders submitting bids}}{\text{Total no. of biddings}}$	Above 5 3-5 2-3 Below 2	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Time for entire public bidding	Efficiency of bidding activities	No. of days between advertisement and award	Not more than 95 days if ABC is not more than P50M; 110 days if ABC is above P50M - in at least 75% of no. of biddings	$\frac{\text{No. of biddings completed in 95/110 days}}{\text{Total no. of biddings}}$	Above 90% 76-90% 60-75% Below 60%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Variance between Award Prices and ABC	Adequacy of ABC and competition	% difference of Award prices below ABC	Between 5% and 20% variance/difference	$\frac{\text{No. of biddings within 5%-20% variance}}{\text{Total no. of biddings}}$	Below 5% 5-20% 21-30% Above 30%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0
Lowest bids of FAPs below ABC	Adequacy of ABC and competition	% of biddings with lowest bids lower than ABC	Not less than 75% of no. of FAPs biddings	$\frac{\text{No. of FAPs biddings with lowest bids} < \text{ABC}}{\text{Total no. of FAPs biddings}}$	Above 75% 61-75% 30-60% Below 30%	Very Satisfactory Satisfactory Acceptable Poor	3 2 1 0

Submitted by: (Head of the Procuring Entity)

Date Submitted: \_\_\_\_\_

**DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS**

**PROCUREMENT MANUAL  
VOLUME II - INFRASTRUCTURE**

**ANNEX II-C: DPWH STANDARD BIDDING  
DOCUMENTS FOR DESIGN-AND-BUILD  
SCHEME**

**10 June 2016**

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## Section I. Invitation to Bid (IB)

### **Notes on the IB**

The IB provides information that enables potential Bidders to decide whether to participate in the procurement at hand. The Invitation to Bid shall be:

- (a) advertised at least once in a newspaper of general nationwide circulation which has been regularly published for at least two (2) years before the date of issue of the advertisement, subject to Section 21.2.2 of the IRR of RA 9184;
- (b) posted continuously in the websites of the DPWH ([www.dpwh.gov.ph](http://www.dpwh.gov.ph)) and the Philippine Government Electronic Procurement System (Phil-GEPS) website, and, if applicable, the website prescribed by the government/foreign or international financial institution, or seven (7) calendar days starting on the date of advertisement; and
- (c) posted at any conspicuous place reserved for this purpose in the premises of the Procuring Entity concerned for seven (7) calendar days, if applicable, as certified by the head of the BAC Secretariat of the Procuring Entity concerned.

Apart from the essential items listed in the Bidding Documents (BDs), the IB should also indicate the following:

- (a) The name and location of the contact to be bid, the project background and other relevant information regarding the proposed contract works, including a brief description of the type, size, major items, and other important or relevant features of the work.
- (b) A general statement on the criteria to be used by Procuring Entity for the eligibility check, the examination and evaluation of bids, post-qualification, and award.
- (c) The date, time and place of the deadline for the submission and receipt of the eligibility requirements, the pre-bid conference if any, the submission and receipt of bids, and the opening of bids.
- (d) The ABC to be bid.
- (e) The source of funding.
- (f) The period of availability of the BDs, the place where the BDs may be secured, the DPWH website where the BDs may be downloaded, and, where applicable, the price of the Bidding Documents.
- (g) The contract duration.
- (h) The name, address, telephone number, facsimile number, e-mail and website addresses of the concerned Procuring Entity, as well as its designated contact person; and
- (i) Such other necessary information deemed relevant by the Procuring Entity.

The IB should be incorporated into the BDs. The information contained in the IB must conform to the BDs and in particular to the relevant information in the Bid Data Sheet (**BDS**).



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

**INVITATION TO BID**

1. The Department of Public Works and Highways, through the *[insert source of funding and year]* intends to apply the sum of *[insert the approved budget for the contract]*, being the Approved Budget for the Contract (ABC), to payments under the Design-and-Build (DB) contract for *[insert name/contract I.D. No.]*. Bids received in excess of the ABC shall be automatically rejected at bid opening.
2. The Department of Public Works and Highways now invites bids for *[insert name/contract I.D. No.]*, using the DB scheme, which involves *[insert brief description of the type, size, major items and other relevant features of the DB Works to be procured]*.<sup>1</sup>Contract Duration of the DB Works is *[insert the estimated contract duration in calendar days]*. Bidders should have completed a contract similar to the Project, covering both detailed engineering design and construction, with a cost equivalent to at least fifty percent (50%) of the ABC. The eligibility requirement is contained in the BDs, particularly, in Section II. Instructions to Bidders (ITB).
3. An interested civil works contractor who has no experience in DB projects on its own, it may enter into subcontracting, partnerships, or joint venture with design or engineering firms for the design portion of the contract.
4. Bidding will be conducted through open competitive bidding procedures using non-discretionary pass/fail criterion as specified in the Implementing Rules and Regulations (IRR) of Republic Act 9184 (RA 9184), otherwise known as the "Government Procurement Reform Act."
5. Bidding is open to Filipino citizens/sole proprietorship, partnerships, or organizations with at least seventy five percent (75%) interest or outstanding capital stock belonging to citizens of the Philippines.
6. Contractors/applicants who wish to participate in this bidding are required to first register with the DPWH Civil Works Registry (CWR) at the DPWH Procurement Service (PrS), 5<sup>th</sup> Floor, DPWH Bldg., Bonifacio Drive, Port Area, Manila, while those already registered shall keep their records current and updated. The Contractor's eligibility to bid on the project will be determined using the DPWH Contractor Profile Eligibility Process (CPEP) and subject to further post-qualification. Information on registration can be obtained from the PrS during working weekdays from 8:00 am to 5:00 pm or at the DPWH website [www.dpwh.gov.ph](http://www.dpwh.gov.ph).
7. Interested bidders may obtain further information from *[insert name of the DPWH implementing office]* and inspect the BDs at the address given below from 8:00 am to 5:00 pm.

---

<sup>1</sup> A brief description of the scope of Works should be provided, including quantities, location of project, and other information necessary to enable potential bidders to decide whether or not to respond to the invitation.

8. Interested Bidders may purchase a complete set of the BDs from the address below and upon payment of a nonrefundable fee in the amount of *[insert amount in Pesos]*. They may also download free of charge from the website of the DPWH, provided that bidders shall pay the fee for the BDs not later than the submission of their bids.
9. The DPWH will hold a Pre-Bid Conference on *[insert time and date]* at *[insert venue and address]*, which shall be open to all interested parties.
10. Bids must be delivered on or before *[insert date and time]* at *[insert address for submission and receipt of bids]*. All bids must be accompanied by a Bid Security in any of the acceptable forms and in the amount stated in ITB Clause 18.1. Bids will be opened in the presence of the bidders' representatives who choose to attend. Late bids shall not be accepted.
11. *[Insert such other necessary information deemed relevant by the DPWH]*
12. The DPWH *[insert name of the DPWH implementing office]* reserves the right to accept or reject any bid, to annul the bidding process, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders.
13. For further information, please refer to:

*[Insert name of officer]*

*[Insert name of office]*

*[Insert postal address] and/or [Insert street address]*

*[Insert telephone number, indicate city code]*

*[Insert contact's email address]*

*[Insert facsimile number]*

*[Insert website address, if applicable]*

---

*[Insert Name and Signature of the BAC  
Chairperson or the Authorized  
Representative of the BAC Chairperson]*

**Notes on the ITB**

This Section of the Bidding Documents provides the information necessary for bidders to prepare responsive Bids, in accordance with the requirements of the Procuring Entity. It also provides information on the eligibility check, Bid submission, opening, and evaluation, and on the award of contract.

This Section contains provisions that are to be used unchanged.

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# INSTRUCTIONS TO BIDDERS

## A. General

### 1. Scope of Bid

- 1.1. The Procuring Entity as defined in the **BDS**, invites bids for the Design-and-Build Works of the Project, as described in the **BDS**. The name and identification number of the Contract is provided in the **BDS**.
- 1.2. The successful bidder will be expected to complete the Works by the intended completion date specified in **SCC Clause 1.16**.

### 2. Budget and Source of Funds

- 2.1 The Procuring Entity has a budget or has applied for or received funds from the Funding Source named in the **BDS**, and in the amount indicated in the **BDS**. It intends to apply part of the funds received for the Project, as defined in the **BDS**, to cover eligible payments under the Contract for the Works.

### 3. Corrupt, Fraudulent, Collusive, Coercive, and Obstructive Practices

- 3.1 Unless otherwise specified in the **BDS**, the Procuring Entity, as well as bidders and contractors, shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Funding Source:
  - (a) defines, for purposes of this provision, the terms set forth below as follows:
    - (i) "Corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Procuring Entity, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019.
    - (ii) "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after Bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.

- (iii) "Collusive practices" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
  - (iv) "Coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract.
  - (v) "Obstructive practice" is:
    - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
    - (bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.
  - (b) will reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the Contract; and
  - (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded Contract funded by the Funding Source if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing or, or in executing, a Contract funded by the Funding Source.
- 3.2 Furthermore, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under the applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in **ITB** Clause 3.1(a).
- 3.3 The Funding Source and the Procuring Entity reserve the right to inspect and audit records and accounts of a contractor in the bidding for and performance of a



contract themselves or through independent auditors as reflected in the GCC Clause 34.

#### **4. Conflict of Interest**

4.1 All bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) below:

- (a) A Bidder has controlling shareholders in common with another Bidder.
- (b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder.
- (c) A Bidder has the same legal representative as that of another Bidder for purposes of this Bid.
- (d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project.
- (e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid.
- (f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the goods and related services that are the subject of the bid.
- (g) A Bidder who lends, or temporary seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.
- (h) If a consultant combines the function of consulting with those of contracting and/or supply of equipment.
- (i) if a consultant is associated with, affiliated to, or owned by a contractor or a manufacturing firm with departments or design offices offering services as consultants unless such consultant includes relevant information on such relationships along with a statement in the technical proposal cover

letter to the effect that the consultant shall limit its role to that of a consultant and disqualify itself and its associates from work in any other capacity that may emerge from the project (including bidding for any part of the future project). The contract with the consultant selected to undertake the project shall contain an appropriate provision to such effect.

- (j) If there is a conflict among consulting projects, the consultant (including its personnel and subcontractors) and any subsidiaries or entities controlled by such consultant shall not be recruited for the relevant project. The duties of the consultant depend on the circumstances of each case. While continuity of consulting services may be appropriate in particular situations where no conflict exists, a consultant cannot be recruited to carry out a project that, by its nature, shall result in conflict with a prior or current project of such consultant. examples of the situations mentioned are when a consultant engaged to prepare engineering design for an infrastructure project shall not be recruited to prepare an independent environmental assessment for the same project; similarly, a consultant assisting a Procuring Entity in privatization of public assets shall not purchase, nor advise purchasers, of such assets; or a consultant hired to prepare terms of reference (TOR) for a project shall not be recruited for the project in question.

4.2 In accordance with Section 47 of the Revised IRR of RA 9184, all BDs shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. Failure to comply with the aforementioned provision shall be a ground for the automatic disqualification of the bid in consonance with Section 30 of the Revised IRR of RA 9184. For this reason, relation to the aforementioned persons within the third civil degree of consanguinity or affinity shall automatically disqualify the bidder from participating in the procurement of contracts of the Procuring Entity, notwithstanding the act of such persons inhibiting themselves from the procurement process. On the part of the bidder, this Clause shall apply to the following persons:

- (a) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;
- (b) If the Bidder is a partnership, to all its officers and members;
- (c) If the Bidder is a corporation, to all its officers, directors, and controlling stockholders; and
- (d) If the bidder is a cooperative, to all its officers, directors, and controlling shareholders or members.

- (e) If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

## **5. Eligibility Requirements**

Bidders intending to participate in the bidding for this Project must meet the following Eligibility Requirements.

### **5.1. Legal Requirements**

#### **(a) Citizenship**

The prospective bidder must be either of the following:

- (1) A Filipino citizen/sole proprietorship;
- (2) A partnership duly organized under the laws of the Philippines and of which at least seventy-five percent (75%) of the interest belongs to citizens of the Philippines; or
- (3) A corporation duly organized under the laws of the Philippines and of which at least seventy five (75%) of the outstanding capital stock belongs to citizens of the Philippines; or
- (4) A cooperative duly registered with Cooperative Development Authority; or.
- (5) Persons/entities forming themselves into a joint venture, i.e., a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract, provided that, in accordance with the President's Letter of Instructions No. 630, Filipino ownership or interest in the joint venture concerned shall be at least seventy-five (75%); and provided, further, that joint ventures in which Filipino ownership or interest is less than 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 a person/entity meeting the seventy-five percent (75%) Filipino ownership requirement; provided, finally, that in the latter case, Filipino ownership or interest shall not be less than twenty-five percent (25%). For this purpose, Filipino ownership or interest shall be based on the contributions of each of the members of the joint venture as specified in their joint venture agreement (JVA).

#### **(b) PCAB License**

For this particular contract to be bid, the prospective bidder must possess a valid license issued by the Philippine Contractors' Accreditation Board (PCAB) in accordance with the provisions of RA 4566, as follows:

<b>Size Range</b>	<b>License Category</b>	<b>Single Largest Project/ Required Track Record</b>	<b>Allowable Range of Contract Cost</b>

**(c) PRC License**

The professional designer(s) of the Contractor must possess a valid license for the practice of engineering issued by the Professional Regulatory Commission (PRC).

The information and data for the requirements in Clause ITB 5.1(a) and (b) above should be available in the Contractor's Information (CI) stored in the Computerized DPWH Civil Works Registry (CWR) of Contractors.

**5.2. Technical Requirements**

**(a) Work Experience**

Unless otherwise provided in the BDS, the Bidder must meet the following work experience requirements:

- (1) The Contractor must have built one structure similar to the Project at hand with a construction cost of at least 50% of the ABC, adjusted to current prices using the National Statistics Office consumer price index.
- (2) The Contractor's designer must have designed one structure similar to the Project at hand with a construction cost of at least 50% of the ABC adjusted to current prices as mentioned in Clause 5.8(a).

For this purpose, contracts similar to the Project shall be those described in the BDS.

The required work experience of a contractor registered with the DPWH CWR can be obtained by computerized processing of the CI already stored in the CWR and, thus, does not have to be resubmitted by the prospective bidder in its bid.

**(b) Constructor's Performance Evaluation System or Owner's Certificate of Final Acceptance**

The bidder's Performance Evaluation System (CPES) Final Rating or Owner's Certificate of Final Acceptance, not issued by the contractor, as reflected in the DPWH CWR, must be satisfactory. In case of contracts with the private sector, an equivalent document shall be submitted.

### 5.3 **Financial Requirements**

The prospective bidder must have a Net Financial Contracting Capacity (NFCC) at least equal to the ABC to be procured.

The NFCC shall be calculated as follows:

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

The values of the bidder's current assets and current liabilities shall be based on the data submitted to the BIR, through its Electronic Filing and Payment System (EFPS).

The data needed above to derive the NFCC are already in the CI filed in the computerized DPWH CWR.

### 5.4. **Registration in the DPWH Registry of Contractors**

To be able to participate in the bidding for an infrastructure project in the DPWH, a contractor must first be registered with the DPWH CWR. To do this, a contractor/ prospective bidder must submit to the DPWH Procurement Service its Contractor's Confidential Application Statement for Registration or CCASR (**Form DPWH-INFR-05**) which includes the Class "A" Documents required under **IRR Section 23.1a**), as follows:

## 6. **Bidder's Responsibilities**

6.1 The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section IX. Forms and Qualification Information as required in **ITB** Clause.

6.2 The Bidder is responsible for the following:

- (a) Having taken steps to carefully examine all of the Bidding Documents;
- (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
- (c) Having made an estimate of the facilities available and needed for the contract to be bid, if any;
- (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s as provided under **ITB** Clause 10.1(iii)10.2;

- (e) Ensuring that it is not "blacklisted" or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
- (f) Ensuring that 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;
- (g) Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;
- (h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;
- (i) Complying with the disclosure provision under Section 47 of the Act in relation to other provisions of Republic Act 3019; and
- (j) Complying with existing labor laws and standards, if applicable.
- (k) Ensuring that it 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.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3 The Bidder, by the act of submitting its bid, shall be deemed to have inspected the site, determined the general characteristics of the contract works and the conditions for this Project and examine all instructions, forms, terms, and project requirements in the **BDs**. Unless otherwise indicated in the **BDS**, failure to furnish all information or documentation required in this **BDs** shall result in the rejection of the bid and the disqualification of the Bidder.
- 6.4 It shall be the sole responsibility of the prospective bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to this Project, including: (a) the location and the nature of the contract, project, or work; (b) climatic conditions; (c) transportation facilities; (c) nature and condition of the terrain, geological conditions at the site communication facilities, requirements, location and availability of construction aggregates and other materials, labor, water, electric power and access roads; and (d) other factors that may affect the cost, duration and execution or implementation of the contract, project, or work.

- 6.5 The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the Procuring Entity.
- 6.6 Before submitting their bids, the Bidders are deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect the contract in any way.
- 6.7 The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.8 Bidders should note that the Procuring Entity will only accept bids only from those that have paid the nonrefundable fee for the BDs at the office indicated in the IB.

## **7. Origin of Goods and Services**

There is no restriction on the origin of Goods, or Contracting of Works or Services other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

## **8. Sub-Contracts**

- 8.1 Unless otherwise specified in the **BDS**, the Bidder may sub-contract portions of the Works to an extent as may be approved by the Procuring Entity and stated in the **BDS**. However, sub-contracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.
- 8.2 Sub-contractors must submit the documentary requirements under **ITB** Clause 12 and comply with the eligibility criteria specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the sub-contracting of such portion of the Works shall be disallowed.
- 8.3 The Bidder may identify the subcontractor to whom a portion of the Works will be sub-contracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.
- 8.4 The provisions of **DO No. 10, series of 2012**, and the Memorandum of the DPWH Secretary dated September 24, 2013 shall form part and/or incorporated in the Instructions to Bidders.

## **B. Contents of Bidding Documents**

### **9. Pre-Bid Conference**

- 9.1 (a) If so specified in the **BDS**, a Pre-Bid Conference shall be held at the venue and on the date indicated therein, to clarify and address the Bidders' questions on the technical and financial components of this Project.
- (b) The Pre-Bid Conference shall be held at least twelve (12) calendar days before the deadline for the submission of and receipt of bids. If the Procuring Entity determines that, by reason of the method, nature, or complexity of the contract to be bid, or when international participation will be more advantageous to the GOP, a longer period for the preparation of bids is necessary, the pre-bid conference shall be held at least thirty (30) calendar days before the deadline for the submission and receipt of bids, as specified in the **BDS**.
- 9.2 Bidders are encouraged to attend the Pre-Bid Conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents as recorded in the minutes of the Pre-Bid Conference and the Supplemental/Bid Bulletin.
- 9.3 Any statement made at the pre-bid conference shall not modify the terms of the bidding documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

## **10. Clarification and Amendment of Bidding Documents**

- 10.1 Bidders who have purchased the BDs may request for clarification(s) on any part of the BDs or for an interpretation. Such a request must be in writing and submitted to the Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of Bids.
- 10.2 Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of Bids. Any modification to the Bidding Documents shall be identified as an amendment.
- 10.3 Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the websites of the DPWH and the Philippine Government Electronic Procurement System (PhilGEPS). Unless otherwise provided in the **BDS**, it shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with **ITB** Clause 24.

### **C. Preparation of Bids**

## **11. Language of Bids**



The Bid, as well as all correspondence and documents relating to the Bid exchanged by the Bidder and the Procuring Entity, shall be written in English. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation in English certified by the appropriate embassy or consulate in the Philippines, in which case the English translation shall govern, for purposes of interpretation of the Bid.

## 12. Documents Comprising the Bid: Eligibility Documents

12.1 Unless otherwise indicated in the **BDS**, the first envelope shall contain the following Eligibility Documents. These documents must clearly provide the information and data needed under the Eligibility Requirements in Clause **ITB 5**.

(a) Class "A" Documents:

### Legal Documents

- (1) Registration Certificate from the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) for sole proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration as stated in the **BDS**;
- (2) Mayor's/Business Permit issued by the city or municipality where the principal place of business of the prospective bidder is located;
- (3) Tax Clearance per Executive Order 398 series of 2005, as finally reviewed and approved by the BIR.

### Technical Documents

- (4) Statement of all its ongoing and completed government and private contracts for design and construction, including contracts awarded but not yet started, if any. The statement shall include, for each design and construction contract, the following:
  - a. Name of the contract.
  - b. Date of the contract.
  - c. Contract duration.
  - d. Owner's name and address.
  - e. Nature of work.
  - f. Contractor's role (whether sole contractor, subcontractor, partner in a JV, designer) and percentage of participation.

- g. Total contract value at award.
  - h. Date of completion or estimated completion time.
  - i. Total contract value at completion, if applicable.
  - j. Percentages of planned and actual accomplishments, if applicable.
  - k. Value of outstanding works, if applicable.
  - l. Notices of award and/or notices to proceed issued by the owners.
  - m. Constructors Performance Evaluation System (CPES) rating sheets, and/or certificates of completion and owner's acceptance, if applicable.
- (5) Valid PCAB license and registration to the Contractor for the type and cost of the contract for this Project.
- (6) Valid PRC licenses for the Contractor's design professionals.

Technical Documents

- (7) Audited financial statements, showing, among others, the prospective total and current assets and liabilities, stamped "received" by the 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.
- (8) The bidder's computation for its Net Financial Contracting Capacity (NFCC) in accordance with **ITB** Clause 5.3.

(b) Class "B" Document:

Valid joint venture agreement (JVA), in case the joint venture is already in existence. In the absence of a JVA, duly notarized statements from all the potential joint venture (JV) partners shall be included in the bid, to the effect that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful. Failure to enter into a JV shall be a ground for the forfeiture of the Bid Security. Each partner of the JV shall submit the PhilGEPS Certificate of Registration in accordance with Section 8.5.2 of the IRR of RA 9184. The submission of technical and financial eligibility documents by any of the JV partners constitutes compliance. The partner responsible to submit the NFCC shall likewise submit the statement of all of its ongoing contracts and Audited Financial Statements.

- 12.2 If a Bidder has secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class "B" Documents to the

DPWH Civil Works Registry (CWR), the said certification may be submitted in lieu of the requirements enumerated in **ITB Clause 12.1(a)**, items (1) to (8).

- 12.3 To facilitate determination of eligibility, however, the BAC of a Procuring Entity shall use the contents of the PhilGEPS electronic registry of contractors.
- 12.4 All bidders shall maintain a current and updated file of their Class Documents, and shall submit the PhilGEPS Certificate of Registration and Membership to the Procuring Entity, in lieu of the said Documents. For foreign bidders, the foregoing documents may be substituted by the appropriate equivalent documents in English, if any, issued by the country of the bidder concerned. These documents shall be accompanied by a Sworn Statement in a form prescribed by the GPPB stating that the documents submitted are complete and authentic copies of the original, and all statements and information provided therein are true and correct.

### **13. Documents Comprising the Bid: Technical Proposal**

The second envelope of the bid shall contain the Technical Proposal, which shall include the following documents:

- (a) Bid Security in/with the required form, amount, and validity period as provided in **ITB Clause 19**(Use **Form DPWH-INFR-09 or 10 or 11**).
- (b) Project Requirements which shall include the following:
- (1) Organizational chart for the contract to be bid (Use **Form DPWH-INFR-12**).
  - (2) List of contractor's design and construction personnel, to be assigned to the contract to be bid, with their complete qualification and experience data (Use **Form DPWH-INFR-13**). These personnel must meet the minimum cost of biggest project handled and the minimum years of experience shown in the **BDS**.
  - (3) List of contractor's major equipment units, which are owned, leased, and/or under purchase agreements, supported by certification of availability of equipment from the equipment lessor/vendor for the duration of the project (Use **Form DPWH-INFR-14**). These equipment units must meet the minimum equipment requirements for the contract set in the **BDS**.
  - (4) Omnibus sworn statement by the prospective bidder or its duly authorized representative in the form prescribed by the GPPB as to the following (Use **Form DPWH-INFR-15**):
    - (a) It is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB.

- (b) 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.
  - (c) It is authorizing the Head of the Procuring Entity or his duly authorized representative(s) to verify all the documents submitted.
  - (d) The signatory is the duly authorized representative of the prospective bidder, and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the prospective bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the prospective bidder is a corporation, partnership or joint venture.
  - (e) It complies with the disclosure provision under Section 47 of RA 9184 and its IRR in relation to other provisions of RA 3019.
  - (f) It complies with the responsibilities of a prospective or eligible bidder provided in the PBDs.
  - (g) It complies with existing labor laws and standards.
  - (h) It 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.
- (5) Conceptual Design Plans for the Project showing (a) the overall concept of the facility when completed, (b) the scope and components, (c) the functions, service levels, and performance characteristics of the Project outputs, and (d) the operation and maintenance requirements - with a degree of detail within +/- 15-20 % of the final quantities of the Project components.
- (6) Design and construction methods.
- (7) Value engineering analysis of design and construction method.

#### **14. Documents Comprising the Bid: Financial Proposal**

The third envelope of the bid shall contain the Financial Proposal which shall include the following:

- (a) Lump-sum bid prices, which shall include the detailed engineering cost, in the prescribed 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.

(c) Cash flow by quarter (Use **Form DPWH-INFR-18**).

Unless indicated in the **BDS**, all Bids that exceed the ABC shall not be accepted.

## **15. One Bid per Bidder**

Each Bidder shall submit only one Bid, either individually or as a partner in a JV. A Bidder who submits or participates in more than one bid (other than as a subcontractor if a subcontractor is permitted to participate in more than one bid) will cause all the proposals with the Bidder's participation to be disqualified. This shall be without prejudice to any applicable criminal, civil and administrative penalties that may be imposed upon the persons and entities concerned.

## **16. Price Escalation**

All bid prices shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances as specified in GCC Clause 48. Price escalation may be allowed in extraordinary circumstances as may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon the recommendation of the Procuring Entity. Furthermore, 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.

## **17. Bid Currencies**

17.1 All bid prices shall be quoted in Philippine Pesos unless otherwise provided in the **BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate prevailing on the day of the Bid opening.

17.2 If so allowed in accordance with **ITB** Clause 17.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the exchange rate as published in the BSP reference rate bulletin on the day of the bid opening.

17.3 Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.

## **18. Bid Validity**

- 18.1 Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.
- 18.2 In exceptional circumstances, prior to the expiration of the bid validity period, the Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The Bid Security described in **ITB** Clause 19 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its Bid Security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

## 19. Bid Security

- 19.1 The Bidder shall submit to the Procuring Entity, as part of its Bid, a Bid Security in Philippine Pesos currency in any of the following forms and corresponding amounts:

<b>Form</b>	<b>Minimum Amount</b>
(1) Cash or cashier's/manager's check issued by a Universal or Commercial Bank	1.0% of ABC
(2) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank (Use <b>Form DPWH-INFR-09 or 10</b> )	1.5% of ABC
(3) Surety bond callable on demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security	2.5% of ABC
(4) Bid Securing Declaration (Use <b>DPWH-INFR-11</b> )	None required

- 19.2 The Bid Security may also be in the form of a Bid Securing Declaration (Use **Form DPWH-INFR-10**). This is an undertaking which states, among others, that the bidder shall enter into contract with the Procuring Entity and furnish the required Performance Security within ten (10) calendar days, or less, as indicated in the **BDS**, from receipt of the Notice of Award, and committing to pay the corresponding fine and be suspended for a period of time from being qualified to participate in any government activity in the event it violates any of the conditions stated therein as required in the guidelines issued by the Government Procurement Policy Board (GPPB).
- 19.3 The Bid Security should be valid for the period specified in the BDS.
- 19.4 Any Bid not accompanied by an acceptable Bid Security shall be rejected by the Procuring Entity as non-responsive.
- 19.5 No Bid Securities shall be returned to Bidders after the opening of Bids and before contract signing, except to those that failed to comply with any of the requirements to be submitted in the Technical Proposal and Financial Proposal of the Bid, as

provided in the IRR of R.A. 9184. Without prejudice to the forfeiture of Bid Securities, Bid Securities shall be returned only after the Bidder with the Lowest Calculated Responsive Bid has signed the Contract and furnished the Performance Security, but in no case later than the expiration of the Bid Security validity period indicated in the BDS.

19.6 The Bid Security may be forfeited:

- a. if the Bidder withdraws its Bid after Bid opening during the period of Bid validity; or
- b. if the Bidder does not accept the correction by the Bids and Awards Committee of arithmetical and computational errors in its Bid prices, pursuant to **ITB** Clause 27.3(d); or
- c. in the case of the winning Bidder, if the Bidder fails, within ten (10) days from its receipt of the Notice of Award, to:
  - (1) submit to the Procuring Entity the following documents:
    - (a) Notice of Award with the bidder's signed "conforme";
    - (b) Performance Security;
    - (c) Construction Schedule in the form of PERT/CPM Diagram and Bar Chart with S-Curve;
    - (e) Manpower Schedule;
    - (f) Construction Methods;
    - (g) Equipment Utilization Schedule;
    - (h) Construction Safety and Health Program; and
  - (2) sign the Contract Agreement; or
- d. if the Bidder submits eligibility requirements that contain false information or falsified documents, or conceals such information, in order to influence the outcome of the eligibility screening or any other stage of the bidding; or
- e. if the Bidder submits Bids that contain false information or falsified documents, or conceals such information in the Bids, in order to influence the outcome of the bidding; or
- f. if the Bidder allows the use of its name by another contractor, or uses the name of another contractor, for purposes of public bidding; or

- g. if the Bidder refuses to clarify or validate in writing its Bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification; or
- h. if the Bidder makes any documented unsolicited attempt to unduly influence the outcome of the bidding in its favor; or
- i. if the Bidder commits any other act that tends to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding or submitting letters of non-participation for at least three (3) times within twelve (12) months, except for valid reasons.

## **20. Format and Signing of Bids**

- 20.1 Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section IX. Bidding Forms on or before the deadline specified in the **ITB** Clause 22 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under **ITB** Clause 0, and the second shall contain the financial component of the bid.
- 20.2 Forms as mentioned in **ITB** Clause 0 must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 20.3 The Bidder shall prepare an original of the first and second envelopes as described in **ITB** Clauses 12 and 14. In addition, the Bidder shall submit copies of the first and second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 20.4 The bid, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.
- 20.5 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

## **21. Sealing and Marking of Bids**

- 21.1 Unless otherwise indicated in the **BDS**, Bidders shall enclose their original eligibility and technical documents described in **ITB** Clause 12, in one sealed envelope marked "ORIGINAL - TECHNICAL COMPONENT", and the original of their financial component in another sealed envelope marked "ORIGINAL - FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".



- 21.2 Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as "COPY NO. \_\_\_ - TECHNICAL COMPONENT" and "COPY NO. \_\_\_ ó FINANCIAL COMPONENT" and the outer envelope as "COPY NO. \_\_\_", respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 21.3 The original and the number of copies of the Bid as indicated in the BDS shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.
- 21.4 All envelopes shall:
- (a) contain the name of the contract to be bid in capital letters;
  - (b) bear the name and address of the Bidder in capital letters;
  - (c) be addressed to the Procuring Entity's BAC identified in **ITB** Clause 0;
  - (d) bear the specific identification of this bidding process indicated in the Invitation to Bid; and
  - (e) bear a warning "DO NOT OPEN BEFORE" the date and time for the opening of bids, in accordance with **ITB** Clause 22.
- 21.5 If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

## **D. Submission and Opening of Bids**

### **22. Deadline for Submission of Bids**

Bids must be received by the Procuring Entity's BAC at the address and on or before the date and time indicated in the BDS.

### **23. Late Bids**

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to ITB Clause 22, shall be declared "Late" and shall not be accepted by the Procuring Entity.

### **24. Modification and Withdrawal of Bids**

24.1 The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid

modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

- 24.2 A Bidder may, through a letter of withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the letter of withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids.
- 24.3 Bids requested to be withdrawn in accordance with **ITB** Clause 0 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.
- 24.5 No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder's bid security, pursuant to **ITB** Clause 0, and the imposition of administrative, civil, and criminal sanctions as prescribed by RA 9184 and its IRR.

## **25. Opening and Preliminary Examination of Bids**

### **25.1 Eligibility Documents.**

- (a) The BAC shall open the first bid envelopes ó Eligibility Documents - of Bidders in public as specified in the BDS to determine each Bidder's compliance with the documents prescribed in **ITB** Clause 12. For this purpose, the BAC shall check the submitted Eligibility Documents of each bidder against a checklist of required documents to ascertain if they are all present, using non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed." Otherwise, the BAC shall rate the said first bid envelope as "passed." On the other hand, if a Bidder fails to submit a requirement, or makes an incomplete or patently insufficient submission, its Bid shall be considered as "failed" for that particular requirement.

In case one or more of the above required documents in the Eligibility Documents (first envelope) of a particular Bid is missing, incomplete, or patently insufficient, the BAC of the Procuring Entity shall rate the Bid concerned as "non-complying" ("failed") and immediately return to the Bidder concerned its second and third envelopes (Technical and Financial Proposals) unopened. If all of the required components of the Eligibility Documents (first envelope) are rated as "passed," the Eligibility Documents are rated as "complying" with respect to documentary requirements.

- (b) As mentioned in **ITB** Clause 12.2, if a Bidder has secured a certification from the Procuring Entity to the effect that it has previously submitted the required Class "A" Documents to the DPWH Civil Works Registry (CWR), the said certification may be submitted in lieu of the requirements enumerated in **ITB** Clause 12.1(a), items (1) to (8).
- (c) As stated in **ITB** Clause 12.3, in the case of a foreign Bidder as described in **ITB** Clause 5, the Class "A" Documents enumerated in **ITB** Clause 0 may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.

## 25.2 Technical Proposals.

- (a) Unless otherwise specified in the BDS, immediately after determining compliance with the documentary requirements in the first envelope, the BAC shall forthwith open the second bid envelope or Technical Proposals - of each remaining bidder whose first bid envelope was rated "complying." Again, the BAC shall check the submitted Technical Proposal documents of each bidder against a checklist of required documents to ascertain if they are all present, using non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed." Otherwise, the BAC shall rate the said second bid envelope as "passed." On the other hand, if a Bidder fails to submit a requirement, or makes an incomplete or patently insufficient submission, its Bid shall be considered as "failed" for that particular requirement. In case one or more of the above required documents in the Technical Proposal (second envelope) of a particular Bid is missing, incomplete, or patently insufficient, the BAC of the Procuring Entity shall rate the Bid concerned as "non-complying" ("failed") and immediately return to the Bidder concerned its third envelope (Financial Proposal) unopened. If all of the required documents of the Technical Proposal (second envelope) are rated as "passed," the Technical Proposal is rated as "complying" with respect to documentary requirements.
- (b) In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC unless otherwise provided in ITB Clause 0, the BAC shall rate the bid concerned as "failed." Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.

- 25.3 Letters of withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder's representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the Bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to

the deadline for the submission and receipt of bids, provided that the corresponding letter of withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.

- 25.4 A Bidder determined as failed has three (3) calendar days upon written notice or, if present at the time of bid opening, upon verbal notification within which to file a request for reconsideration with the BAC: Provided, however, that the request for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the BAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed Bidder signifies his intent to file a request for reconsideration, the BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the request for reconsideration or protest has been resolved.

## **E. Evaluation and Comparison of Bids**

### **26. Process to be Confidential**

- 26.1 Members of the BAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless in the case of **ITB** Clause 26.
- 26.2 Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's decision in respect of Bid evaluation, Bid comparison or contract award will result in the rejection of the Bidder's Bid.

### **27. Clarification of Bids**

To assist in the evaluation, comparison and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

### **28. Detailed Evaluation and Comparison of Bids**

- 28.1 The Procuring Entity will undertake the detailed evaluation and comparison of Bids which have passed the opening and preliminary examination of Bids, pursuant to **ITB** Clause 24, in order to determine the Lowest Calculated Bid.
- 28.2 For the detailed evaluation of the DB proposals for the Project, a three-step procedure shall be adopted by the BAC, as follows:

(a) Evaluation of Eligibility

The BAC shall evaluate the Eligibility Documents submitted by each bidder to determine compliance with the Eligibility Requirements in **ITB** Clause 5.

If the bidder meets all of the Eligibility Requirements, the BAC shall declare the bidder as eligible and proceed with the detailed evaluation of its Technical Proposal. If not, the BAC shall issue the Notice of Ineligibility to the bidder and return its unopened Technical and Financial Proposals to the bidder.

(b) Evaluation of Technical Proposal

The BAC shall then conduct the evaluation of the Technical Proposal of each eligible bidder, particularly against the requirements in **ITB** Clause 13, using non-discretionary pass/fail criteria. Aside from the aspects that are evaluated in conventional (non-DB) projects, the BAC shall look into the Conceptual Design for the Project and the track record for DB projects submitted by the Contractor as indicated in the Bidding Documents. The BAC shall evaluate these aspects, using non-discretionary pass/fail criteria, to check for compliance with the following requirements:

- (1) Adherence of conceptual design plans to the required MPSS.
- (2) Concept of approach and methodology for DED and construction, with emphasis on the clarity, feasibility, innovativeness and comprehensiveness of the plan approach, and the quality of interpretation of project problems, risks, and suggested solutions.
- (3) 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 key staff.

If the bidder passes the Technical Proposal requirements and criteria, the BAC shall declare it as technically complying. All technically complying bidders shall be treated on the same footing for purposes of the evaluation of the Financial Proposals, i.e., no technical ranking of the bids is made.

(c) Evaluation of Financial Proposals:

The BAC shall then open the Financial Proposal ó which is simply the lump-sum bid price - of each passed bidder using non-discretionary criteria ó including arithmetical corrections if any, and thus determine the correct total calculated bid prices. The BAC shall automatically disqualify the total 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 total calculated bid price shall be identified as the Lowest Calculated Bid (LCB).

## **29. Post-Qualification**

- 29.1 The Procuring Entity shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid (LCB) complies with and is responsive to all the requirements and conditions specified in **ITB** Clauses 5, 12, 14, and 14.
- 29.2 Within a non-extendible period of three (3) calendar days from receipt by the Bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following documentary requirements:
- (a) Latest income and business tax returns in the form specified in the **BDS**.
  - (b) Certificate of PhilGEPS Registration.
  - (c) Other appropriate licenses and permits required by law and stated in the **BDS**.
- Failure of the Bidder declared as LCB to duly submit the requirements under this Clause or a finding against the veracity of such, shall be ground for forfeiture of the bid security and disqualification of the Bidder for award.
- 29.3 The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to **ITB** Clauses 5, 12, 14, and 14, as well as other information as the Procuring Entity deems necessary and appropriate, using non-discretionary pass/fail criteria.
- 29.4 If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, and recommend to the Head of the Procuring Entity the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower, subject to **ITB** Clause 30.3
- 29.5 A negative determination shall result in rejection of the Bidder's Bid, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the Lowest Calculated and Responsive Bid is determined for contract award.
- 29.6 Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the BAC, the Head of the Procuring Entity shall approve or disapprove the said recommendation.

## 30. Reservation Clause

- 30.1 Notwithstanding the eligibility or post-qualification of a bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.
- 30.2 Based on the following grounds, the Procuring Entity reserves the right to reject any and all Bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:
- (a) If there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
  - (b) If the Procuring Entity's BAC is found to have failed in following the prescribed bidding procedures; or
  - (c) For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the Government as follows:
    - (1) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity.
    - (2) If the project is no longer necessary as determined by the head of the procuring entity.
    - (3) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.
- 30.3 In addition, the Procuring Entity may likewise declare a failure of bidding when:
- (a) no bids are received;
  - (b) all prospective bidders are declared ineligible;

- (c) all bids fail to comply with all the bid requirements or fail post-qualification;  
or
- (d) the bidder with the Lowest Calculated Responsive Bid refuses, without justifiable cause to accept the award of contract, and no award is made.

## **F. Award of Contract**

### **31. Contract Award**

- 31.1 Subject to **ITB** Clause 0, the Procuring Entity shall award the contract to the Bidder whose Bid has been determined to be the Lowest Calculated and Responsive Bid (LCRB).
- 31.2 Prior to the expiration of the period of Bid validity, the Procuring Entity shall notify the successful Bidder in writing that its Bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.
- 31.3 Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:
  - (a) Submission of the following documents within the prescribed period from receipt by the Bidder of the notice that it has the Lowest Calculated and Responsive Bid:
    - (b) Valid JVA, if applicable, within ten (10) calendar days;
    - (c) Valid PCAB license and registration for the type and cost of the contract to be bid for foreign bidders, within thirty (30) calendar days, if allowed under a Treaty or International or Executive Agreement mentioned in **ITB** Clause m;
    - (d) Posting of the performance security in accordance with **ITB** Clause 33;
    - (e) Signing of the contract as provided in **ITB** Clause 0; and
    - (f) Approval by higher authority, if required, as provided in Section 37.3 of the IRR of RA 9184.

### **32. Signing of the Contract**

- 32.1 At the same time as the Procuring Entity notifies the successful Bidder that its Bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which Contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.



- 32.2 Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security, sign and date the contract and return it to the Procuring Entity.
- 32.3 The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
- 32.4 The following documents shall form part of the contract:
- (a) Contract Agreement.
  - (b) Bidding Documents.
  - (c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted.
  - (d) Performance Security;
  - (e) Credit line in accordance with **ITB** Clause 5.5, if applicable.
  - (f) Notice of Award of Contract.
  - (g) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

### **33. Performance Security**

- 33.1 To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
- 33.2 The Procuring Entity shall prescribe at least two (2) acceptable forms of Performance Security taken from two (2) categories below that bidders may opt to use, denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price as stated in the **BDS** in accordance with the following schedule:

<b>Form</b>	<b>Amount</b>
(1) Cash or cashier's/manager's check issued by a Universal or Commercial Bank	10% of contract price
(2) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; provided that it shall be confirmed or authenticated by a Universal or Commercial Bank if issued by a foreign bank ( <b>Use Form DPWH-INFR-42</b> )	10% of contract price
(3) Surety bond callable upon demand issued by a	30% of contract price

surety or insurance company duly certified by the Insurance Commission as authorized to issue such security ( <b>Use Form DPWH-INFR-43</b> )	
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- 33.3 Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the Lowest Calculated and Responsive Bid is identified and selected for contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

### **34. Notice to Proceed**

- 34.1 Within three (3) calendar days from the date of approval of the Contract by the appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Bidder.
- 34.2 The contract effectivity date shall be provided in the Notice to Proceed by the Procuring Entity, which date shall not be later than seven (7) calendar days from the issuance of the Notice to Proceed.

### Section III. Bid Data Sheet (BDS)

#### **Notes on the Bid Data Sheet**

This Section is intended to assist the Procuring Entity in providing the specific information in relation to corresponding clauses in the ITB, and has to be prepared for each specific procurement.

The Procuring Entity should specify in the BDS information and requirements specific to the circumstances of the Procuring Entity, the processing of the procurement, the applicable rules regarding Bid price and currency, and the Bid evaluation criteria that will apply to the Bids. In preparing this Section, the following aspects should be checked:

- (a) Information that specifies and complements provisions of Section II. Instruction to Bidders must be incorporated.
- (b) Amendments and/or supplements, if any, to provisions of Section II. Instruction to Bidders as necessitated by the circumstances of the specific procurement, must also be incorporated.

## Bid Data Sheet

ITB Clause	
1.1	<p>The Procuring Entity is <i>[insert name of purchasing organization]</i>.</p> <p>The name of the project is <i>[insert the name of the contract]</i>.</p> <p>The identification number of the Contract is <i>[insert identification number of the contract]</i>.</p>
2.1	<p>The Funding Source is: The Government of the Philippines (GOP) through the <i>[indicate source of funding and year]</i> in the amount of <i>[insert amount of funds]</i>. <i>[insert brief description of the type, size, major items and other relevant features of the Design and Build Works to be procured]</i></p>
3.1	No further instructions.
5.1	No further instructions.
5.1.g	<i>[insert Performance rating of the Contractor from Contractors Performance Evaluation System (CPES) for the last three (3) years which should not be lower than satisfactory.]</i>
5.2	Bidding is restricted to eligible bidders as defined in ITB Clause 5.1.
5.4	<p>The contractor must have completed both in design and construction with at least one structure similar to the project at hand with a construction cost of at least 50% of the ABC. The contractor's designer must have designed one structure similar to the project at hand with a construction cost of at least 50% of the ABC.</p> <p>For this purpose, similar contracts shall refer to <i>[insert description of similar contract]</i>.</p>
6.3	No further instructions.
8.1	Subcontracting is allowed. If the bidder has no experience in design and build projects on its own it may enter into subcontracting, partnerships, or joint venture with design or engineering firms for the design portion of the

	<p>contract.</p> <p>For civil works, up to 50% may be allowed for subcontracting.</p>
8.2	<i>If subcontracting is allowed, specify the eligibility criteria that subcontractors must comply with; otherwise, state "Not applicable."</i>
9.1(a)	The Procuring Entity will hold a pre-bid conference for this Project on <i>[State date and time]</i> at <i>[State address of venue]</i> .
9.1(b)	<i>Indicate calendar days, date, and time.</i>
10.1	<p>The Procuring Entity's address is:</p> <p><i>[insert full address]</i>  <i>[insert name and designation of Contact person]</i>  <i>[insert telephone and fax number of Contact]</i>  <i>[insert email address of Contact (if applicable)]</i></p>
10.3	No further instructions.
12.1	<p>If the Procuring Entity maintains a registry system using the PhilGEPS or its own electronic system:</p> <p>The first envelope shall contain the eligibility documents stated in the ITB Clause. However, if the Bidder maintains a current and updated file of his Class "A" Documents with the Procuring Entity, a Contractors Registration Certificate (CRC) may be submitted in lieu of the Class "A" Documents; otherwise, it shall submit an application for eligibility and its latest Class "A" Documents five (5) days prior to set date of submission of bids.</p>
13(c)(2)	<p>Personnel Capabilities</p> <p>The key personnel as listed below should meet the following number of years' work experience.</p> <p><i>[list personnel and minimum number of years of experience]</i></p>
13(c)(3)	<p>Minimum Major Plant/Equipment requirements for the Project</p> <p><i>[insert list of major plant/equipment requirements for the Project]</i></p>
14.	The ABC is <i>[insert amount]</i> . Any bid with financial component exceeding this amount will not be accepted.
14.2	No further instructions.
17.1	The bid prices shall be quoted in Philippine Pesos.

18.1	Bids will be valid until one hundred twenty (120) calendar days from the date of opening of bids. <i>[Insert date]</i> .
19.1	The Bid Security shall be limited to Bid Securing Declaration or at least one (1) other form in accordance with the following amount:  2% of ABC, if Bid Security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit;  5% of ABC if Bid Security is in Surety Bond, callable upon demand issued by a Surety Company duly certified by the Insurance Commission as authorized to issue such security; or
19.2	The Bid Security shall be valid until <i>[insert date]</i> .
19.5(a)(iv)	No further instruction.
19.5(b)(iii)	No further instructions.
21.1	No further instructions.
21.3	Each Bidder shall submit <i>[insert required number]</i> original and <i>[insert required number]</i> copies of the three components of its bid.
22.	The address for submission of bids is  The Chairman <i>[insert address]</i> .  The deadline for submission of bids is <i>[insert date]</i> .
25.1	The place of bid opening is <i>[insert address]</i>  The date and time of bid opening is <i>[insert time and date]</i> .
25.2	No further instructions.
28.3(d)	<i>Bid modification is allowed.</i>
28.4	No further instructions.
28.5	The Procuring Entity's evaluation of bids shall only be based on a two- step procedure in accordance with Annex "G" of RA 9184: The first step of the evaluation shall involve the review of the preliminary conceptual design and track record. Only those bids that passed the above criteria shall be subjected to the second step of evaluation.
29.2(b)	Only tax returns filed and taxes paid through the BIR Electronic Filing and

	<p>Payment System (EFPS) shall be accepted.</p> <p>NOTE: The latest income and business tax returns are those within the last six months preceding the date of bid submission.</p>
29.2(d)	No other acceptable proof of registration is recognized.
32.4(g)	Additional contract documents relevant to the Project that may be required by existing laws and/or the Procuring Entity, such as construction schedule and S-curve, manpower schedule, construction methods, equipment utilization schedule, construction safety and health program approved by the Department of Labor and Employment, and PERT/CPM.
33.2	<p>The performance security shall be in the following amount:</p> <p>10% of Total Contract Price, if performance security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit;</p> <p>30% of Total Contract Price, if performance security is in Surety Bond; or</p> <p>Any combination of the foregoing proportionate to the share of form with respect to total amount of security.</p>

#### Section IV. General Conditions of Contract (GCC)

##### **Notes on the General Conditions of Contract**

The details in the GCC and SCC, and submission thereof, along with other required documents listed therein, expressing all the rights and obligations of the parties, should be complete.

The GCC herein shall not be altered. Any changes and complementary information, which may be needed, shall be introduced only through the SCC.



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## 1. Definitions

For purposes of this Clause, boldface type is used to identify defined terms.

- 1.1 **Approved Budget for the Contract (ABC).** This shall be a lump sum amount that shall cover the cost of design and construction works (at the option of the procuring entity) based on the conceptual design and performance specifications and in accordance with applicable provisions of the law or agency guidelines. The ABC shall be calculated based on either the approximate quantities of work of the conceptual design, from standardized designs or from cost records of previous projects of similar kind.
- 1.2 **Arbiter** is the person appointed jointly by the Procuring Entity and the Contractor to resolve disputes in the first instance, as provided for in GCC Clause 22.
- 1.3 **Bidding Documents for Design-and-Build Scheme.** These shall basically be similar to the Bidding Documents for infrastructure projects and shall also include the performance specifications and parameters to be followed by the design and build contractors and the method for allocation of risks for the design and build contract, among others.
- 1.4 **Bill of Quantities** refers to a list of the specific items of the Work and their corresponding unit prices, lump sums, and/or provisional sums.
- 1.5 **Completion Date** is the date of completion of the Works as certified by the Procuring Entity's Representative, in accordance with GCC Clause (a)(c)48.
- 1.6 **Contract** is the contract between the Procuring Entity and the Contractor to execute, complete, and maintain the Works.
- 1.7 **Contract Price** is the price stated in the Letter of Acceptance and thereafter to be paid by the Procuring Entity to the Contractor for the execution of the Works in accordance with this Contract.
- 1.8 **Contract Time Extension** is the allowable period for the Contractor to complete the Works in addition to the original Completion Date stated in this Contract.  
  
**Contractor** is the juridical entity whose proposal has been accepted by the Procuring Entity and to whom the Contract to execute the Work was awarded.
- 1.9 **Contractor's Bid** is the signed offer or proposal submitted by the Contractor to the Procuring Entity in response to the Bidding Documents.

- 1.10 **Days** are calendar days; months are calendar months.
- 1.11 **Dayworks** are varied work inputs subject to payment on a time basis for the Contractor's employees and Equipment, in addition to payments for associated Materials and Plant.
- 1.12 **Defect** is any part of the Works not completed in accordance with the Contract.
- 1.13 **Defects Liability Certificate** is the certificate issued by Procuring Entity's Representative upon correction of defects by the Contractor.
- 1.14 **Defects Liability Period** is the one year period between contract completion and final acceptance within which the Contractor assumes the responsibility to undertake the repair of any damage to the Works at his own expense.
- 1.15 **Design-and-Build Project** refers to an infrastructure project where the Procuring Entity awards a single contract for the architectural/engineering design and construction to a single firm, partnership, corporation, joint venture or consortium.
- 1.16 **Drawings** are graphical presentations of the Works. They include all supplementary details, shop drawings, calculations, and other information provided or approved for the execution of this Contract.
- 1.17 **Equipment** refers to all facilities, supplies, appliances, materials or things required for the execution and completion of the Work provided by the Contractor and which shall not form or are not intended to form part of the Permanent Works.
- 1.18 **Intended Completion Date** refers to the date specified in the SCC when the Contractor is expected to have completed the Works. The Intended Completion Date may be revised only by the Procuring Entity's Representative by issuing an extension of time or an acceleration order.
- 1.19 **Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- 1.20 **Minimum Performance Specifications and Parameters(MPSP)** refer to the set of minimum performance or output-oriented requirements, standards and criteria and their means of measurement that the Contractor must meet in accordance with appropriate design and construction standards, legal and technical obligations and any other relevant government commitments as required by existing laws and regulations. These shall not be drawn up to favor a particular solution, design and construction method.
- 1.21 **Notice to Proceed** is a written notice issued by the Procuring Entity or the Procuring Entity's Representative to the Contractor requiring the latter to begin the commencement of the work not later than a specified or determinable date.

- 1.22 **Permanent Works** all permanent structures and all other project features and facilities required to be constructed and completed in accordance with this Contract which shall be delivered to the Procuring Entity and which shall remain at the Site after the removal of all Temporary Works.
- 1.23 **Plant** refers to the machinery, apparatus, and the like intended to form an integral part of the Permanent Works.
- 1.24 **Preliminary Engineering Design Plan** is the Bidder's Preliminary Design Plan, submitted as part of its Bid for the Project, showing (a) the overall concept of the facility when completed, (b) the scope and components, (c) the functions, service levels, and performance characteristics of the Project outputs, and (d) the operation and maintenance requirements - with a degree of detail within +/- 15-20 % of the final quantities of the Project components.
- 1.25 **Preliminary Investigations.** These shall include, among others, information on soil, geotechnical, hydrologic, hydraulic, seismic, traffic, and environmental conditions that shall be used to define project design criteria, to set the basis for any changed conditions and establish preliminary project cost estimates.
- 1.26 **Preliminary Survey and Mapping.** These shall determine boundaries and provide stationing along control lines to establish feature and design criteria location, and identify existing and future right-of-way limits and construction easements associated with the procuring entity's conceptual design.
- 1.27 **Procuring Entity** is the party who employs the Contractor to carry out the Works stated in the SCC.
- 1.28 **Procuring Entity's Representative** refers to the Head of the Procuring Entity or his duly authorized representative, identified in the SCC, who shall be responsible for supervising the execution of the Works and administering this Contract.
- 1.29 **Project Description** defines the objectives, purpose, limitations or constraints, as well as the allocation of risks between the procuring entity and the winning bidder.
- 1.30 **Site** is the place provided by the Procuring Entity where the Works shall be executed and any other place or places which may be designated in the SCC, or notified to the Contractor by the Procuring Entity's Representative as forming part of the Site.
- 1.31 **Site Investigation Reports** are those that were included in the Bidding Documents and are factual and interpretative reports about the surface and subsurface conditions at the Site.
- 1.32 **Slippage** is a delay in work execution occurring when actual accomplishment falls below the target as measured by the difference between the scheduled and

actual accomplishment of the Work by the Contractor as established from the work schedule. This is actually described as a percentage of the whole Works.

- 1.33 **Specifications** means the description of Works to be done and the qualities of materials to be used, the equipment to be installed and the mode of construction.
- 1.34 **Start Date**, as specified in the SCC, is the date when the Contractor is obliged to commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.
- 1.35 **Sub-Contractor** is any person or organization to whom a part of the Works has been subcontracted by the Contractor, as allowed by the Procuring Entity, but not any assignee of such person.
- 1.36 **Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Permanent Works.
- 1.37 **Utility Locations.** The procuring entity shall provide information on existing utilities in and around the project's area.
- 1.38 **Work(s)** refer to the Permanent Works and Temporary Works to be executed by the Contractor in accordance with this Contract, including (i) the furnishing of all labor, materials, equipment and others incidental, necessary or convenient to the complete execution of the Works; (ii) the passing of any tests before acceptance by the Procuring Entity's Representative; (iii) and the carrying out of all duties and obligations of the Contractor imposed by this Contract as described in the SCC.

## 2. Interpretation

- 2.1 In interpreting the Conditions of Contract, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning under the language of this Contract unless specifically defined. The Procuring Entity's Representative will provide instructions clarifying queries about the Conditions of Contract.
- 2.2 If sectional completion is specified in the SCC, references in the Conditions of Contract to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).

## 3. Governing Language and Law

- 3.1 This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. All correspondence and other documents pertaining to this Contract which are exchanged by the parties shall be written in English.

- 3.2 This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

#### **4. Communications**

Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is received by the concerned party.

#### **5. Possession of Site**

- 5.1 On the date specified in the SCC, the Procuring Entity shall grant the Contractor possession of so much of the Site as may be required to enable it to proceed with the execution of the Works. If the Contractor suffers delay or incurs cost from failure on the part of the Procuring Entity to give possession in accordance with the terms of this clause, the Procuring Entity's Representative shall give the Contractor a Contract Time Extension and certify such sum as fair to cover the cost incurred, which sum shall be paid by Procuring Entity.
- 5.2 If possession of a portion is not given by the date stated in the SCC Clause 5.1, the Procuring Entity will be deemed to have delayed the start of the relevant activities. The resulting adjustments in contract time to address such delay shall be in accordance with GCC Clause 47.
- 5.3 The Contractor shall bear all costs and charges for special or temporary right-of-way required by it in connection with access to the Site. The Contractor shall also provide at his own cost any additional facilities outside the Site required by it for purposes of the Works.
- 5.4 The Contractor shall allow the Procuring Entity's Representative and any person authorized by the Procuring Entity's Representative access to the Site and to any place where work in connection with this Contract is being carried out or is intended to be carried out.

#### **6. Contractor's Obligations**

- 6.1 The Contractor shall perform the following major obligations:
- a. Undertake Detailed Engineering Design (DED) for the Project, including the conduct of necessary engineering and technical surveys and investigations and preparation of design plans, in accordance with the Minimum Performance Standards and Specifications (MPSS) for the Project prescribed in Section VI of these BDs.
  - b. Undertake the Construction of the Project in accordance with the DED certified by the DPWH.



- c. Assume responsibility for design and construction defects and/or failure of the completed project due to the Contractor's fault within the warranty period specified in Section 62.2 of the IRR of RA 9184.
- 6.2 The Contractor shall carry out the Works properly and in accordance with this Contract. The Contractor shall provide all supervision, labor, Materials, Plant and Contractor's Equipment, which may be required. All Materials and Plant on Site shall be deemed to be the property of the Procuring Entity.
- 6.3 The Contractor shall commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program of Work submitted by the Contractor, as updated with the approval of the Procuring Entity's Representative, and complete them by the Intended Completion Date.
- 6.3 The Contractor shall be responsible for the safety of all activities on the Site.
- 6.4 The Contractor shall carry out all instructions of the Procuring Entity's Representative that comply with the applicable laws where the Site is located.
- 6.5 The Contractor shall employ the key personnel named in the Schedule of Key Personnel, as referred to in the SCC, to carry out the DED and supervision of the Works. The Procuring Entity will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are equal to or better than those of the personnel listed in the Schedule.
- 6.6 If the Procuring Entity's Representative asks the Contractor to remove a member of the Contractor's staff or work force, for justifiable cause, the Contractor shall ensure that the person leaves the Site within seven (7) days and has no further connection with the Work in this Contract.
- 6.7 During Contract implementation, the Contractor and his subcontractors shall abide at all times by all labor laws, including child labor related enactments, and other relevant rules.
- 6.8 The Contractor shall submit to the Procuring Entity for consent the name and particulars of the person authorized to receive instructions on behalf of the Contractor.
- 6.9 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Procuring Entity between the dates given in the schedule of other contractors particularly when they shall require access to the Site. The Contractor shall also provide facilities and services for them during this period. The Procuring Entity may modify the schedule of other contractors, and shall notify the Contractor of any such modification thereto.
- 6.10 Should anything of historical or other interest or of significant value be unexpectedly discovered on the Site, it shall be the property of the Procuring Entity. The Contractor shall notify the Procuring Entity's Representative of such discoveries and carry out the Procuring Entity's Representative's instructions in dealing with them.

## 7. Government's Main Obligations

The Government shall perform the following major obligations:

- (a) Acquire and fund the Basic Right-of-Way for the Project and deliver the same to the Contractor free from any liens, occupants, structures and obstructions.
- (b) Secure the Environmental Compliance Certificate (ECC) / Certificate of Non-Coverage (CNC) for the Project from the Department of Natural Resources-Environmental Management Bureau.
- (c) Review and certify the Contractor's DED for the Project to ensure compliance with the MPSS.
- (d) Supervise and monitor the implementation of the Project.
- (e) Pay the Contractor for the work accomplishments accepted in conformance with the MPSS.

## 8. Performance Security

- 8.1 Unless otherwise specified in the SCC, within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the Contractor shall furnish the Performance Security in any the forms prescribed in ITB Clause 32.2.
- 8.2 The Performance Security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the Contractor is in default in any of its obligations under the Contract.
- 8.3 The Performance Security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 8.4 The Performance Security may be released by the Procuring Entity and returned to the Contractor after the issuance of the Certificate of Final Acceptance subject to the following conditions:
  - (a) There are no pending claims against the Contractor or the surety company filed by the Procuring Entity.
  - (b) The Contractor has no pending claims for labor and materials filed against it.
  - (c) Other terms specified in the SCC.
- 8.5 The Contractor shall post an additional Performance Security following the amount and form specified in ITB Clause 32.2 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.

- 8.6 In case of a reduction in the contract value or for partially completed Works under the contract which are usable and accepted by the Procuring Entity the use of which, in the judgment of the implementing agency or the Procuring Entity, will not affect the structural integrity of the entire project, the Procuring Entity shall 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.
- 8.7 Unless otherwise indicated in the **SCC**, the Contractor, by entering into the Contract with the Procuring Entity, acknowledges the right of the Procuring Entity to institute action pursuant to Act 3688 against any subcontractor be they an individual, firm, partnership, corporation, or association supplying the Contractor with labor, materials and/or equipment for the performance of this Contract.

## **9. Sub-Contracting**

- 9.1 Unless otherwise indicated in the **SCC**, the Contractor cannot sub-contract Works more than the percentage specified in ITB Clause 8.1.
- 9.2 Sub-contracting of any portion of the Works does not relieve the Contractor of any liability or obligation under this Contract. The Contractor will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Contractor's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 9.3 Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract, subject to compliance with the required qualifications and the approval of the Procuring Entity.

## **10. Liquidated Damages**

- 10.1 The Contractor shall pay liquidated damages to the Procuring Entity at the rate per day stated in the **SCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the **SCC**. The Procuring Entity may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, the Procuring Entity shall rescind this Contract, without prejudice to other courses of action and remedies open to it.
- 10.2 If the Intended Completion Date is extended after liquidated damages have been paid, the Engineer of the Procuring Entity shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate.

The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in ~~GCC Clause 40.3~~ 40.1.

## 11. Site Investigation Reports

The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports referred to in the SCC supplemented by any information obtained by the Contractor.

## 12. Licenses and Permits

The Procuring Entity shall, if requested by the Contractor, assist him in applying for permits, licenses or approvals, which are required for the Works.

## 13. Contractor's Risk and Warranty Security

- 13.1 The Contractor shall assume full responsibility for the Works from the time project construction commenced up to final acceptance by the Procuring Entity and shall be held responsible for any damage or destruction of the Works except those occasioned by *force majeure*. The Contractor shall be fully responsible for the safety, protection, security, and convenience of his personnel, third parties, and the public at large, as well as the Works, Equipment, installation, and the like to be affected by his construction work.
- 13.2 The defects liability period for infrastructure projects shall be one year from contract completion up to final acceptance by the Procuring Entity. During this period, the Contractor shall undertake the repair works, at his own expense, of any damage to the Works on account of the use of materials of inferior quality within ninety (90) days from the time the Head of the Procuring Entity has issued an order to undertake repair. In case of failure or refusal to comply with this mandate, the Procuring Entity shall undertake such repair works and shall be entitled to full reimbursement of expenses incurred therein upon demand.
- 13.3 Unless otherwise indicated in the SCC, in case the Contractor fails to comply with the preceding paragraph, the Procuring Entity shall forfeit its performance security, subject its property(ies) to attachment or garnishment proceedings, and perpetually disqualify it from participating in any public bidding. All payables of the GOP in his favor shall be offset to recover the costs.
- 13.4 After final acceptance of the Works by the Procuring Entity, the Contractor shall be held responsible for "Structural Defects", *i.e.*, major faults/flaws/deficiencies in one or more key structural elements of the project which may lead to structural failure of the completed elements or structure, or "Structural Failures", *i.e.*, where one or more key structural elements in an infrastructure facility fails or collapses, thereby rendering the facility or part thereof incapable of withstanding the design loads, and/or endangering the safety of the users or the general public:
  - (a) Contractor "Where Structural Defects/Failures arise due to faults attributable to improper construction, use of inferior quality/substandard

materials, and any violation of the contract plans and specifications, the contractor shall be held liable;

- (b) Consultants ó Where Structural Defects/Failures arise due to faulty and/or inadequate design and specifications as well as construction supervision, then the consultant who prepared the design or undertook construction supervision for the project shall be held liable;
- (c) Procuring Entity's Representatives/Project Manager/Construction Managers and Supervisors ó The project owner's representative(s), project manager, construction manager, and supervisor(s) shall be held liable in cases where the Structural Defects/Failures are due to his/their willful intervention in altering the designs and other specifications; negligence or omission in not approving or acting on proposed changes to noted defects or deficiencies in the design and/or specifications; and the use of substandard construction materials in the project;
- (d) Third Parties - Third Parties shall be held liable in cases where Structural Defects/Failures are caused by work undertaken by them such as leaking pipes, diggings or excavations, underground cables and electrical wires, underground tunnel, mining shaft and the like, in which case the applicable warranty to such structure should be levied to third parties for their construction or restoration works.
- (e) Users - In cases where Structural Defects/Failures are due to abuse/misuse by the end user of the constructed facility and/or non-compliance by a user with the technical design limits and/or intended purpose of the same, then the user concerned shall be held liable.

13.5 The warranty against Structural Defects/Failures, except those occasioned on force majeure, shall cover the period specified in the **SCC** reckoned from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity.

13.6 The Contractor shall be required to put up a warranty security in the form of cash, bank guarantee, letter of credit, GSIS or surety bond callable on demand, in accordance with the following schedule:

<b>Form of Warranty</b>	<b>Minimum Amount in Percentage of Total Contract Price</b>
(a) Cash or letter of credit issued by Universal or Commercial bank: provided, however, that the letter of credit shall be confirmed or authenticated by a Universal or Commercial bank, if issued by a foreign bank	Five Percent (5%)
(b) Bank guarantee confirmed by Universal or Commercial bank: provided, however, that the letter of credit shall be confirmed or authenticated by a Universal or Commercial bank, if issued by a foreign bank	Ten Percent (10%)

(c) Surety bond callable upon demand issued by GSIS or any surety or insurance company duly certified by the Insurance Commission	Thirty Percent (30%)
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13.7 The warranty security shall be stated in Philippine Pesos and shall remain effective for one year from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity, and returned only after the lapse of said one year period.

13.8 In case of structural defects/failure occurring during the applicable warranty period provided in GCC Clause 12.5, the Procuring Entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of the warranty security posted in favor of the Procuring Entity.

#### **14. Liability of the Contractor**

Subject to additional provisions, if any, set forth in the SCC, the Contractor's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

#### **15. Procuring Entity's Risk**

15.1 From the Start Date until the Certificate of Final Acceptance has been issued, the following are risks of the Procuring Entity:

1. The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to:
  - a. any type of use or occupation of the Site authorized by the Procuring Entity after the official acceptance of the works; or
  - b. negligence, breach of statutory duty, or interference with any legal right by the Procuring Entity or by any person employed by or contracted to him except the Contractor.
2. The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Procuring Entity or in the Procuring Entity's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.

#### **16. Insurance**

16.1 The Contractor shall, under his name and at his own expense, obtain and maintain, for the duration of this Contract, the following insurance coverage:

1. Contractor's All Risk Insurance;

2. Transportation to the project Site of Equipment, Machinery, and Supplies owned by the Contractor;
3. Personal injury or death of Contractor's employees; and
4. Comprehensive insurance for third party liability to Contractor's direct or indirect act or omission causing damage to third persons.

The above insurance policies shall be obtained from any reputable insurance company approved by the Procuring Entity's Representative.

- 16.2 The Contractor shall provide evidence to the Procuring Entity's Representative that the insurances required under this Contract have been effected and shall, within a reasonable time, provide copies of the insurance policies to the Procuring Entity's Representative. Such evidence and such policies shall be provided to the Procuring Entity's through the Procuring Entity's Representative.
- 16.3 The Contractor shall notify the insurers of changes in the nature, extent, or program for the execution of the Works and ensure the adequacy of the insurances at all times in accordance with the terms of this Contract and shall produce to the Procuring Entity's Representative the insurance policies in force including the receipts for payment of the current premiums.
- 16.4 If the Contractor fails to obtain and keep in force the insurances referred to herein or any other insurance which he may be required to obtain under the terms of this Contract, the Procuring Entity may obtain and keep in force any such insurances and pay such premiums as may be necessary for the purpose. From time to time, the Procuring Entity may deduct the amount it shall pay for said premiums including twenty five percent (25%) therein from any monies due, or which may become due, to the Contractor, without prejudice to the Procuring Entity exercising its right to impose other sanctions against the Contractor pursuant to the provisions of this Contract.
- 16.5 In the event the Contractor fails to observe the above safeguards, the Procuring Entity may, at the Contractor's expense, take whatever measure is deemed necessary for its protection and that of the Contractor's personnel and third parties, and/or order the interruption of dangerous Works. In addition, the Procuring Entity may refuse to make the payments under GCC Clause (a)(c)39 until the Contractor complies with this Clause.
- 16.6 The Contractor shall immediately replace the insurance policy obtained as required in this Contract, without need of the Procuring Entity's demand, with a new policy issued by a new insurance company acceptable to the Procuring Entity for any of the following grounds:
  - (a) The issuer of the insurance policy to be replaced has:
    - (1) become bankrupt;

- (2) been placed under receivership or under a management committee;
- (3) been sued for suspension of payment; or
- (4) been suspended by the Insurance Commission and its license to engage in business or its authority to issue insurance policies cancelled; or
- (5) where reasonable grounds exist that the insurer may not be able, fully and promptly, to fulfill its obligation under the insurance policy.

## **17. Termination for Default of Contractor**

17.1 The Procuring Entity shall terminate this Contract for default when any of the following conditions attend its implementation:

- (a) Due to the Contractor's fault and while the project is on-going, it has incurred negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree 1870, regardless of whether or not previous warnings and notices have been issued for the Contractor to improve his performance;
- (b) Due to its own fault and after this Contract time has expired, the Contractor incurs delay in the completion of the Work after this Contract has expired; or
- (c) The Contractor:
  - (1) abandons the contract Works, refuses or fails to comply with a valid instruction of the Procuring Entity or fails to proceed expeditiously and without delay despite a written notice by the Procuring Entity;
  - (2) does not actually have on the project Site the minimum essential equipment listed on the Bid necessary to prosecute the Works in accordance with the approved Program of Work and equipment deployment schedule as required for the project;
  - (3) does not execute the Works in accordance with this Contract or persistently or flagrantly neglects to carry out its obligations under this Contract;
  - (4) neglects or refuses to remove materials or to perform a new Work that has been rejected as defective or unsuitable; or
  - (5) sub-lets any part of this Contract without approval by the Procuring Entity.

17.2 All materials on the Site, Plant, Equipment, and Works shall be deemed to be the property of the Procuring Entity if this Contract is rescinded because of the Contractor's default.

## **18. Termination for Default of Procuring Entity**



The Contractor may terminate this Contract with the Procuring Entity if the works are completely stopped for a continuous period of at least sixty (60) calendar days through no fault of its own, due to any of the following reasons:

- (a) Failure of the Procuring Entity to deliver, within a reasonable time, supplies, materials, right-of-way, or other items it is obligated to furnish under the terms of this Contract; or
- (b) The prosecution of the Work is disrupted by the adverse peace and order situation, as certified by the Armed Forces of the Philippines Provincial Commander and approved by the Secretary of National Defense.

## **19. Termination for Other Causes**

- 19.1 The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate this Contract for the convenience of the Procuring Entity if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and National Government policies.
- 19.2 The Procuring Entity or the Contractor may terminate this Contract if the other party causes a fundamental breach of this Contract.
- 19.3 Fundamental breaches of Contract shall include, but shall not be limited to, the following:
  - (a) The Contractor stops work for twenty eight (28) days when no stoppage of work is shown on the current Program of Work and the stoppage has not been authorized by the Procuring Entity's Representative;
  - (b) The Procuring Entity's Representative instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within twenty eight (28) days;
  - (c) The Procuring Entity shall terminate this Contract if the Contractor is declared bankrupt or insolvent as determined with finality by a court of competent jurisdiction. In this event, termination will be without compensation to the Contractor, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procuring Entity and/or the Contractor. In the case of the Contractor's insolvency, any Contractor's Equipment which the Procuring Entity instructs in the notice is to be used until the completion of the Works;
  - (d) A payment certified by the Procuring Entity's Representative is not paid by the Procuring Entity to the Contractor within eighty four (84) days from the date of the Procuring Entity's Representative's certificate;
  - (e) The Procuring Entity's Representative gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails

to correct it within a reasonable period of time determined by the Procuring Entity's Representative;

- (f) The Contractor does not maintain a Security, which is required;
- (g) The Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the GCC Clause 0; and
- (h) In case it is determined prima facie by the Procuring Entity that the Contractor has engaged, before or during the implementation of the contract, in unlawful deeds and behaviors relative to contract acquisition and implementation, such as, but not limited to, the following:
  - a. corrupt, fraudulent, collusive, coercive, and obstructive practices as defined in ITB Clause 3.1(a), unless otherwise specified in the SCC;
  - b. drawing up or using forged documents;
  - c. using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
  - d. any other act analogous to the foregoing.

19.4 The Funding Source or the Procuring Entity, as appropriate, will seek to impose the maximum civil, administrative and/or criminal penalties available under the applicable law on individuals and organizations deemed to be involved with corrupt, fraudulent, or coercive practices.

19.5 When persons from either party to this Contract gives notice of a fundamental breach to the Procuring Entity's Representative in order to terminate the existing contract for a cause other than those listed under GCC Clause 0; 18.3, the Procuring Entity's Representative shall decide whether the breach is fundamental or not.

19.6 If this Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.

## **20. Procedures for Termination of Contracts**

20.1 The following provisions shall govern the procedures for the termination of this Contract:

- (a) Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Procuring Entity shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached;

- (b) Upon recommendation by the Procuring Entity, the Head of the Procuring Entity shall terminate this Contract only by a written notice to the Contractor conveying the termination of this Contract. The notice shall state:
  - a. that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
  - b. the extent of termination, whether in whole or in part;
  - c. an instruction to the Contractor to show cause as to why this Contract should not be terminated; and
  - d. special instructions of the Procuring Entity, if any.

The Notice to Terminate shall be accompanied by a copy of the Verified Report;

- (c) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Contractor shall submit to the Head of the Procuring Entity a verified position paper stating why the contract should not be terminated. If the Contractor fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the Head of the Procuring Entity shall issue an order terminating the contract;
  - (d) The Procuring Entity may, at anytime before receipt of the Bidder's verified position paper, withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Contractor's receipt of the notice;
  - (e) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the Head of the Procuring Entity shall decide whether or not to terminate this Contract. It shall serve a written notice to the Contractor of its decision and, unless otherwise provided in the said notice, this Contract is deemed terminated from receipt of the Contractor of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate; and
  - (f) The Head of the Procuring Entity may create a Contract Termination Review Committee (CTRC) to assist him in the discharge of this function. All decisions recommended by the CTRC shall be subject to the approval of the Head of the Procuring Entity.
- 20.2 Pursuant to Section 69(f) of RA 9184 and without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution as provided by applicable laws, the procuring entity shall impose on contractors after the termination of the contract the penalty of suspension for one (1) year for the first offense, suspension for two (2) years for the second offense from participating in the public bidding process, for

violations committed during the contract implementation stage, which include but not limited to the following:

- (a) Failure of the contractor, due solely to his fault or negligence, to mobilize and start work or performance within the specified period in the Notice to Proceed (öNTPö);
- (b) Failure by the contractor to fully and faithfully comply with its contractual obligations without valid cause, or failure by the contractor to comply with any written lawful instruction of the procuring entity or its representative(s) pursuant to the implementation of the contract. For the procurement of infrastructure projects or consultancy contracts, lawful instructions include but are not limited to the following:
  - (1) Employment of competent technical personnel, competent engineers and/or work supervisors;
  - (2) Provision of warning signs and barricades in accordance with approved plans and specifications and contract provisions;
  - (3) Stockpiling in proper places of all materials and removal from the project site of waste and excess materials, including broken pavement and excavated debris in accordance with approved plans and specifications and contract provisions;
  - (4) Deployment of committed equipment, facilities, support staff and manpower; and
  - (5) Renewal of the effectivity dates of the performance security after its expiration during the course of contract implementation.
- (c) Assignment and subcontracting of the contract or any part thereof or substitution of key personnel named in the proposal without prior written approval by the procuring entity.
- (d) Poor performance by the contractor or unsatisfactory quality and/or progress of work arising from his fault or negligence as reflected in the Constructor's Performance Evaluation System (öCPESö) rating sheet. In the absence of the CPES rating sheet, the existing performance monitoring system of the procuring entity shall be applied. Any of the following acts by the Contractor shall be construed as poor performance:
  - (1) Negative slippage of 15% and above within the critical path of the project due entirely to the fault or negligence of the contractor; and
  - (2) Quality of materials and workmanship not complying with the approved specifications arising from the contractor's fault or negligence.

- (e) Willful or deliberate abandonment or non-performance of the project or contract by the contractor resulting to substantial breach thereof without lawful and/or just cause.

In addition to the penalty of suspension, the performance security posted by the contractor shall also be forfeited.

## **21. Force Majeure, Release from Performance**

- 21.1 For purposes of this Contract the terms *force majeure* and *fortuitous event* may be used interchangeably. In this regard, a fortuitous event or *force majeure* shall be interpreted to mean an event which the Contractor could not have foreseen, or which though foreseen, was inevitable. It shall not include ordinary unfavorable weather conditions; and any other cause the effects of which could have been avoided with the exercise of reasonable diligence by the Contractor.
- 21.2 If this Contract is discontinued by an outbreak of war or by any other event entirely outside the control of either the Procuring Entity or the Contractor, the Procuring Entity's Representative shall certify that this Contract has been discontinued. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all works carried out before receiving it and for any Work carried out afterwards to which a commitment was made.
- 21.3 If the event continues for a period of eighty four (84) days, either party may then give notice of termination, which shall take effect twenty eight (28) days after the giving of the notice.
- 21.4 After termination, the Contractor shall be entitled to payment of the unpaid balance of the value of the Works executed and of the materials and Plant reasonably delivered to the Site, adjusted by the following:
  - (a) any sum to which the Contractor is entitled under GCC Clause 28;
  - (b) the cost of his suspension and demobilization;
  - (c) any sum to which the Procuring Entity is entitled.
- 21.5 The net balance due shall be paid or repaid within a reasonable time period from the time of the notice of termination.

## **22. Resolution of Disputes**

- 22.1 If any dispute or difference of any kind whatsoever shall arise between the parties in connection with the implementation of the contract covered by the Act and this IRR, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 22.2 If the Contractor believes that a decision taken by the PROCURING ENTITY's Representative was either outside the authority given to the PROCURING

ENTITY's Representative by this Contract or that the decision was wrongly taken, the decision shall be referred to the Arbiter indicated in the SCC within fourteen (14) days of the notification of the Procuring Entity's Representative's decision.

- 22.3 Any and all disputes arising from the implementation of this Contract covered by the RA 9184 and its IRR shall be submitted to arbitration in the Philippines according to the provisions of RA 876, otherwise known as the "Arbitration Law" and Republic Act 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 referred thereto. The process of arbitration shall be incorporated as a provision in this Contract that will be executed pursuant to the provisions of the RA 9184 and its IRR: *Provided, further,* That, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution. Additional instructions on resolution of disputes, if any, shall be indicated in the SCC.

### **23. Suspension of Loan, Credit, Grant, or Appropriation**

In the event that the Funding Source suspends the Loan, Credit, Grant, or Appropriation to the Procuring Entity, from which part of the payments to the Contractor are being made:

- 23.1 The Procuring Entity is obligated to notify the Contractor of such suspension within seven (7) days of having received the suspension notice.
- 23.2 If the Contractor has not received sums due it for work already done within forty five (45) days from the time the Contractor's claim for payment has been certified by the Procuring Entity's Representative, the Contractor may immediately issue a suspension of work notice in accordance with GCC Clause 45.2.

### **24 Procuring Entity's Representative's Decisions**

- 24.1 Except where otherwise specifically stated, the Procuring Entity's Representative will decide contractual matters between the Procuring Entity and the Contractor in the role representing the Procuring Entity.
- 24.2 The Procuring Entity's Representative may delegate any of his duties and responsibilities to other people, except to the Arbiter, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.

### **25 Approval of Drawings and Temporary Works by Procuring Entity's Representative**

- 25.1 All Drawings prepared by the Contractor for the execution of the Temporary Works, are subject to prior approval by the Procuring Entity's Representative before its use.
- 25.2 The Contractor shall be responsible for design of Temporary Works.

- 25.3 The Procuring Entity's Representative's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
- 25.4 The Contractor shall obtain approval of third parties to the design of the Temporary Works, when required by the Procuring Entity.

## **26 Acceleration and Delays Ordered by Procuring Entity's Representative**

- 26.1 When the Procuring Entity wants the Contractor to finish before the Intended Completion Date, the Procuring Entity's Representative will obtain priced proposals for achieving the necessary acceleration from the Contractor. If the Procuring Entity accepts these proposals, the Intended Completion Date will be adjusted accordingly and confirmed by both the Procuring Entity and the Contractor.
- 26.2 If the Contractor's Financial Proposals for an acceleration are accepted by the Procuring Entity, they are incorporated in the Contract Price and treated as a Variation.

## **27 Extension of Intended Completion Date**

- 27.1 The Procuring Entity's Representative shall extend the Intended Completion Date if a Variation is issued which makes it impossible for the Intended Completion Date to be achieved by the Contractor without taking steps to accelerate the remaining work, which would cause the Contractor to incur additional costs. Unless specified in the SCC, no payment shall be made for any event which may warrant the extension of the Intended Completion Date.
- 27.2 The Procuring Entity's Representative shall decide whether and by how much to extend the Intended Completion Date within twenty one (21) days of the Contractor asking the Procuring Entity's Representative for a decision thereto after fully submitting all supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.

## **28 Contractor's Right to Claim**

If the Contractor incurs cost as a result of any of the events under GCC Clause 13, the Contractor shall be entitled to the amount of such cost. If as a result of any of the said events, it is necessary to change the Works, this shall be dealt with as a Variation.

## **29 Dayworks**

- 29.1 Subject to GCC Clause 42 on Variation Order, and if applicable as indicated in the SCC, the Dayworks rates in the Contractor's Bid shall be used for small additional amounts of work only when the Procuring Entity's Representative has given written instructions in advance for additional work to be paid for in that way.

- 29.2 All work to be paid for as Dayworks shall be recorded by the Contractor on forms approved by the Procuring Entity's Representative. Each completed form shall be verified and signed by the Procuring Entity's Representative within two days of the work being done.
- 29.3 The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.

### **30 Early Warning**

- 30.1 The Contractor shall warn the Procuring Entity's Representative at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work, increase the Contract Price, or delay the execution of the Works. The Procuring Entity's Representative may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.
- 30.2 The Contractor shall cooperate with the Procuring Entity's Representative in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the work and in carrying out any resulting instruction of the Procuring Entity's Representative.

### **31 Program of Work**

- 31.1 Within the time stated in the SCC, the Contractor shall submit to the Procuring Entity's Representative for approval a Program of Work showing the general methods, arrangements, order, and timing for all the activities in the Works.
- 31.2 An update of the Program of Work shall show the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.
- 31.3 The Contractor shall submit to the Procuring Entity's Representative for approval an updated Program of Work at intervals no longer than the period stated in the SCC. If the Contractor does not submit an updated Program of Work within this period, the Procuring Entity's Representative may withhold the amount stated in the SCC from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program of Work has been submitted.
- 31.4 The Procuring Entity's Representative's approval of the Program of Work shall not alter the Contractor's obligations. The Contractor may revise the Program of Work and submit it to the Procuring Entity's Representative again at any time. A revised Program of Work shall show the effect of any approved Variations; and if allowed, any Compensation Event.
- 31.5 When the Program of Work is updated, the Contractor shall provide the Procuring Entity's Representative with an updated cash flow forecast. The cash flow



forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.

- 31.6 All Variations shall be included in updated Program of Work produced by the Contractor.

### **32. Management Conferences**

- 32.1 Either the Procuring Entity's Representative or the Contractor may require the other to attend a Management Conference. The Management Conference shall review the plans for remaining work and deal with matters raised in accordance with the early warning procedure.
- 32.2 The Procuring Entity's Representative shall record the business of Management Conferences and provide copies of the record to those attending the Conference and to the Procuring Entity. The responsibility of the parties for actions to be taken shall be decided by the Procuring Entity's Representative either at the Management Conference or after the Management Conference and stated in writing to all who attended the Conference.

### **33. Instructions, Inspections and Audits**

- 33.1 The Procuring Entity's personnel shall at all reasonable times during construction of the Work be entitled to examine, inspect, measure and test the materials and workmanship, and to check the progress of the construction.
- 33.2 If the Procuring Entity's Representative instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no defect, the test shall be a Compensation Event.
- 33.3 The Contractor shall permit the Funding Source named in the SCC to inspect the Contractor's accounts and records relating to the performance of the Contractor and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

### **34. Identifying Defects**

The Procuring Entity's Representative shall check the Contractor's work and notify the Contractor of any defects that are found. Such checking shall not affect the Contractor's responsibilities. The Procuring Entity's Representative may instruct the Contractor to search uncover defects and test any work that the Procuring Entity's Representative considers below standards and defective.

### **35. Cost of Repairs**

Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Liability Periods shall be remedied by the

Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions.

### **36. Correction of Defects**

- 36.1 The Procuring Entity's Representative shall give notice to the Contractor of any defects before the end of the Defects Liability Period, which is one (1) year from project completion up to final acceptance by the Procuring Entity's Representative. The Defects Liability period shall be extended for as long as defects remain to be corrected.
- 36.2 Every time notice of a defect is given, the Contractor shall correct the notified defect within the length of time specified in the Procuring Entity's Representative's notice.
- 36.3 The Contractor shall correct the defects which he notices himself before the end of the Defects Liability Period.
- 36.4 The Procuring Entity shall certify that all defects have been corrected. If the Procuring Entity considers that correction of a defect is not essential, he can request the Contractor to submit a quotation for the corresponding reduction in the Contract Price. If the Procuring Entity accepts the quotation, the corresponding change in the SCC is a Variation.

### **37. Uncorrected Defects**

- 37.1 The Procuring Entity shall give the Contractor at least fourteen (14) days notice of his intention to use a third party to correct a Defect. If the Contractor does not correct the Defect himself within the period, the Procuring Entity may have the Defect corrected by the third party. The cost of the correction will be deducted from the Contract Price.
- 37.2 The use of a third party to correct defects that are uncorrected by the Contractor will in no way relieve the Contractor of its liabilities and warranties under the Contract.

### **38. Advance Payment**

- 38.1 The Procuring Entity shall, upon a written request of the contractor which shall be submitted as a contract document, make an advance payment to the contractor in an amount not exceeding fifteen percent (15%) of the total contract price, to be made in lump sum or, at the most two, installments according to a schedule specified in the SCC.
- 38.2 The advance payment shall be made only upon the submission to and acceptance by the Procuring Entity of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the Procuring Entity.

- 38.3 The advance payment shall be repaid by the Contractor by deducting fifteen percent (15%) from his periodic progress payments a percentage of the total contract price used for the advance payment.
- 38.4 The contractor may reduce his standby letter of credit or guarantee instrument by the amounts refunded by the Monthly Certificates in the advance payment.
- 38.5 The Procuring Entity will provide an Advance Payment on the Contract Price as stipulated in the Conditions of Contract, subject to the maximum amount stated in SCC Clause 39.1.

### **39. Progress Payments**

- 39.1 The Contractor may submit a request for payment for Work accomplished. Such request for payment shall be verified and certified by the Procuring Entity's Representative/Project Engineer. Except as otherwise stipulated in the SCC, materials and equipment delivered on the site but not completely put in place shall not be included for payment.
- 39.2 The Procuring Entity shall deduct the following from the certified gross amounts to be paid to the contractor as progress payment:
  - (a) Cumulative value of the work previously certified and paid for.
  - (b) Portion of the advance payment to be recouped for the month.
  - (c) Retention money in accordance with the condition of contract.
  - (d) Amount to cover third party liabilities.
  - (e) Amount to cover uncorrected discovered defects in the works.
- 39.3 Payments shall be adjusted by deducting therefrom the amounts for advance payments and retention. The Procuring Entity shall pay the Contractor the amounts certified by the Procuring Entity's Representative within twenty eight (28) days from the date each certificate was issued. Unless otherwise indicated in the SCC, no payment of interest for delayed payments and adjustments shall be made by the Procuring Entity.
- 39.4 The first progress payment may be paid by the Procuring Entity to the Contractor provided that at least twenty percent (20%) of the work has been accomplished as certified by the Procuring Entity's Representative.
- 39.5 Items of the Works for which a price of 000 (zero) has been entered will not be paid for by the Procuring Entity and shall be deemed covered by other rates and prices in the Contract.

### **40. Payment Certificates**

- 40.1 The Contractor shall submit to the Procuring Entity's Representative monthly statements of the estimated value of the work executed less the cumulative amount certified previously.
- 40.2 The Procuring Entity's Representative shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor.
- 40.3 The value of Work executed shall:
- (a) be determined by the Procuring Entity's Representative;
  - (b) comprise the value of the quantities of the items in the Bill of Quantities completed; and
  - (c) include the valuations of approved variations.
- 40.4 The Procuring Entity's Representative may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.

#### **41. Retention**

- 41.1 The Procuring Entity shall retain from each payment due to the Contractor an amount equal to a percentage thereof using the rate as specified in the SCC.
- 41.2 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 Procuring Entity, 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 again be imposed using the rate specified therefor.
- 41.3 The total "retention money" shall be due for release upon final acceptance of the Works. The Contractor may, however, request the substitution of the retention money for each progress billing with irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to the Procuring Entity, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten (10%) percent retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of the Government shall be valid for a duration to be determined by the concerned implementing office/agency or Procuring Entity and will answer for the purpose for which the ten (10%) percent retention is intended, *i.e.*, to cover uncorrected discovered defects and third party liabilities.
- 41.4 On completion of the whole Works, the Contractor may substitute retention money with an "on demand" Bank guarantee in a form acceptable to the Procuring Entity.

## 42. Variation Orders

- 42.1 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.
- 42.2 A Change Order may be issued by the Procuring Entity to cover any increase/decrease in quantities of original Work items in the contract.
- 42.3 An Extra Work Order may be issued by the Implementing Office 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.
- 42.4 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 Head of the Procuring Entity 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%).
- 42.5 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 Head of the Procuring Entity for approval.

- (b) The Head of the Procuring Entity 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. A report of such verification shall be submitted directly to the Head of the Procuring Entity or his duly authorized representative.
- (c) The, Head of the Procuring Entity or his duly authorized representative, after being satisfied that such Change Order or Extra Work Order is justified and necessary, shall review the estimated quantities and prices and forward the proposal with the supporting documentation to the Head of Procuring Entity for consideration.
- (d) If, after review of the plans, quantities and estimated unit cost of the items of work involved, the proper office of the procuring entity empowered to review and evaluate Change Orders or Extra Work Orders recommends approval thereof, Head of the Procuring Entity or his duly authorized representative, believing the Change Order or Extra Work Order to be in order, shall approve the same.
- (e) The timeframe for the processing of Variation Orders from the preparation up to the approval by the Head of the Procuring Entity concerned shall not exceed thirty (30) calendar days.

#### **43. Punch List**

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. The 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.

#### **44. Suspension of Work**

44.1 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.
- 44.3 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 effective order of suspending operation and the order to resume work shall be allowed the Contractor by adjusting the contract time accordingly.

## **45. Payment on Termination**

- 45.1 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.
- 45.2 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.

- 45.3 The net balance due shall be paid or repaid within twenty eight (28) days from the notice of termination.
- 45.4 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.

#### **46. Extension of Contract Time**

- 46.1 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.
- 46.2 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.
- 46.3 Extension of contract time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.
- 46.4 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.
- 46.5 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 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 Head of the Procuring Entity. 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.

- 46.6 The number of rainy/unworkable days considered unfavorable for the prosecution of the works at the site is made known to the Bidders through the table in the SCC. The information given herewith and provided is given in good faith by the Employer but the Contractor shall satisfy himself regarding all aspects of site condition and no claim will be entertained in the plea that the information supplied by the Employer is erroneous or insufficient.

#### **47. Price Adjustment**

Except for extraordinary circumstances as determined by NEDA and approved by the GPPB, no price adjustment 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.

#### **48. Completion and Acceptance**

The issuance of a Certificate of Completion and a Certificate of Acceptance for the contract shall be made in accordance with the provisions of DPWH Department Order (DO) No. 99, series of 2015.

#### **49. 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.

#### **50. As-Built Drawings and Operating and Maintenance Manuals**

- 50.1 If "As-Built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the SCC.
- 50.2 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 (SCC)

### **Notes on the Special Conditions of Contract**

Similar to the Section III. Bid Data Sheet, the clauses in this Section are intended to assist the Procuring Entity in providing contract-specific information in relation to corresponding clauses in the GCC.

The provisions of this Section complement the GCC, specifying contractual requirements linked to the special circumstances of the Procuring Entity, the Procuring Entity's country, the sector, and the Works procured. In preparing this Section, the following aspects should be checked:

- (a) Information that complements provisions of Section IV. General Conditions of Contract must be incorporated.
- (b) Amendments and/or supplements to provisions of Section IV. General Conditions of Contract, as necessitated by the circumstances of the specific project, must also be incorporated.

However, no special condition which defeats or negates the general intent and purpose of the provisions of Section IV. General Conditions of Contract should be incorporated herein.

## Special Conditions of Contract

GCC Clause																													
1.20	The <b>Intended Completion Date</b> is <i>[insert expected completion date]</i> .																												
1.28	The <b>Procuring Entity</b> is <i>[insert name of the Procuring Entity]</i> .																												
1.29	The <b>Procuring Entity's Representative</b> is <i>[insert name of the Head of the Procuring Entity or duly authorized representative]</i>																												
1.31	The <b>Site</b> is located along <i>[insert location]</i> .																												
1.35	The <b>Start Date</b> is seven (7) calendar days from the issuance of the Notice to Proceed.																												
1.39	The <b>Works</b> consist of the following:  <i>[insert scope of work]</i>																												
2.2	Indicate if applicable or not.																												
5.1	The <b>Procuring Entity</b> shall give possession of any or all parts of the Site to the Contractor upon issuance of the Notice to Proceed or <i>[insert specific date if applicable]</i> .																												
6.5	<p>The Contractor shall employ the following <b>Key Personnel</b>:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Position</th> <th style="text-align: center;">No. of Personnel</th> <th style="text-align: center;">Total Experience (Years)</th> <th style="text-align: center;">Same Position in Similar Works (years)</th> </tr> </thead> <tbody> <tr> <td><b>I. For DED:</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>II. For Construction:</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Position	No. of Personnel	Total Experience (Years)	Same Position in Similar Works (years)	<b>I. For DED:</b>												<b>II. For Construction:</b>											
Position	No. of Personnel	Total Experience (Years)	Same Position in Similar Works (years)																										
<b>I. For DED:</b>																													
<b>II. For Construction:</b>																													
8.4(c)	No further instructions																												

8.7	No further instructions.
9.1	No further instructions.
10.1	The applicable liquidated damages is at least one tenth (1/10) of one percent of the cost of the unperformed portion for every day of delay.  The maximum deduction shall be ten percent (10%) of the amount of the contract, the Procuring Entity shall rescind the contract, without prejudice to other courses of action and remedies open to it.
11	<i>List all available Site Investigation Reports to be provided by the Procuring Entity.</i>
13.3	No further instructions.
13.5	Refer to Section 62.2 of the Revised IRR R.A. 9184 for the warranty periods applicable for the proposed infrastructure project.
14	No further instructions.
19.3(h)(i)	No further instructions.
22.2	The Arbiter is:  <b>Construction Industry Arbitration Commission</b> 4F Jupiter Bldg., 56 Jupiter Street Bel Air, Makati City
26.1	No further instructions.
28.1	Indicate if applicable.
30.1	The Contractor shall submit the detailed Program of Work to the Procuring Entity's Representative within 14 cal. days from the issuance of Notice to Proceed.
30.3	Indicate the period between Program of Work updates if necessary.  Indicate the amount to be determined by the authorized procuring entity.
33.3	The Funding Source is the Government of the Philippines.
38.1	The amount of the advance payment is 15% of the total Contract Price to be made in lump sum or, at the most, two installment (7.5%)
39.1	No further instruction.
39.3	No further instructions.
46.6	The predetermined unworkable days are given below: <i>Example</i>

	Month	Total Days Of The Month	Holidays and Weekends	Rainy Days	Total Days Unworkable		TOTAL WORKABLE DAY
		(1)	(2)	(3)	(4) = (2) + (3)		(5) = (1) - (4)
	January	31	5	4	9		22
	February	28	4	2	6		22
	March	31	7	3	10		21
	April	30	5	4	9		21
	May	31	5	11	16		15
	June	30	6	18	24		6
	July	31	4	22	26		5
	August	31	5	24	29		2
	September	30	4	22	26		4
	October	31	4	18	22		9
	November	30	6	13	19		11
	December	31	6	8	14		17
	<b>Total</b>						<b>151</b>
50.1	<p>Indicate date of submission of operating and maintenance manuals if required.</p> <p>The date by which ñas builtñ drawings are required is three (3) months from completion of the project.</p>						
50.2	Indicate the amount to be determined by the authorized procuring entity.						

## Section VI. Minimum Performance Standards and Specifications (MPSS)

### **Notes on the MPSS**

A set of precise and clear performance or functional standards and specifications for a DB scheme for infrastructure is a prerequisite for Bidders to respond realistically and competitively to the requirements of the DPWH without qualifying or conditioning their Bids. In the context of international competitive bidding, the MPSS must be drafted to permit the widest possible competition and, at the same time, present a clear statement of the required standards of performance of the Project outputs to be produced. Only if this is done will the objectives of economy, efficiency, and fairness in procurement be realized, responsiveness of Bids be ensured, and the subsequent task of Bid evaluation facilitated.

Samples of MPSS from previous similar projects are useful in this respect. The use of metric units is mandatory. Most MPSS are normally written specially by the DPWH or its representative to suit the Works at hand.

Care must be taken in drafting MPSS to ensure that they are not restrictive. Recognized national and international standards should be used as much as possible. Where other particular standards are used, whether national standards or other standards, the specifications should state that infrastructure facilities that meet other authoritative standards, and which ensure substantially equal or higher quality than the standards mentioned, will also be acceptable.

These notes are intended only as information for the DPWH or the person drafting the Bidding Documents. They should not be included in the final Bidding Documents.

## MINIMUM PERFORMANCE STANDARDS AND SPECIFICATIONS (MPSS)

### *ILLUSTRATIVE EXAMPLE* **ROAD PROJECT:** \_\_\_\_\_

#### **1. PURPOSE**

The purpose of the Minimum Performance Standards and Specifications is to establish the minimum requirements that the Concessionaire must comply with in order to design and construct the Project.

#### **2. BASIC CONFIGURATION**

The Project involves the design and construction/improvement of a concrete road from Station 0+000, with PRS Coordinates \_\_\_\_\_ to Station 49 + 760, with PRS Coordinates \_\_\_\_\_, or length of approximately 49.8 km. The center line of the Project is shown in the location map in Annex IIC-A.

The Project includes the construction of five bridges at the following locations:

<b>Name/Location</b>	<b>Station</b>	<b>Approx. Length, meters</b>
1.		
2.		
3.		
4.		
5.		

#### **3. DESIGN OUTPUTS**

The Contactor shall coordinate and report to the design unit of the DPWH Procuring Entity for uniformity and cohesiveness in the preparation of related documents, consistent with the latest edition of the Design Guidelines, Criteria and Standards for Public Works and Highways, AASHTO guidelines and other applicable provisions of existing laws, codes and Department Orders. All reports and other created documents prepared by the Contractor shall be in a format agreed and accepted by the Bureau of Design. The approval of the final plans prepared by the Contractor shall be in accordance with DO No. 50, series of 2002, re-Approval of Design Plans Prepared by DPWH Consultants and D.O. No. 55, series of 2010, re-Conduct of Pre-Procurement, Procurement, and Implementation Activities for DPWH Locally-Funded Civil Works Projects, Limits of Authorities of Concerned DPWH Key Officials and Related Matters. The detailed engineering study shall include but not limited to the following works:

The Contractor shall undertake the following surveys and design works:

- (1) Topographic Survey
- (2) Geotechnical and Geological Investigations
- (3) Hydrologic and Drainage Surveys
- (4) Foundation and Pavement Design
- (5) Structural Design of Bridges
- (6) Drainage Design

The Contractor shall deliver to the DPWH Procuring Entity the following outputs of the Detailed Engineering Design (DED) of the Project in accordance with DPWH DO No. 56, series of 1995, re - Quality of Plans.

**a. General:**

- (1) Cover Sheet
- (2) General Index
3. Vicinity and Key Map
4. Location Plan/Lay out
5. Legend, Abbreviation and Symbols
6. General Notes

**b. Highway Plans:**

- (1) Typical Roadway Section
- (2) Summary of Quantities
3. Soils and Materials Investigation Maps/Plans
4. Grading Quantities
5. Drainage Schedule/Quantities
6. Plan and Profile with the final alignment incorporated in the Topographic/Hydrographic Plans
7. Detailed Cross Section
8. Detailed Drainage Plans and Cross Sections
9. Geometric Road Design Elements and Standards
10. Road Standards and Details
11. Pavement Joint Details
12. Slope Protection Details
13. Drainage Standards and Details
14. Schedule Listing of Road Signs, Guardrails, Lined Ditches, Protection Works, Road Intersections and Other Miscellaneous Works
15. Pavement, Drainage and Slope Protection Design Parameters
16. Boring Logs and Location of Boreholes

**c. Bridge Plans:**

1. General Plan and Elevation
2. Boring Logs and Location of Boreholes
3. Summary of Quantities
4. Details of Superstructures
5. Details of Substructures
6. Details of Foundation



7. Bank/Abutment Protection Works and Scour Protection Works
8. Construction Sequence and Methodology
9. Temporary Works such as cofferdams, craneways or detours
10. Electrical Plans for Bridge Lighting

**d. Other Infrastructure Plans:**

*[Insert requirement as per DO 32, s.2011]*

**e. Value Engineering Studies**

The Contractor shall undertake value engineering (VE) studies as part of the DED, where appropriate, to minimize and/or reduce non-essential Project features and costs and to reduce the life cycle cost of the Project without sacrificing the quality and integrity of the structures while attaining their essential functions consistent with the required performance, reliability and safety. The Contractor shall observe the DPWH Guide to VE (Appendix A of the Main Guidelines of the DPWH Procurement Manual for Infrastructure).

VE shall essentially involve the following phases:

- (1) Information Phase. Under this phase, the activities include Project information gathering and investigation and performing functional analysis of systems and subsystems to identify high cost areas of the project.
- (2) Speculative/Creative Phase. Activities under this phase involve developing effective and efficient group interaction process (brainstorming) to identify alternative ideas, proposals and solutions for accomplishing the function of a system or subsystem.
- (3) Evaluation/Analytical Phase. During this phase, the Contractor shall evaluate and analyze process to determine which ideas, solutions and measures would show greater potential for cost savings and project improvement.
- (4) Development/Recommendation Phase. Activities under this phase include description of project components, preparation of sketches, and estimation of life cycle cost to be used in justifying and supporting value engineering recommendations.
- (5) Report or Presentation Phase. During this phase, the Contractor shall prepare and present his report, which should contain information, such as list of items or processes examined, alternatives, functional and the life cycle analyses, value engineering proposals and supporting information.

**g. Design Analyses and Computations**

**h. Sources of Construction Materials**

**i. Road Safety Audit Report**

**j. Performance Specifications for Materials and Equipment**

The road alignment, roadside appurtenances/structures and all proposed improvements are to be traced in layout plan at scale of 1:1,000m, together with all watercourses, which require structural work. Cross sections at intervals not exceeding 20.0m including intermediate breaks on the ground and at bridge approaches and reaching at least 10.0m wide on both sides of the centerline, are to be surveyed and plotted at a scale 1:100m. The detailed cross-sections shall show but are not necessarily limited to the following: pavement and shoulder width and corrections including super elevations where required, new pavement thickness, slopes of embankments and cuts including slope protection structures where required, cross-falls of pavements and shoulders as well as longitudinal drainage ditches with their dimensions, if any and existing roadside appurtenances/structures.

Separate cross-sections shall be prepared, if necessary, for road sections outside and inside townships, the latter indicating possible reduced width of pavement and/or shoulders and for every station or location of drainage structures and facilities. To show or indicate the sufficient height of the road above highest flood level (HFL), longitudinal sections at scales of 1:1000 m horizontal and 1:100m vertical will be prepared for all sections where raising of embankment is required.

Whenever there is a need for the relocation of utilities such as telephone, telegraph and electricity poles, etc. as well as buildings, fences and major trees to be removed, such details shall be indicated in the drawings and a separate list shall be prepared.

The DED Reports in electronic files and hard copies for the work prepared must be submitted by the BD Contractor to the Implementing Office and the design unit of the Procuring Entity for review and certification as to compliance with the MPSS. The DED Report shall include computer programs/software.

**4. DESIGN CODES**

The DED of the Project shall comply with the relevant provisions of the following codes:

- a. DPWH Design Guidelines, Criteria and Standards for Public Works and Highways.
- b. DPWH Highway Planning Manual, 2004 Edition.
- c. DPWH, Highway Safety Design Standards, Parts I and II, 2012.
- d. DPWH Standard Specifications for Highways, Bridges and Airports, Vol. II, 2013
- e. A Policy on Geometric Design of Highways and Streets, 2011, American Association of State Highways and Transportation Officials (AASHTO).
- f. AASHTO Roadside Design Guide.

- g. National Structural Code of the Philippines, Volume II (Latest Edition)
- h. Batas Pambansa (BP) Blg. 344 (Accessibility Law)

**5. DESIRED LEVEL OF SERVICE AND VOLUME-TO-CAPACITY RATIO (VCR)**

The Project shall provide at least a Level-of-Service (LOS) C in accordance with the AASHTO's Policy on Geometric Design of Highways and Streets.

The VCR shall not exceed 0.6.

**6. KEY GEOMETRIC STANDARDS**

Elements of Design	Standards
Design Speed	
Main Expressway	100 km/h
Interchanges	40km/h
Access Roads	40 km/h
Number of Lanes per Direction	2
Lane Width	3.50 m
Inner Shoulder Width	1.00 m
Outer Shoulder Width	2.50 m
Median Width	3.00 m
Pavement Cross Slope	2%
Shoulder Cross Slope (outside)	3%
Maximum Super-elevation	6%
Minimum Radius, Horizontal	437 m
Minimum Vertical Gradient	0.3%
Maximum Vertical Gradient	4.0%
Stopping Sight Distance	185 m

**7. LOADINGS**

**7.1 Live Load**

**AASHTO Highway Loading (HL)-93 Permit Design Loads**

Permit Design Loads are special design vehicles in addition to the truckloads and alternative loads specified by AASHTO. Permit design loads consist of a family of idealized vehicles used in rating bridge capacities. The steering axle having a 3.048 m width and any number from two to six pairs of tandems (assumed as single concentrated loads) constitute a valid design vehicle. The combination that produces the maximum stress is used.

**Alternative Military Loadings**

The basic alternative loading consists of two axles spaced 1.22m apart with each axle weighing 107KN. This loading produces slightly greater live load moments than MS Loadings in spans under 12.20m.

## **7.2 Earthquake Load**

Seismic design shall be in accordance with AASHTO Standard Specifications for Highway Bridges, 17th Edition, 2002. A site-specific seismic analysis shall be conducted to determine the applicable seismic design requirements. A minimum ground acceleration coefficient of 0.45g for bridges and other structures shall be used, considering the importance classification and past/recent experiences in the Philippines.

## **7.3 Earth Pressure**

Structures which retain fills shall be proportioned to withstand pressures which shall be determined using acceptable soil mechanics principles. For design of structural elements, as a minimum, at Rest pressures shall be adopted.

## **7.4 Wind Load**

The wind load for all exposed structures must be designed to withstand wind velocity of 200 kph, as specified under Zone 2 of the wind map of the Philippines.

## **7.5 Thermal Forces**

The range of temperature shall be as follows:

17.8 °C to 48.9 °C

16.7 °C temperature rise

22.2 °C temperature fall

## **7.6 Materials**

All materials to be used in the Project shall conform to the DPWH Standard Specifications for Highways, Bridges and Airports, 2013 edition (Blue Book) and the AASHTO Code.

- Reinforced Concrete - The minimum compressive strength of reinforced concrete shall be  $f_c = 28\text{MPa}$  @ 28 days, and  $f_c = 21\text{MPa}$  for major and minor structures, respectively.
- Reinforcement Steel - All reinforcing steel bars shall be grade 60,  $f_y = 414\text{MPa}$ .
- Structural Steel - Structural steel shall be grade A572,  $f_y = 345\text{MPa}$  or grade A36,  $f_y = 248\text{MPa}$ .

- Prestressed Concrete - The minimum compressive strength of prestressed concrete shall be  $f_{\text{c}}=38\text{MPa}$ .
- Prestressing Steel - High tensile 7-wire uncoated stress-relieved strand conforming to ASTM A416 Grade 270 with the following properties will be used:
  - Ultimate strength,  $f_{\text{pu}} = 1860\text{MPa}$
  - Jacking Stress,  $f_{\text{j}} = 0.75f_{\text{pu}}$
  - Losses in prestressing force will be in accordance with AASHTO Specifications and friction losses will be in accordance with the system to be used

If any materials proposed by the Contractor are not covered by the DPWH Standard Specifications for Highways, Bridges and Airports, 2004 (Blue Book), and the AASHTO Code, these materials must first be certified by the Project Consultant and approved by the DPWH before they are used in the Project.

## 7.7 Hydrology

Design rainfall return periods:

- Drainage at viaduct superstructure: 5 years
- Drainage at at-grade roads: 3 years
- Pipe culvert: 15- years with sufficient freeboard to contain 25-year flood
- Box culvert: 25-year with sufficient freeboard to contain 50-year flood
- Bridge: 50 years

## 8. SCOPE OF CONSTRUCTION

The Concessionaire shall undertake the Construction of the Project in accordance with the Certified DED and DFC.

The Concessionaire shall adhere to the Construction Plan, which is part of the DED, as discussed in Section **Error! Reference source not found.** of the MPSS.

The Construction of the Project shall comply with all applicable statutory requirements and follow good design practices.

Construction of the LLEDP shall also be carried out in accordance with all relevant regulatory and statutory instruments including complying with the pertinent provisions of the DPWH Standard Specifications (also called Blue Book), particularly:

- Volume II: Highways, Bridges and Airports, 2013, and
- Volume III: Public Works Structures, 1995.

The Blue Book prescribes, among other things, the material requirements and construction requirements for different items of work, including the tests to be conducted

during Construction by the Concessionaire or its designated Construction Contractor or Sub-contractor. The Blue Book incorporates provisions of the AASHTO, ASTM, and American Concrete Institute, pertaining to construction.

## **9. CONSTRUCTION GUIDELINES**

Construction of the road, bridges, and other structures shall be in accordance with the relevant sections of the Blue Book for the Construction of road, bridges, and other structures including the following:

Volume II: Highways, Bridges and Airports:

- Part C - Earthwork
- Part D ó Sub-base and Base Course
- Part E ó Surface Courses
- Part F ó Bridge Construction
- Part G ó Drainage and Slope Protection
- Part H ó Miscellaneous Structures
- Part I ó Materials Details

## **10. CONSTRUCTION PLAN**

The Construction Plan, which forms part of the DED, shall be based on the Conceptual Construction Plan submitted as part of the Contractor's bid and updated and detailed to be consistent with the elements of the DED. The Construction Plan must identify the procedures, processes and management systems that the Concessionaire will apply to ensure the implementation of the Construction of the Project in accordance with the CA.

As a minimum, the Construction Plan must present the following outputs:

- a. Mobilization Plan ó human resource and equipment that demonstrates that the use of local labor is maximized.
- b. Construction organization and management structures for the Construction, identifying key personnel and positions, and sub-contractors.
- c. Construction, including reclamation, methodology and procedures.
- d. Quality control and assurance system.
- e. Construction Schedule, milestones, and S-curve covering all components of the Construction.
- f. Major construction equipment to be used for each major stage of the work.
- g. Updated traffic management plan during construction.

- h. Periods for review of specific outputs and any other submissions and approvals.
- i. Sequence of timing for inspections and tests proposed.
- j. Construction health, safety, and security program in accordance guidelines of the Department of Labor and Employment.
- k. Proposed system of work types and locations that will be used to identify each Construction package.
- l. Environmental monitoring and management process.
- m. Measures and procedures for:
  - (1) control and monitoring of the Construction Schedule as against actual Construction;
  - (2) supervision and monitoring of the quality control and assurance system for the Project, including the integrity of tests conducted;
  - (3) monthly updating of the Construction Plan and the Monthly Progress Reports;
  - (4) development and approval of Construction documentation; and
  - (5) survey and condition monitoring;
- n. Strategies for:
  - (1) managing risks;
  - (2) obtaining all necessary approvals permits and licenses necessary for the Project; and
  - (3) details of records management and indexing protocols that will enable referencing of all design and construction records back to the DED and DFC.

## **11. TEST REQUIREMENTS**

The Contractor shall undertake tests during Construction in accordance with the schedule of minimum testing requirements for items of work and materials covered by the Blue Book, as shown in **APPENDIX A of Section VI (MPSS)**.

## **12. PROJECT COMPLETION**

The Contractor shall complete the DB Project within \_\_\_\_\_ calendar days.

## **13. WARRANTY**

The Contractor shall guarantee the completed structure against structural defects and failure for its satisfactory performance vis-a-vis the prescribed MPSS during the lifetime of the structure. For this purpose, the Contractor shall post a Warranty Security in the form of surety bond, callable on demand issued by a reputable institution, equivalent to 30% of the bid/contract price.

## SECTION VII. PROCURING ENTITY'S CONCEPT DESIGN DRAWINGS AND OTHER REFERENCE DATA

### **Bridge Design Plan**

1. Location plan/vicinity map



2. General notes on design parameters and construction procedures
3. General plan and elevation
4. Typical details of superstructure
5. Typical details of substructures (piers and abutments)
6. Typical details of foundations
7. Typical details of abutment and pier protection works
8. Typical detail of temporary structure such, craneway, cofferdam, detour, etc.
9. Typical lightning facilities
10. Geotechnical Investigation Data
11. Survey Data
12. Hydrologic Data/Hydrographic Data
13. Other structures

### **Road Design Plan**

1. Location Plan/Vicinity Map
2. General Notes or design parameters and construction procedures
3. Plans, Profile Alignment and Cross Sections
4. Typical details of slope protection works
5. Traffic Data/Information
6. Typical details of Drainage Structures
7. Typical Roadway Section
8. Typical Lighting Facilities
9. Geotechnical Investigation Data
10. Hydrologic Data/Hydrographic Data
11. Other structures

### **Building Design Plan**

1. Location Plan/Vicinity Map
2. General Notes on Design Parameter & Construction Procedure
3. Topographic Survey Plan
4. Architectural Plans and Elevation
5. Structural Plans and details
6. Electrical Plans and details
7. Plumbing / Sanitary Plans
8. Electronic Plan
9. Mechanical Plan
10. Geotechnical Investigation Data
11. Other details

### **Flood Control Design Plan**

1. Location Plan/Vicinity Map

2. General Notes/Legends, Abbreviations and Symbols and Technical Specifications
3. Plans, Profile Alignment and Cross Sections
4. Geotechnical Investigation Reports
5. Topographic Survey/Parcellary Survey Plan
6. General Plan, Elevation and Detail of Flood Control/Drainage and other related structures
7. Hydrologic and Hydraulic Data
8. Other details

## SECTION VIII. TERMS OF REFERENCE (TOR)

### **1. PROJECT INFORMATION**

#### **1.1 Project Description**

(Brief narrative description, objectives & source of funds. Attach location map)

#### **1.2 Contractual Framework**

The contractual arrangement to be used for the project is the Design-and-Build (DB) scheme. Under this scheme the procuring entity awards a single contract for the architectural/engineering design and construction to a single firm, partnership, corporation, joint venture or consortium.

## **2. SCOPE OF CONTRACT**

### **2.1 Major Obligations of the Contractor**

- a. Undertake the Detailed Engineering Design (DED) of the Project in conformance with the MPSS, in accordance with the, including engineering surveys and preparation of design plans, and deliver the DED to the Procuring Entity for review and certification as to compliance with the MPSS.
- b. Undertake the Construction of the Project in accordance with the certified DED. *[Indicate the specific scope of works for the Project]*

Example:

- (1) Construction of 10-kilometer New Road
- (2) Construction/improvement of 10 Km road
- (3) Removal/replacement of existing 160 lm concrete bridges
- (4) Strengthening/retrofitting of existing 60 lm Bridges
- (5) Widening of existing five (5) Reinforced Concrete Box Culvert

- c. Be held liable for design and structural defects and/or failure of the completed project within the warranty period specified in Section 62.2 of the IRR of RA 9184.

### **2.2 Major Obligations of DPWH**

- a. Acquire and fund the road right-of-way and deliver the same to the Contractor.
- b. Undertake Environment Impact Study and secure ECC from DENR/EMB.
- c. Review and certify the Contractor's design without diminishing the Contractor's full and sole responsibility for the quality and integrity thereof.
- d. Supervise and monitor the implementation of the projects.
- e. Pay the accomplishment accepted in conformance with the MPSS.

### **2.3 Bidding Documents**

The Bidding Documents for the Project, shown in Annex IIC-A, shall govern the conduct of the procurement of the Project.

### **3. SCOPE OF DESIGN**

#### **3.1 Preliminary Engineering Design Plan (PEDP) by Bidder**

At the bidding stage, the Bidder shall prepare a PEDP based on the DPWH MPSS for the Project as shown in Section VI and submit the PEDP as part of the Bidder's Technical Proposal.

The Bidder shall prepare the PEDP with a degree of accuracy of approximately plus/minus fifteen percent (+/-15%) of the final quantities, and in conformance with the MPSS.

#### **3.2 Detailed Engineering Design by the Winning Bidder**

During the implementation of the Project, the Winning Bidder shall prepare the Detailed Engineering Design (DED) of the Project and submit the DED to the Department of Public Works and Highways (DPWH) for approval prior to the execution of the Construction works.

The Winning Bidder shall prepare the DED based on its PEDP as accepted by the DPWH and in accordance with the MPSS. The DED shall be undertaken with a degree of accuracy that will allow estimates to be made within approximately plus or minus five percent (+/-5%) of the final quantities.

Once approved by the DPWH, the Winning Bidder's DED shall form part of the MPSS. The DPWH-approved DED, together with the MPSS provisions on Construction under Section 2.0 hereof, shall govern the actual Construction undertaken by the Winning Bidder.

The Winning Bidder shall undertake the necessary field surveys and investigation in accordance with the DPWH Design Guidelines, Criteria and Standards in the preparation of detailed engineering plans in accordance with the requirements of the Bureau of Design (BOD). In carrying out these works, the Winning Bidder shall ensure that the engineering, environmental, social and resettlement teams collaborate closely throughout the entire process, particularly during field investigations and the development of the preliminary and final detailed engineering designs. The Winning Bidder shall ensure that all designs submitted for approval have fully taken into account key findings from the engineering, environmental, social and resettlement analyses and that negative environmental and social impacts have been minimized or eliminated to the fullest extent possible.

### **3. PROCURING ENTITY'S CONCEPT DESIGN**

(Indicate specific project as listed below)

**3.1 Bridge Concept Design**

(Brief narrative description)

**3.2 Road Concept Design**

(Brief narrative description)

**3.3 Drainage and Slope Protection Concept**

(Brief narrative description)

**3.4 Building Concept Design**

(Brief narrative description)

**3.5 Other Infrastructure Concept Design**

(Brief narrative description)

**4. MINIMUM PERFORMANCE STANDARDS AND SPECIFICATIONS (MPSS)**

The Contractor shall undertake the design and construction of the Project in conformance with the MPSS as shown in Section VI.

**5. APPROVED BUDGET FOR THE CONTRACT (ABC)**

The Approved Budget for the Contract (ABC) is PhP [*insert amount*]. This is the ceiling for acceptable bids. Bids higher than ABC shall be automatically rejected.

**6. PROPOSED IMPLEMENTATION SCHEDULE**

*Example:*

Description	2011	2012												2013									
	Dec	Jan	Feb	Mar	Apr	May	June	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	
Design Stage																							
a. Soil Exploration																							
b. Preparation of Plans and Specifications																							
Construction Stage																							
a. Mobilization/Demobilization																							
b. Construction of _____ Bridge																							
c. Construction/Improvement of _____ Km road																							
d. Removal/replacement of existing _____ concrete bridges																							
e. Strengthening/retrofitting of existing _____ Bridge																							

## 7. ELIGIBILITY CRITERIA FOR BIDDERS

### 7.1 General

The Eligibility Requirements for this DB Project shall adopt the provisions of Annex -Gö of the Implementing Rules and Regulations of RA 9184 (e.g. Eligibility Requirement). However, a prospective bidder who has no experience in DB project on its own may opt to enter a subcontracting agreement with a design or engineering firm for the design portion of the project.

### 7.2 Legal Requirements

- a. Valid Contractor's License issued by the Philippine Contractor's Accreditation Board
- b. Valid license of the Contractor's designer issued by the Professional Regulation Commission.

### 7.3 Technical Requirements

- a. The Contractor must have built one structure similar to the project at hand with a construction cost of at least 50% of the ABC.
- b. The Contractor's designer must have designed one structure similar to the project at hand with a construction cost of at least 50% of the ABC

### 7.4 Financial Requirements

- a. The Contractor must have a Net Financial Contracting Capacity (NFCC) of at least the ABC of equivalent to *[insert amount]*
- b. The Contractor must submit a written comment from a reputable bank to extend to him a credit line of at least 10% of the ABC, if the contract is awarded to him.

## 8. CONTENTS OF THE BID

- a. Conceptual Design Plans for the Project which shall comply with the prescribed MPSS. The plans should contain the following:

### **Bridge Design Plan**

1. Location plan/vicinity map
2. General Notes on Design Parameters and construction Procedures
3. General plan and elevation
4. Typical details of superstructure
5. Typical details of piers and abutments
6. Typical details of foundations
7. Typical details of abutment and pier protection works
8. Typical detail of temporary structure such, craneway, cofferdam etc.
9. Summary of quantities
10. Typical lighting facilities

### **Road Design Plan**

1. Design criteria
2. Plans, Profile and Cross Sections
3. Typical details of slope protection works
4. Traffic Data/Information
5. Typical details of Drainage Structures
6. Summary of Quantities
7. Typical Road Section

### **Other Infrastructure Plan**

*[insert requirement as per DO 32 S2011]*

- b. Required Bid Security
- c. Design and Construction Method and Schedule
- d. Constructor's Organizational Chart and List of Key Personnel for the Project

- e. List of Major Equipment Owned/Leased/Under Purchase for the project
- f. Quality Control Program
- g. Bank Commitment to provide the required Credit Line if the Contractor is awarded the contract.

## 9. Procedure and Criteria for Bids Evaluation

For the detailed evaluation of the DB proposals for the Project, a three-step procedure shall be adopted by the BAC, as follows:

### a. Evaluation of Eligibility

The BAC shall evaluate the Eligibility Documents submitted by each bidder to determine compliance with the Eligibility Requirements in **ITB** Clause 5.

If the bidder meets all of the Eligibility Requirements, the BAC shall declare the bidder as “eligible” and proceed with the detailed evaluation of its Technical Proposal. If not, the BAC shall issue the Notice of Ineligibility to the bidder and return its unopened Technical and Financial Proposals to the bidder.

### b. Evaluation of Technical Proposal

The BAC shall then conduct the evaluation of the Technical Proposal of each eligible bidder, particularly against the requirements in **ITB** Clause 13, using non-discretionary “pass/fail” criteria. Aside from the aspects that are evaluated in conventional (non-DB) projects, the BAC shall look into the Conceptual Design for the Project and the track record for DB projects submitted by the Contractor as indicated in the Bidding Documents. The BAC shall evaluate these aspects, using non-discretionary “pass/fail” criteria, to check for compliance with the following requirements:

- (1) Concept of approach and methodology for DED and construction, with emphasis on the clarity, feasibility, innovativeness and comprehensiveness of the plan approach, and the quality of interpretation of project problems, risks, and suggested solutions.
- (2) 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.

If the bidder passes the meets the Technical Proposal requirements and criteria, the BAC shall declare as “technically complying”. All technically complying bidders shall be treated on the same footing for purposes of the evaluation of the Financial Proposals, i.e., no technical ranking of the bids is made.



c. Evaluation of Financial Proposals:

The BAC shall then open the Financial Proposal ó which is simply the lump-sum bid price - of each õpassedö bidder using non-discretionary criteria ó including arithmetical corrections if any, and thus determine the correct total calculated bid prices. The BAC shall automatically disqualify the total 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 total calculated bid price shall be identified as the Lowest Calculated Bid (LCB).

If the bidder with the LCB passes the post-qualification, his bid is declared as the Lowest Calculated Responsive Bid (LCRB) and shall be considered for award.

**10. Data to be Provided by the DPWH**

These data are for reference only. The DPWH 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.

*[insert relevant data to be provided for each type of infrastructure project]*

Sample Data for Roads:

- a. Traffic Data ó AADT and Axle Loading
- b. Preliminary Survey and Geotechnical Investigation Data/Report
- c. Preliminary Design/Drawings
- d. Other Relevant Data
- e. Soil Data

**11. Documents to be provided by the Contractor during Contract Implementation**

- a. Detailed Engineering Plans
- b. Design Analysis
- c. Survey Data
- d. Quantity Calculation
- e. Detailed Geotechnical Investigation Report
- f. Design Report

- g. As-Staked Plans
- h. As-Built Plans
- i. Other relevant documents

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**BID FORM**

---

Date: \_\_\_\_\_

IB<sup>2</sup> N<sup>o</sup>: \_\_\_\_\_

To: *[name and address of PROCURING ENTITY]*  
Address: *[insert address]*

We, the undersigned, declare that:

- (a) We have examined and have no reservation to the Bidding Documents, including Addenda, for the Contract *[insert name of contract]*;
- (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 in item (d) below is: *[insert information]*;

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

- (c) Our Bid shall be valid for a period of *[insert number]* 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

---

<sup>2</sup> If ADB, JBIC and WB funded projects, use IFB.

- (i) We understand that you are not bound to accept the Lowest Evaluated Bid or any other Bid that you may receive.

Name: \_\_\_\_\_

In the capacity of: \_\_\_\_\_

Signed: \_\_\_\_\_

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

Date: \_\_\_\_\_

**FORM OF BID SECURITY (BANK GUARANTEE)**

---

WHEREAS, *[insert name of Bidder]* (hereinafter called the "Bidder") has submitted his bid dated *[insert date]* for the *[insert name of contract]* (hereinafter called the "Bid").

KNOW ALL MEN by these presents that We *[insert name of Bank]* of *[insert name of Country]* having our registered office at *[insert address]* (hereinafter called the "Bank") are bound unto *[insert name of PROCURING ENTITY]* (hereinafter called the "Entity") in the sum of *[insert amount]*<sup>3</sup> for which payment well and truly to be made to the said Entity the Bank binds himself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

THE CONDITIONS of this obligation are:

1. If the Bidder:
  - (a) withdraws his Bid during the period of bid validity specified in the Form of Bid; or
  - (b) does not accept the correction of arithmetical errors of his bid price in accordance with the Instructions to Bidder; or
2. If the Bidder having been notified of the acceptance of his bid by the Employer during the period of bid validity:
  - (a) fails or refuses to execute the Form of Agreement in accordance with the Instructions to Bidders, if required; or
  - (b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders.

We undertake to pay to the Entity up to the above amount upon receipt of his first written demand, without the Entity having to substantiate his demand, provided that in his demand the Entity will note that the amount claimed by him is due to him owing to the occurrence of one or both of the TWO (2) conditions, specifying the occurred condition or conditions.

The Guarantee will remain in force up to and including the date *[insert days]*<sup>4</sup> days after the deadline for submission of Bids as such deadline is stated in the Instructions

---

<sup>3</sup> *The Bidder should insert the amount of the guarantee in words and figures, denominated in the currency of the Entity's country or an equivalent amount in a freely convertible currency. This figure should be the same as shown of the Instructions to Bidders.*

<sup>4</sup> *If the Funding Source is ADB, JBIC, or WB, usually 28 days after the end of the validity period of the Bid. Date should be inserted by the Entity before the Bidding Documents are issued.*

to Bidders or as it may be extended by the Entity, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this Guarantee should reach the Bank not later than the above date.

DATE \_\_\_\_\_ SIGNATURE OF THE BANK \_\_\_\_\_  
 WITNESS \_\_\_\_\_ SEAL \_\_\_\_\_

\_\_\_\_\_  
 (Signature, Name and Address)

## QUALIFICATION INFORMATION

**NOTES:**  
*The information to be filled in by Bidders in the following pages will be used for purposes of qualification as provided for in Part I, Section II. Eligibility Documents. This information will not be incorporated in the Contract. Attach additional pages as necessary.*

**1. Individual Bidders or Individual Members of Joint Ventures**

1.1 Constitution or legal status of Bidder: *[attach copy]*

Place of registration: *[insert]*

Principal place of business: *[insert]*

Power of attorney of signatory of Bid: *[attach]*

1.2\* Total annual volume of construction work performed in the past five years as listed in the Eligibility Data Sheet, reflected using the currency specified for the Bid.

Annual turnover data (construction only)	
Year	Turnover in (specified currency)
1.	
2.	
3.	
4.	
5.	



- 1.3 Work performed as prime contractor on works of a similar nature and volume over the last ten years. Proof of completion, e.g. Certificate of Completion signed by the Employer or Owner, shall be submitted. Also list details of work under way or committed, including expected completion date.

Project Name and Country	Name of Employer and contact person	Type of work performed and year of completion	Total Value of Contract (in specified currency)
1.			
2.			

- 1.4 Major items of contractor's Equipment proposed for carrying out the Works. List all information requested below.

Item of equipment	Description, make, and age (years)	Owned, leased (from whom?), or to be purchased (from whom?)
1. <i>[Employer to specify]</i>		
2.		
3.		

- 1.5\* Qualifications and experience of Contract Manager proposed for administration and execution of the Contract. Attach bio-data.

Name (primary candidate and alternate)	Years of experience in similar works	Years of experience as Contract Manager
1.		
2.		

- 1.6\* Financial statements for the last five (5) years. Attach audited financial statements.

- 1.7 Evidence of access to financial resources to meet the qualification requirements: cash in hand, lines of credit, etc. List below and attaché copies of support documents.

Source of financing	Amount in (specified currency)
1.	
2.	
3.	

- 1.8 Name, address, and telephone and facsimile numbers of banks that may provide references if contacted by the Entity.

1.9 Proposed Program of Work (work method and schedule). Attach descriptions, drawings and charts, as necessary, to comply with the requirements of the Bidding Documents.

1.10\* Proposed subcontracts and firms involved. Refer to **GCC** Clause 8.

Section of the Works	Value of subcontract	Subcontractor (Name and address)	Experience in similar work

**2. Joint Ventures\***

2.1 The information listed in 1.1 - 1.9 above shall be provided for each partner of the joint venture.

2.2 Attach the power of attorney of the signatory(ies) of the Bid authorizing signature of the Bid on behalf of the joint venture.

2.3 Attach the Agreement among all partners of the joint venture (and which is legally binding on all partners), which shows that:

(a) all partners shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms;

(b) one of the partners will be nominated as being in charge, authorized to incur liabilities, and receive instructions for and on behalf of any and all partners of the joint venture; and

(c) the execution of the entire Contract, including payment, shall be done exclusively with the partner in charge.

## LETTER OF ACCEPTANCE

---

*[Letterhead of the Entity]*

Date: *[insert date]*

To: *[Name and address of Contractor]*

This is to notify you that your Bid dated *[insert date]* for execution of the *[insert name of Contract and identification number as given in the ITB]* for the Contract Price of *[insert amount in specified currency]*, as corrected and/or modified<sup>5</sup> if applicable, in accordance with the Instructions to Bidders, is hereby accepted by our Agency.

You are hereby instructed to come to our office located at *[insert address]* to sign the formal agreement on *[date]* at *[time]*.

Authorized Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

---

<sup>5</sup> Delete "corrected and" or "corrected and modified" if not applicable.

**FORM OF CONTRACT AGREEMENT**  
**PROPOSED DESIGN-AND-BUILD WORKS ON (*Name of Project*)**

**KNOW ALL MEN BY THESE PRESENTS:**

This CONTRACT AGREEMENT, made this \_\_\_\_ day of month, year, by and between:

The **GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES** through the **Department of Public Works and Highways (DPWH)** represented herein by \_\_\_\_\_, duly authorized for this purpose, with main office address at Bonifacio Drive, Port Area, Manila, hereinafter referred to as the “**ENTITY**”;

-and-

\_\_\_\_\_, a corporation organized and existing under and by virtue of laws of the Republic of the Philippines, with main office address at \_\_\_\_\_, represented herein by \_\_\_\_\_, duly authorized for this purpose, hereinafter referred to as the “**CONTRACTOR**”;

**WITNESSETH:**

WHEREAS, the ENTITY is desirous that the CONTRACTOR execute the Works under Contract ID and Name, hereinafter called “the Works,” and the ENTITY has accepted the Calculated Bid of the CONTRACTOR for the execution and completion of the Works at the calculated unit bid prices shown in the attached Bill of Quantities, or a total Contract price of amount in words and numbers.

**NOW, THEREFORE**, for and consideration of the foregoing premises, the parties hereto agree as follows:

1. In this CONTRACT AGREEMENT, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this CONTRACT AGREEMENT:
  1. This Contract Agreement
  2. Documents forming part of the Contract Agreement:
    - a. Bidding Documents for the Contract (Annex A)

- (1) General Conditions of Contract (GCC)
  - (2) Special Conditions of Contract (SCC)
  - (3) Drawings
  - (4) Specifications
  - (5) Invitation to Bid (IB)
  - (6) Instructions to Bidders (ITB)
  - (7) Bid Data Sheet (BDS)
  - (8) Bid Bulletins (Addenda)
- b. Contractor's Calculated Bid in the Form of Bid, including the Technical and Financial Proposals (Annex B)
  - c. Contractor's Registration Certificate (CRC) with Contractor's Information from the DPWH Registry (Annex C)
  - d. Notice of Award with the Contractor's "Conforme" (Annex D)
  - e. Performance Security (Annex E)
  - f. Construction Schedule in the form of PERT/CPM Diagram and Bar Chart with S-curve (Annex F)
  - h. Manpower Schedule (Annex G)
  - i. Construction Methods (Annex H)
  - j. Equipment Utilization Schedule (Annex I)
  - k. Construction Safety and Health Program initially approved by the DPWH Procuring Entity (Annex J)
3. In consideration of the payments to be made by the ENTITY to the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the ENTITY to execute and complete the Works and remedy any defects therein in conformity with the provisions of this CONTRACT AGREEMENT in all respects.
  4. In consideration of the execution and completion of the Works by the CONTRACTOR, the ENTITY hereby covenants to pay the CONTRACTOR the unit prices in the CONTRACTOR's Calculated Bid, as applied to the actual quantities accomplished as certified by the PROCURING ENTITY under the provisions of this CONTRACT AGREEMENT, at the times and in the manner prescribed by this CONTRACT AGREEMENT.

**IN WITNESS WHEREOF**, the parties hereto set their respective hands on the day, month and year first above written.

**ENTITY (GOVERNMENT OF THE  
OF THE PHILIPPINES, THRU THE  
DEPARTMENT OF PUBLIC WORKS  
AND HIGHWAYS)**

**CONTRACTOR**

**Represented by:**

\_\_\_\_\_

**Represented by:**

\_\_\_\_\_

**Witnessed by:**

\_\_\_\_\_

\_\_\_\_\_

**APPROVED:**

\_\_\_\_\_

Date of Approval: \_\_\_\_\_

## FORM OF PERFORMANCE SECURITY (BANK GUARANTEE)

---

To : *[Name of PROCURING ENTITY]*  
*[Address of PROCURING ENTITY]*

WHEREAS, *[name and address of contractor]* (hereinafter called the "Contractor") has undertaken, in pursuance of Contract No. *[insert number]* dated *[insert date]* to execute *[name of Contract and brief description of Works]* (hereinafter called the "Contract");

WHEREAS, it has been stipulated by you in the said Contract that the contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract; and

AND WHEREAS, we have agreed to give the contractor such a Bank Guarantee;

NOW THEREFORE, we hereby affirm that we are the Guarantor and responsible to you, on behalf of the contractor, up to a total of *[insert amount of Guarantee in numbers and in words]*<sup>6</sup> such sum being payable in the types and proportions of currencies in which the Contract Price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of *[amount of Guarantee]* as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of demand of the said debt from the contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed there under or of any of the Contract documents which may be made between you and the contractor shall in any way release us from any liability under this Guarantee, and we hereby waive notice of any such change, addition, or modification.

This Guarantee shall be valid until a date twenty eight (28) days from the date of issue of the Certificate of Completion.

Signature and seal of the Guarantor \_\_\_\_\_  
Name of Bank \_\_\_\_\_  
Address \_\_\_\_\_  
Date \_\_\_\_\_

---

<sup>6</sup> An amount is to be inserted by the Guarantor, representing the percentage of the Contract Price specified in the Contract, and denominated in the specified currency.

## BANK GUARANTEE FOR ADVANCE PAYMENT

---

To: *[name and address of PROCURING ENTITY]*  
*[name of Contract]*

Gentlemen:

In accordance with the provisions of the **GCC** Clause 39 of the above-mentioned Contract, *[name and address of contractor]* (hereinafter called "the contractor") shall deposit with *[name of PROCURING ENTITY]* a Bank Guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of *[amount of Guarantee] [amount in words]*<sup>7</sup>

We, the *[Bank or Financial Institution]*, as instructed by the contractor, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to *[name of PROCURING ENTITY]* on his first demand without whatsoever right of objection on our part and without his first claim to the contractor, in the amount not exceeding *[amount of Guarantee] [amount in words]*<sup>8</sup>

We further agree that no change or addition to or other modification of the terms of the Contract or of Works to be performed there under or of any of the Contract documents which may be made between *[name of PROCURING ENTITY]* and the contractor, shall in any way release us from any liability under this Guarantee, and we hereby waive notice of any such change, addition, or modification.

This Guarantee shall remain valid and in full effect from the date of the advance payment under the Contract until *[name of PROCURING ENTITY]* receives full repayment of the same amount from the contractor.

Yours truly,

Signature and seal: \_\_\_\_\_

Name of Bank/Financial Institution: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_

---

<sup>7</sup> An amount is to be inserted by the Bank or Financial Institution representing the amount of the Advance Payment, and denominated in the specified currency of the Advance Payment as specified in the Contract.

<sup>8</sup> An amount is to be inserted by the Bank or Financial Institution representing the amount of the Advance Payment, and denominated in the specified currency of the Advance Payment as specified in the Contract.



## AFFIDAVIT OF DISCLOSURE OF NO RELATIONSHIP

---

*[See ITB Clause 4.2 of the Bidding Documents]*

I, *[name of the affiant]*, *[state nationality]*, of legal age, *[state status]*, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the authorized representative of *[insert name of Bidder]* with office address at *[insert address]* an established and reputable Constructor of *[insert name and/or description of the Works]* for the bidding of *[insert name of the Project]* by the *[insert name of PROCURING ENTITY]* (hereinafter referred to as the "PROCURING ENTITY");
2. None of the *[officers / directors / controlling stockholders / members / owners]* of the *[name of the Bidder]* are related by consanguinity or affinity up to the third civil degree to the Head of the PROCURING ENTITY or any of the PROCURING ENTITY's officers or employees having direct access to information that may substantially affect the result of the bidding, such as, but not limited to, the members of the Bids and Awards Committee (**BAC**), the members of the Central Procurement Office (**CPO**), the BAC Secretariat, the members of the Project Management Office (**PMO**), and the designers of the project.
3. I am making this statement in compliance with Section 47 of the Implementing Rules and Regulations Part A of Republic Act 9184, and in accordance with the requirements of the *PROCURING ENTITY*
4. I understand and accept that any false statement in this respect will render *[name of the Bidder]*, and its authorized officers liable for prosecution to the full extent of the law.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, in the City of \_\_\_\_\_, Philippines.

\_\_\_\_\_  
Affiant

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, Philippines.

\_\_\_\_\_  
Notary Public

Doc. No. \_\_\_\_\_;  
Page No. \_\_\_\_\_;  
Book No. \_\_\_\_\_;  
Series of 20\_\_

CERTIFICATION ON BIDDER'S RESPONSIBILITIES

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

**SWORN STATEMENT**

I, \_\_\_\_\_ (Representative of the Bidder) \_\_\_\_\_, of legal age, \_\_\_\_\_ (civil status) \_\_\_\_\_, residing at \_\_\_\_\_ (Address) \_\_\_\_\_, under oath, hereby depose and say:

1. I am the \_\_\_\_\_ (Position) \_\_\_\_\_ of the \_\_\_\_\_ (Name of the Bidder) \_\_\_\_\_ and am duly authorized to make this statement in behalf of \_\_\_\_\_ (Name of the Bidder) \_\_\_\_\_;

2. With regard to the bidding of \_\_\_\_\_ (Name of the Contract) \_\_\_\_\_ of the \_\_\_\_\_ (Name of the Procuring Entity) \_\_\_\_\_, \_\_\_\_\_ (Name of the Bidder) \_\_\_\_\_ is attesting that it is responsible for:

- a) having taken steps to carefully examine all of the Bidding Documents;
- b) having acknowledged all conditions, local or otherwise affecting the implementation the contract;
- c) having made an estimate of the facilities available and needed for the contract to be bid, if any; and
- d) having complied with its responsibility as provided for under Section 22.5.1;

3. That I am making this statement as part of the bidding requirement for \_\_\_\_\_ (Name of the Contract) \_\_\_\_\_.

IN FAITH WHEREOF, I hereby affix my signature this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at \_\_\_\_\_, Philippines.

(Name of Representative of the Bidder)  
AFFIANT

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_, day of \_\_\_\_\_ 20\_\_, affiant exhibiting to me his/her Community Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_, Philippines.

(Notary Public) \_\_\_\_\_

Until \_\_\_\_\_  
PTR No. \_\_\_\_\_  
Date \_\_\_\_\_  
Place \_\_\_\_\_  
TIN \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

The Bidder's failure to observe any of the above responsibilities shall be at the risk of the prospective bidder or eligible bidder concerned. For this purpose, a bidder shall execute a sworn statement attesting to the foregoing responsibilities, to be submitted by the bidder as an annex to its technical proposal. (IRR-A Section 17.7.1)

Name of the Procuring Entity

## CERTIFICATE OF AUTHENTICITY

I, \_\_\_\_\_ (Representative of the Bidder) \_\_\_\_\_, of legal age, \_\_\_\_\_ (civil status) \_\_\_\_\_, Filipino residing at \_\_\_\_\_ (Address of the Representative) \_\_\_\_\_, under oath, hereby depose and say:

1. I am the \_\_\_\_\_ (Position in the Bidder) \_\_\_\_\_ of the \_\_\_\_\_ (Name of the Bidder) \_\_\_\_\_, with office at \_\_\_\_\_ (Address of the Bidder) \_\_\_\_\_ ;

2. That each of the documents submitted is an authentic and original copy or a true and faithful reproduction of the original, and complete and that all statements and information provided therein are true and correct;

3. That I am making this statement as part of the eligibility requirement of \_\_\_\_\_ (Name of the Bidder) \_\_\_\_\_ for \_\_\_\_\_ (Name of the Project Contract) \_\_\_\_\_.

IN FAITH WHEREOF, I hereby affix my signature this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
AFFIANT

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_, day of \_\_\_\_\_ 20 \_\_\_\_\_, affiant exhibiting to me his/her Community Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_, Philippines.

\_\_\_\_\_  
(Notary Public)

Until \_\_\_\_\_  
PTR No. \_\_\_\_\_  
Date \_\_\_\_\_  
Place \_\_\_\_\_  
TIN \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

*The prospective bidder or its duly authorized representative shall certify under oath that each of the documents submitted in satisfaction of the eligibility requirements is an authentic and original copy, or a true and faithful reproduction or copy of the original, and complete, and that all statements and information provided therein are true and correct. (IRR Section 23.8). This notarized certification shall be submitted as part of the eligibility envelopes.*

## OMNIBUS SWORN STATEMENT

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REPUBLIC OF THE PHILIPPINES )  
CITY/MUNICIPALITY OF \_\_\_\_\_ ) S.S.

### AFFIDAVIT

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

1. **Select one, delete the other:**

*If a sole proprietorship:* I am the sole proprietor of *[Name of Bidder]* with office address at *[address of Bidder]*;

*If a partnership, corporation, cooperative, or joint venture:* I am the duly authorized and designated representative of *[Name of Bidder]* with office address at *[address of Bidder]*;

2. **Select one, delete the other:**

*If a sole proprietorship:* As the owner and sole proprietor of *[Name of Bidder]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for *[Name of the Project]* of the *[Name of the Procuring Entity]*;

*If a partnership, corporation, cooperative, or joint venture:* I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Bidder]* in the bidding as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)]*;

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. **Select one, delete the rest:**

*If a sole proprietorship:* I am not related to the Head of the 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;

*If a partnership or cooperative:* None of the officers and members of *[Name of Bidder]* is related to the Head of the 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;

*If a corporation or joint venture:* None of the officers, directors, and controlling stockholders of *[Name of Bidder]* is related to the Head of the 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 Documents;
  - 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 *[Name of the Project]*.
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 activity.

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

\_\_\_\_\_  
Bidder's Representative/Authorized Signatory

\* This form will not apply for WB-funded projects.

**FOR CIVIL WORKS**

## LETTER OF NOMINEE FOR PROJECT MANAGER

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of *(name of project and location)*, I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Project Manager, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who was performed the same duties in the construction of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Project Manager to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, Special Provisions and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present at the jobsite to supervise the phase of construction work pertaining to his assignment as Project Manager all the time;
5. That, in order to guarantee that said Engineer shall manage and supervise properly and be personally present in the Project, he is hereby required to secure a certification of appearance from the DPWH Engineer at the end of every month. That I/we shall not start the work without the Project Manager at the jobsite;
6. That in the event that I/we elect or choose to replace the said Project Manager with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
7. That the name of the proposed new Project Manager, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
8. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.



Very truly yours,

---

(Contractor)

CONCURRED IN:

---

(Project Manager)

---

(Address)

## LETTER OF NOMINEE FOR PROJECT ENGINEER/RESIDENT ENGINEER

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of (*name of project and location*), I/we have the honor to submit and certify herewith, to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr./Ms. \_\_\_\_\_, hereinafter called the Project Engineer/Resident Engineer, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who was performed the same duties in the construction of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Project Engineer/Resident Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present at the jobsite to supervise the phase of construction work pertaining to his assignment as Project Engineer all the time;
5. That, in order to guarantee that said Engineer shall manage and supervise properly and be personally present in the Project, he is hereby required to secure a certification of appearance from the DPWH Engineer at the end of every month. That I/we shall not start the work without the Project Engineer at the jobsite;
6. That in the event that I/we elect or choose to replace the said Project Engineer/Resident Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
7. That the name of the proposed new Project Engineer/Resident Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and

8. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

---

(Contractor)

CONCURRED IN:

---

(Project Engineer/Resident Engineer)

---

(Address)

## LETTER OF NOMINEE FOR MATERIALS ENGINEER

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of (*project name and location*), I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr./Ms. \_\_\_\_\_, hereinafter called the Materials Engineer, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who was performed the same duties in the construction of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Materials Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present at the jobsite to supervise the phase of construction work pertaining to his assignment as Materials Engineer all the time;
5. That, in order to guarantee that said Engineer shall manage and supervise properly and be personally present in the Project, he is hereby required to secure a certification of appearance from the DPWH Engineer at the end of every month. That I/we shall not start the work without the Materials Engineer at the jobsite;
6. That in the event that I/we elect or choose to replace the said Materials Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
7. That the name of the proposed new Materials Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and

8. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

---

(Contractor)

CONCURRED IN:

---

(Materials Engineer)

---

(Address)

## LETTER OF NOMINEE FOR FOREMAN

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of *(name of project and location)*, I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Foreman, who has performed the same duties in the construction of the projects enumerated in his/her Certificate of Employment and Bio-Data;
2. That said person shall be appointed and designated by us as our Foreman to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Foreman shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Foreman shall be personally present at the jobsite to supervise the phase of construction work pertaining to his assignment as Foreman all the time;
5. That, in order to guarantee that said Foreman shall manage and supervise properly and be personally present in the Project, he is hereby required to secure a certification of appearance from the DPWH Engineer at the end of every month. That I/we shall not start the work without the Foreman at the jobsite;
6. That in the event that I/we elect or choose to replace the said Foreman, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
7. That the name of the proposed new Foreman, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and

8. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

---

(Contractor)

CONCURRED IN:

---

(Foreman)

---

(Address)

PROJECT MANAGER'S CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways

\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Project Manager on the \_\_\_\_\_, if awarded to him.

The following projects had been supervised by me as Project Manager (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am supervising the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Project Manager, I know I will have to stay in the Project all the time to supervise and manage the Project to the best of my ability, and am aware that I am authorized to handle only one (1) project at a time.



I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Project Manager if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Project Manager in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Project Manager)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_ ) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

PROJECT ENGINEER/S/RESIDENT ENGINEER/S CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways

\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Project Engineer/Resident Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been supervised by me as Project Engineer/Resident Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am supervising the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Project Engineer/ Resident Engineer, I know I will have to stay in the Project all the time to supervise and manage the Project to the best of my ability, and am aware that I am authorized to handle only ONE (1) project at a time.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Project Engineer/ Resident Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Project Engineer/ Resident Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Project Engineer)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

Doc. No. \_\_\_\_\_  
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Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

MATERIALS ENGINEER'S CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways

\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Materials Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been supervised by me as Project Materials Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am supervising the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHMENT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least TWENTY-ONE (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Materials Engineer, I know I will have to stay in the Project all the time to supervise and manage the Project to the best of my ability, and am aware that I am authorized to handle only ONE (1) project at a time.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Materials Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Materials Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Materials Engineer)

**DRY SEAL**

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
PTR No.

\_\_\_\_\_  
Until

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

**FOREMAN'S CERTIFICATE OF EMPLOYMENT**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

I hereby certify that Contractor \_\_\_\_\_ has engaged my services as Foreman on the \_\_\_\_\_, if awarded to him.

The following projects had been supervised by me as Foreman (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am supervising the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Foreman, I know I will have to stay in the Project all the time to supervise and manage the Project to the best of my ability, and am aware that I am authorized to handle only one (1) project at a time.

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Foreman if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Foreman in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Foreman)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

**BIO-DATA**

Proposed Position: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Name of Staff: \_\_\_\_\_

Profession: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Years with Firm/Entity: \_\_\_\_\_ Nationality: \_\_\_\_\_

Membership in Professional Societies: \_\_\_\_\_

---

Detailed Tasks Assigned: \_\_\_\_\_

---

**Key Qualifications:**

*[Give an outline of staff member's experience and training most pertinent to tasks on project. Describe degree of responsibility held by staff member on relevant previous projects and give dates and locations. Use about half a page.]*

---

**Education:**

*[Summarize college/university and other specialized education of staff members, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]*

---

**Employment Record:**

*[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of projects. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]*

---

**Languages:**

*[For each language, indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]*

---

**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member and authorized representative of the firm] Day/Month/Year*

Full name of staff member: \_\_\_\_\_

Full name of authorized representative: \_\_\_\_\_

**FOR DESIGN SERVICES**

**LETTER OF NOMINEE FOR SR. BRIDGE STRUCTURAL ENGINEER**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of *(name of project and location)*, I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr./Ms. \_\_\_\_\_, hereinafter called the Sr. Bridge Structural Engineer, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who has performed the same duties in the design of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Sr. Bridge Structural Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present during the Design Phase and any time and as the need arises at the jobsite during Construction Phase pertaining to his assignment as Sr. Bridge Structural Engineer;
5. That in the event that I/we elect or choose to replace the said Sr. Bridge Structural Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
6. That the name of the proposed new Sr. Bridge Structural Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
7. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

\_\_\_\_\_  
(Contractor)

CONCURRED IN:

\_\_\_\_\_  
(Sr.Bridge Structural Engineer)

---

(Address)

**LETTER OF NOMINEE FOR SR. HIGHWAY ENGINEER**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of *(name of project)*, I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Sr. Highway Engineer, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who has performed the same duties in the design of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Sr. Highway Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present during the Design Phase and any time and as the need arises at the jobsite during Construction Phase pertaining to his assignment as Sr. Highway Engineer;
5. That in the event that I/we elect or choose to replace the said Sr. Highway Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
6. That the name of the proposed new Sr. Highway Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
  
7. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

---

(Contractor)

CONCURRED IN:

---

(Sr. Highway Engineer)

---

(Address)

**LETTER OF NOMINEE FOR SR. HYDRAULIC/DRAINAGE ENGINEER**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of (name of project and location), I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Sr. Hydraulic/Drainage Engineer, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who has performed the same duties in the design of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Sr. Hydraulic/Drainage Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present during the Design Phase and any time and as the need arises at the jobsite during Construction Phase pertaining to his assignment as Sr. Hydraulic/Drainage Engineer;
5. That in the event that I/we elect or choose to replace the said Sr. Hydraulic/Drainage Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
6. That the name of the proposed new Sr. Hydraulic/Drainage Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
7. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

---

(Contractor)

CONCURRED IN:

\_\_\_\_\_  
(Sr. Hydraulic/Drainage Engineer)

\_\_\_\_\_  
(Address)

**LETTER OF NOMINEE FOR SR. GEOLOGIST**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_  
(Address)

Sir:



Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of *(name of project and location)*, I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Sr. Geologist, a registered Geologist with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who was performed the same duties in the design of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Geologist shall be appointed and designated by us as Sr. Geologist to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Geologist shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Geologist shall be personally present during the Design Phase and any time and as the need arises at the jobsite during Construction Phase pertaining to his assignment as Sr. Geologist;
5. That in the event that I/we elect or choose to replace the said Sr. Geologist with another Geologist, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
6. That the name of the proposed new Sr. Geologist, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
7. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

\_\_\_\_\_  
(Contractor)

CONCURRED IN:

\_\_\_\_\_  
(Sr. Geologist)

\_\_\_\_\_

(Address)

**LETTER OF NOMINEE FOR SR. LOCATING/GEODETIC ENGINEER**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of *(name of project and location)*, I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Sr. Locating/Geodetic Engineer, a registered Locating/Geodetic Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who was performed the same duties in the design of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Sr. Locating/Geodetic Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present during the Design Phase and any time and as the need arises at the jobsite during Construction Phase pertaining to his assignment as Sr. Locating/Geodetic Engineer;
5. That in the event that I/we elect or choose to replace the said Sr. Locating/Geodetic Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
6. That the name of the proposed new Sr. Locating/Geodetic Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
7. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

---

(Contractor)

CONCURRED IN:

\_\_\_\_\_  
(Sr. Locating/Geodetic Engineer)

\_\_\_\_\_  
(Address)

**LETTER OF NOMINEE FOR SR. GEOTECHNICAL/SOIL MATERIAL ENGINEER**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_  
(Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of (name of project and location), I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Sr. Geotechnical/Soil Materials Engineer, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who was performed the same duties in the design of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Sr. Geotechnical/Soil Materials Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, Special Provisions and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present during the Design Phase and any time and as the need arises at the jobsite during Construction Phase pertaining to his assignment as Sr. Geotechnical/Soil Materials Engineer;
5. That in the event that I/we elect or choose to replace the said Sr. Hydraulic/Drainage Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
6. That the name of the proposed new Sr. Geotechnical/Soil Materials Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
7. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

\_\_\_\_\_  
(Contractor)

CONCURRED IN:

---

(Sr. Geotechnical/Soil Materials Engineer)

---

(Address)

**LETTER OF NOMINEE FOR SR. SPECIFICATION WRITER/COST ENGINEER**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

Supplementing our Confidential Application Statement for Eligibility for the Proposed Construction of (name of project and location), I/we have the honor to submit and certify herewith to be true and correct, the following pertinent information:

1. That I/we have engaged and contracted the services of Mr. \_\_\_\_\_, hereinafter called the Sr. Specification Writer/Cost Engineer, a registered Civil Engineer with Professional License Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ and who has paid his Professional Tax for the current year, dated \_\_\_\_\_ and who was performed the same duties in the design of the projects enumerated in his/her Certificate of Employment and Bio-Data:
2. That said Engineer shall be appointed and designated by us as Sr. Specification Writer/Cost Engineer to personally perform the same duties in the above-mentioned Project, if and when the same is awarded in our favor;
3. That said Engineer shall employ the best care, skills and ability in performing his duties in accordance with the Contract Agreement, Conditions of Contract, Plans, Specifications, Special Provisions and other provisions embodied in the proposed Contract;
4. That said Engineer shall be personally present during the Design Phase and any time and as the need arises at the jobsite during Construction Phase pertaining to his assignment as Sr. Specification Writer/Cost Engineer;
5. That in the event that I/we elect or choose to replace the said Sr. Specification Writer/Cost Engineer with another Engineer, the Head, Implementing Office of the DPWH will be notified by us accordingly in writing at least twenty one (21) days before making replacement;
6. That the name of the proposed new Sr. Specification Writer/Cost Engineer, his qualifications, his experience, list of projects undertaken and other relevant information, shall be submitted to the DPWH for prior approval; and
7. That any willful violation on my/our part of the herein conditions may prejudice my/our standing as a reliable contractor in future bidding of the DPWH.

Very truly yours,

\_\_\_\_\_  
(Contractor)

CONCURRED IN:

---

(Sr. Specification Writer/Cost Engineer)

---

(Address)

SR. BRIDGE STRUCTURAL ENGINEER'S CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways

\_\_\_\_\_ (Address)

Sir:



I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Sr. Bridge Structural Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been designed by me as Sr. Bridge Structural Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am the Sr. Bridge Structural Engineer/Designer for the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Sr. Bridge Structural Engineer, I know I will have to stay in the Project during the Design Phase and any time during the construction phase of the project with the best of my ability as Sr. Bridge Structural Engineer.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Sr. Bridge Structural Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Sr. Bridge Structural Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Sr.Bridge Structural Engineer)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant  
exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at  
\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

PTR No. \_\_\_\_\_

Until \_\_\_\_\_

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SR. HIGHWAY ENGINEER'S CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways

\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Sr. Highway Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been designed by me as Sr. Highway Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am the Sr. Highway Engineer/Designer for the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Sr. Highway Engineer, I know I will have to stay in the Project during the Design Phase and any time during the construction phase of the project with the best of my ability as Sr. Highway Engineer.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Sr. Highway Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Sr. Highway Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Sr. Highway Engineer)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant  
exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at  
\_\_\_\_\_.

---

Notary Public

PTR No. \_\_\_\_\_

Until \_\_\_\_\_

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SR. HYDRAULIC/DRAINAGE ENGINEER'S CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways

\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Sr. Hydraulic/Drainage Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been designed by me as Sr. Hydraulic/Drainage Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am the Sr. Hydraulic/Drainage Engineer/Designer for the following on-going projects:

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Sr. Hydraulic/Drainage Engineer, I know I will have to stay in the Project during the Design Phase and any time during the construction phase of the project with the best of my ability as Sr. Hydraulic/Drainage Engineer.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Sr. Hydraulic/Drainage Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Sr. Hydraulic/Drainage Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Sr. Hydraulic/Drainage Engineer)

**DRY SEAL**

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

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**SR. GEOLOGIST'S CERTIFICATE OF EMPLOYMENT**

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

I am a licensed Geologist with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Sr. Geologist on the \_\_\_\_\_, if awarded to him.

The following projects have rendered my services as Sr. Geologist (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am the Sr. Geologist for the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Sr. Geologist, I know I will have to stay in the Project during the Design Phase and any time during the construction phase of the project with the best of my ability as Sr. Geologist.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Sr. Geologist if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Sr. Geologist in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Sr. Geologist)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

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SR. LOCATING/GEODETIC ENGINEER'S CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.



I hereby certify that \_\_\_\_\_ contracted my services as Sr. Locating/Geodetic Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been designed by me as Sr. Locating/Geodetic Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am the Sr. Locating/Geodetic Engineer for the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Sr. Locating/Geodetic Engineer, I know I will have to stay in the Project during the Design Phase and any time during the construction phase of the project with the best of my ability as Sr. Locating/Geodetic Engineer.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Sr. Locating/Geodetic Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Sr. Locating/Geodetic Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Sr. Locating/Geodetic Engineer)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant  
exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at  
\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

PTR No. \_\_\_\_\_

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SR. GEOTECHNICAL/SOIL MATERIALS ENGINEER'S CERTIFICATE OF  
EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways

\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on  
\_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Sr. Geotechnical/Soil Materials Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been designed by me as Sr. Geotechnical/Soil Materials Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am the Sr. Geotechnical/Soil Materials Engineer for the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Sr. Geotechnical/Soil Materials Engineer, I know I will have to stay in the Project during the Design Phase and any time during the construction phase of the project with the best of my ability as Sr. Geotechnical/Soil Materials Engineer.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Sr. Geotechnical/Soil Materials Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Sr. Geotechnical/Soil Materials Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
(Signature of Sr. Geotechnical/Soil Materials Engineer)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant  
exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at  
\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

PTR No. \_\_\_\_\_

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SR. SPECIFICATION WRITER~~s~~/COST ENGINEER~~s~~ CERTIFICATE OF EMPLOYMENT

\_\_\_\_\_ (Date)

The Honorable Secretary  
Department of Public Works and Highways  
\_\_\_\_\_ (Address)

Sir:

I am a licensed Civil Engineer with Professional License No. \_\_\_\_\_ issued on  
\_\_\_\_\_ at \_\_\_\_\_.

I hereby certify that \_\_\_\_\_ contracted my services as Sr. Specification Writer/Cost Engineer on the \_\_\_\_\_, if awarded to him.

The following projects had been designed by me as Sr. Specification Writer/Cost Engineer (mention only projects of same nature as aforesaid Contract);

NAME OF PROJECT	OWNER	COST	DATE COMPLETED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

At present, I am the Sr. Specification Writer/Cost Engineer for the following on-going projects:

NAME OF PROJECT	OWNER	COST	% ACCOMPLISHED
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

In case of my separation for any reason whatsoever from the above-mentioned Contractor, I shall notify the Department of Public Works and Highways at least twenty-one (21) days before the effective date of my separation.

I have read carefully and will abide by the conditions required of me in the Contractor's Confidential Application Statement for Pre-qualification of the above Contractor.

As Sr. Specification Writer/Cost Engineer, I know I will have to stay in the Project during the Design Phase and any time during the construction phase of the project with the best of my ability as Sr. Specification Writer/Cost Engineer.

I did not allow the use of my name for the purpose only of enabling the above-mentioned Contractor to qualify for the Project without any firm intention on my part to assume the post as Sr. Specification Writer/Cost Engineer if the Project is awarded to him since I understand that to do so will be a sufficient ground for my disqualification as Sr. Specification Writer/Cost Engineer in any future bidding or employment for any Contractor doing business with the Department of Public Works and Highways.

\_\_\_\_\_  
 (Signature of Sr. Specification Writer/Cost Engineer)

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant  
exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at  
\_\_\_\_\_.

---

Notary Public

PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

**Department of Public Works and Highways (DPWH)**

**Contract ID:**

**Contract Name :**

**Location of the Contract:**

---

**CONTRACTOR'S CERTIFICATION ON KEY PERSONNEL FOR THE CONTRACT**

Date of Issuance:

Name of Head of Procuring Entity:

Position:

Name of Procuring Entity:

Address:

Dear Sir/Madame:

Supplementing our Organizational chart for the above stated Contract, we submit, and certify as true and correct, the following information:

1. We have engaged the services of the following key personnel to perform the duties of the position indicated in the above stated Contract if it is awarded to us:

a. For Design Services

Proposed Position	Name	Minimum No. of Years of Experience in Similar Position
Sr. Bridge Structural Engineer		10
Sr. Highway Engineer		10
Sr. Hydraulic/Drainage Engineer		10
Sr. Geologist		10
Sr. Locating/Geodetic Engineer		10
Sr. Geotechnical/Soil Material Engineer		10
Sr. Specification Writer/Cost Engineer		10

b. Civil Works

Proposed Position	Name	Cost of Biggest Project Handled (PM)		Years of Experience	
		By Person	Min. Req'd	Of Person	Min. Req'd
Project Manager			50% of ABC		7
Project Engineer			50% of ABC		5
Materials Engineer			50% of ABC		4
Foreman			50% of ABC		5

2. We submit the enclosed affidavits of Commitment to work on the Contract of these key personnel.
3. We ensure that the abovementioned personnel shall employ their best care, skill, and ability in performing the duties of their respective positions in accordance with the provision of the contract, including the Conditions of Contract, specifications, and Drawings, and that they shall be personally present at the jobsite during the period of their assignment in the contract.
4. In event that we choose to replace any of the abovementioned key personnel, we shall submit to you in writing at least fourteen (14) days before making the replacement, for your approval, the name and bio data of the proposed replacement whose experience shall be equal to or better than the person to be replaced.
5. We understand that any violation of the above stated conditions shall be a sufficient ground for us to be disqualified from this Contract and future biddings of the DPWH.

Very Truly Yours,

Name and Signature of Bidder's Authorized Representative

**Department of Public Works and Highways**

**Contract ID:**

**Contract Name:**

**Location of the Contract:**

---

**KEY PERSONNEL'S AFFIDAVIT OF COMMITMENT TO WORK ON THE CONTRACT**

Date of Issuance:

Name of Head of Procuring Entity:

Position:

Name of Procuring Entity:



Address:

Dear Sir/Madame:

1. I conform that \_\_\_\_\_ has engage my services for the position of \_\_\_\_\_ in the above stated Contract if it is awarded to the Contractor.
2. I, Therefore, commit to assume the said position in the above stated Contract once it is awarded to the Contractor, and I shall employ the best care, skill, and ability to perform the duties of such position in accordance with the Conditions of Contract, Specifications, Drawings, and other provisions of the Contract Agreement. I am aware that I have to stay in the Jobsite for the duration of my assignment.

\_\_\_\_\_  
(Signature of Key Personnel)

**DRY SEAL**

REPUBLIC OF THE PHILIPPINES)  
CITY OF \_\_\_\_\_) S.S.

SUBSCRIBED AND SWORN TO BEFORE ME this \_\_\_\_\_ day of, affiant exhibiting to me his Residence Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
PTR No. \_\_\_\_\_  
Until \_\_\_\_\_

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

**FOR DESIGN SERVICES: TECHNICAL ASPECTS**  
(To be included as Supporting Documents in the First Envelope)

**TPF 1. DESIGNER'S REFERENCES**

---

**Relevant Services Carried Out That Best Illustrate Qualifications**

Using the format below, provide information on each project for which your firm/entity, either individually, as a corporate entity, or as one of the major companies within an association, was legally contracted.

Project Name:	Country:
Location within Country:	Professional Staff Provided by Your Firm/Entity(profiles):
Name of Client:	N <sup>o</sup> of Staff:

Address:		N <sup>o</sup> of Staff-Months; Duration of Project:
Start Date (Month/Year):	Completion Date (Month/Year):	Approx. Value of Services (in Current US\$):
Name of Associated Consultants, if any:		N <sup>o</sup> of Months of Professional Staff Provided by Associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:		
Narrative Description of Project:		
Description of Actual Services Provided by Your Staff:		

Consultant's Name: \_\_\_\_\_

**TPF 2. COMMENTS AND SUGGESTIONS OF DESIGNER ON THE TERMS OF REFERENCE, MINIMUM PERFORMANCE STANDARDS AND SPECIFICATIONS (MPSS), AND DATA PROVIDED BY THE PROCURING ENTITY**

---

Terms of Reference

- 1.
- 2.
- 3.

Minimum Performance Specifications and Parameters:

1.

2.

3.

Data Provided by the Procuring Entity:

1.

2.

3.

**TPF 3. DESCRIPTION OF METHODOLOGY AND WORK PLAN FOR PERFORMING  
THE PROJECT**

---

**TPF 4. TEAM COMPOSITION AND TASKS**

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<b>1. Technical/Managerial Staff</b>		
Name	Position	Task

<b>2. Support Staff</b>		
Name	Position	Task

**TPF 5. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF**

---

Proposed Position: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Name of Staff: \_\_\_\_\_

Profession: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Years with Firm/Entity: \_\_\_\_\_ Nationality: \_\_\_\_\_

Membership in Professional Societies: \_\_\_\_\_

---

Detailed Tasks Assigned: \_\_\_\_\_

---

**Key Qualifications:**

*[Give an outline of staff member's experience and training most pertinent to tasks on project. Describe degree of responsibility held by staff member on relevant previous projects and give dates and locations. Use about half a page.]*

---

**Education:**

*[Summarize college/university and other specialized education of staff members, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]*

---

**Employment Record:**

*[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of projects. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]*

---

**Languages:**

[For each language, indicate proficiency: excellent, good, fair, or poor in speaking, reading, and writing.]

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**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member and authorized representative of the firm] Day/Month/Year*

Full name of staff member: \_\_\_\_\_

Full name of authorized representative: \_\_\_\_\_

**Commitment:**

I, the undersigned, hereby confirm that I am exclusively committed with *[Name of Consultant]*. I firmly commit to assume the post of {Propose Position} for the *[Name of Project]*, and that I will fully be available to undertake the complete assignment in the Technical Proposal.

\_\_\_\_\_  
Signature over Printed Name

SUBSCRIBED AND SWORN to before me this *[Date]* at *[Place]* affiant having exhibited to me his Community Tax No. \_\_\_\_\_ issued on *[Date]* at *[Place]*.

Doc. No \_\_\_\_\_;  
Page No \_\_\_\_\_;  
Book No \_\_\_\_\_;  
Series \_\_\_\_\_

**TPF 6. TIME SCHEDULE FOR PROFESSIONAL PERSONNEL**

			Months (in the Form of a Bar Chart)												
Name	Position	Reports Due/Activities	1	2	3	4	5	6	7	8	9	10	11	12	Number of Months
															Subtotal (1)
															Subtotal (2)
															Subtotal (3)
															Subtotal (4)

Full-time: \_\_\_\_\_  
 Reports Due: \_\_\_\_\_  
 Activities Duration: \_\_\_\_\_  
 Location \_\_\_\_\_

Part-time: \_\_\_\_\_

Signature: \_\_\_\_\_  
 (Authorized representative)

Full Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Address: \_\_\_\_\_



## TPF 7. ACTIVITY (WORK) SCHEDULE

### A. Field Investigation and Study Items

	<i>[1st, 2nd, etc. are months from the start of project.]</i>												
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	
Activity (Work)													
_____													
_____													
_____													
_____													

### B. Completion and Submission of Reports

Reports	Date
1. Inception Report	
2. Interim Progress Report (a) First Status Report (b) Second Status Report	
3. Draft Report	
4. Final Report	

FOR DESIGN SERVICES: FINANCIAL ASPECTS  
(TO BE INCLUDED AS SUPPORTING DOCUMENTS IN THE SECOND  
ENVELOPE)

## **FPF 1. SUMMARY OF COSTS**

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**APPENDIX A OF MPSS (SECTION VI)**

## SCHEDULE OF MINIMUM TEST REQUIREMENTS FOR CONSTRUCTION

For the information of the Bidders and the Winning Bidder, below is the schedule of minimum test requirements of the DPWH Bureau of Research and Standards based on the DPWH Standard Specifications for Highways, Bridges and Airports, Volume II, 2004, otherwise known as the Blue Book. These test requirements will be used for the applicable items of work and materials in the Winning Bidder's Construction Works under the *[name of project]*.

If any Construction items of work or materials proposed by the Winning Bidder are not covered by the Blue Book, these items of work or materials, together with the corresponding technical test requirements, must first be certified by the Project Consultant and approved by the DPWH before they are used in the Project.

ITEMS OF WORK	MINIMUM TEST REQUIREMENTS
<b>PART C - EARTHWORK</b>	
Item 100 ó Clearing and Grubbing	None
Item 101 ó Removal of Structure and Obstruction	None
Item 103 ó Structure Excavation If excavated materials are wasted, the volume involved shall be reported so that Quality control requirements may be adjusted accordingly. Submittal Project Engineer's Certificate Waste	If excavated materials are incorporated into the work: For every 1,500 cu. m or fraction thereof: 1-G , Grading Test 1-P, Plasticity Test 1-C, Laboratory Compaction Test For every 150 mm layer in uncompacted depth: 1-D, Field Density
Item 104 ó Embankment	Same test as specified in item 103 of the Specs.
Item 105 ó Sub-grade Preparation	Same test as for Item 104
Item 106 ó Compaction Equipment and Density Control Strips	Same test as for Item 104, 105, 200, 201, 202, 203, 204, 205, 206 and 300.
Item 107 - Overhaul	None
<b>PART D – SUBBASE AND BASE COURSE</b>	
Item 200 ó Aggregate Subbase Course	For every 1,500 cu.m. of fraction thereof: 1-Q, Quality Test for Grading, Plasticity and Abrasion For every 300 cu. m or fraction thereof: 1-G, Grading Test 1-P, Plasticity Test For every 1,500 cu. m or fraction thereof: 1-C, Laboratory Compaction Test For every 2,500 cu. m or fraction thereof: 1-CBR, California Bearing Ratio Test For every layer of 150 mm of compacted depth/based on the result of compaction trials: At least one group of three in-situ density test for each 500 sq. m. of fraction thereof.
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
Item 201 ó Aggregate Base Course	For every 300 cu. m or fraction thereof: 1-G, Grading test

	<p>1-P, Plasticity Test (LL, PL, PI)  For every 1,500 cu. m or fraction thereof:  1-Q, Quality Test for Grading, Plasticity and Abrasion  1-C, Laboratory Compaction Test  For every 2,500 cu. m or fraction thereof:  1-CBR, California Bearing Ratio Test  For every layer of 150 mm of compacted depth/based on the results of compaction trials:  At least one group of three in-situ density tests from each 500 sq. m or fraction thereof.</p>
Item 202 ó Crushed Aggregate Base Course	<p>Same test as for Item 201.  For every 1,500 cu. m or fraction thereof:  1-F, fractured face</p>
Item 203 ó Lime Stabilized Road Mix Base Course	<p>A. Soil Aggregate  For every 300 cu. m or fraction thereof:  1-G, Grading test  1-P, Plasticity Test (LL, PL, PI)  For every 1,500 cu. m or fraction thereof:  1-Q, Quality Test for Grading, Plasticity and Abrasion  B. Mix  For every 300 cu. m or fraction thereof:  1-C, Laboratory Compaction Test  1-UC, Unconfined Compression Test  1-CBR, California Bearing Ratio Test  C. Compacted Base Course  For every layer of 150 mm of compacted depth:  1-D, Field Density Test for every 150 m or fraction thereof.  D. Hydrated Lime  For every 100 tons of fraction thereof  1-Q, Quality Test</p>
Item 204 ó Portland Cement Stabilized Road Mix Base Course Amount of Cement to be added : 6 to 10 mass % of dry soil aggregate	<p>A. Soil Aggregate: Same test as for Item 203.  B. Cement:  1-Q, Quality Test for every 2,000 bags or fraction thereof.  C. Water  1-Q, Quality Test/Project Engineer's Certificate  D. Mix</p>
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
	<p>For every 300 cu. m or fraction thereof:  1-C, Laboratory Compaction Test  1-UC, Unconfined Compression Test  1-CBR, California Bearing Ratio Test  E. Compacted Base Course  For every layer of 150 of compacted depth:  1-D, Field Density Test for every 150 m or fraction thereof.  1-T, Thickness Determination for every 150 m or fraction thereof:</p>
Item 205 ó Asphalt stabilized Road Mix Base Course	<p>A. Soil Aggregate: Same tests as for Item 203.  B. Emulsified Asphalt:  1-Q, Quality Test for every 40 to 200 drums or fraction thereof.  C. Mix: Same tests as for Item 203.  D. Compacted Base Course: Same tests as for Item 203.</p>

Item 206 ó Portland Cement Treated Plant Mix Base Course	<p>A. Soil Aggregate: Same tests as for Item 203.</p> <p>B. Cement: For every 2,000 bags or fraction thereof: 1-Q, Quality Test</p> <p>C. Water 1-Q, Quality Test/Project Engineer's Certificate</p> <p>D. Mix: Same tests as for Item 204</p> <p>E. Compacted Base Course For every layer of 150 mm of compacted depth: 1-D, Field Density Test for every 150 m or fraction thereof. 1-T, Thickness Determination for every 150 m or fraction thereof:</p>
Item 207 ó Aggregate Stockpile	Same tests as Specified in Item No. 207 of the Specs.
<b>PART E – SURFACE COURSE</b>	
Item 300 ó Aggregate Surface Course	<p>For every 1,500 cu.m. or fraction thereof: 1-Q, Quality Test for Grading, Plasticity and Abrasion</p> <p>For every 300 cu. m or fraction thereof: 1-G, Grading test 1-P, Plasticity Test (LL, PL, PI)</p> <p>For every 1,500 cu. m or fraction thereof: 1-C, Compaction Test for Grading, Plasticity and Abrasion</p> <p>For every layer of 150 mm of compacted depth/based on the results of compaction trials: At least one group of three in-situ density test for each 500 sq. m or fraction thereof.</p> <p>For Crushed Gravel or Crushed Stone, 1,500 cu. m of fraction thereof: 1-F, Fractured Face</p>

<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
Item 301 ó Bituminous Prime Coat	<p>Quantity: 1 to 2 liters/sq. m</p> <p>1-Q, Quality Test for every 40 tons or 200 drums</p>
Item 302 ó Bituminous Tack Coat	<p>Quantity: 0.2 to 0.7 liters/sq. m</p> <p>1-Q, Quality Test for every 40 tons or 200 drums</p>
Item 303 - Bituminous Seal Coat	<p>A. Bituminous Materials Quantity: 0.2 to 1.5 liters/sq. m 1-Q, Quality Test for every 40 tons or 200 drums</p> <p>B. Cover Aggregate Quantity: From 5 to 14 kg/sq. m For every 75 cu. m /200 kg or fraction thereof: 1-G, Grading test</p>
Item 304 ó Bituminous Surface Treatment	<p>A. Aggregates Quantity: Using Cut-Back Asphalt or Asphalt Cement ó 13.6 to 38.0 kg/sq. m</p>

	<p>Using Emulsified Asphalt ó 13.6 to 19.04 kg/sq. m  For every 75 cu. m /200 kg or fraction thereof:  1-G, Grading test  1-P, Plasticity Test (LL, PL, PI)  For every 1,500 cu. m or fraction thereof:  1-Q, Quality Test for Grading, Plasticity, Abrasion,  Stripping and Bulk Specific Gravity  1-F, Fractured Face  B. Bituminous Materials  Quantity:  Using Cut-Back Asphalt or Asphalt Cement ó 1.58 to  2.04 kg/sq. m  Using Emulsified Asphalt ó 1.58 to 2.04 kg/sq. m  Same test as for Item 301.</p>
<p>Item 305 ó Bituminous Penetration  Macadam Pavement</p>	<p>A. Aggregates  Quantity:  1. Using Asphalt Cement or Rapid Curing  Course (Crushed) ó 90 kg/sq. m  Key (Crushed) ó (13 &amp; 11) ó 24 kg/sq. m  Cover (Crushed &amp; Screened) ó 8 kg/sq. m  2. Using Emulsified Asphalt ó 13.6 to 19.04 kg/sq. m  Course (Crushed) ó 90 kg/sq. m  Choker (Crushed) ó 10 kg/sq. m  Key (Crushed) ó (13 &amp; 11) ó 18 kg/sq. m  Cover (Crushed &amp; Screened) ó 8 kg/sq. m  Same test as for Item 304  B. Bituminous Materials  Quantity: 7.2 to 11 liters/sq. m</p>
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
<p>Item 306 ó Bituminous Road Mix  Surface Course</p>	<p>A. Aggregates  Same test as for Item 304  B. Bituminous Materials  Quantity:  1. Using Cut-Back Asphalt ó 4.5 to 7.0 mass % of total  dry aggregate  2. Using Emulsified Asphalt ó 6.0 to 10.0 mass % of  total dry aggregate.  Same test as for Item 301  C. Mix  Test: For every 75 cu. m/130 tons or fraction thereof:  1-G, Grading test  1-Extr, Extraction  1-Sty, Stability  1-C, Laboratory Compaction  D. Hydrated Lime  For every 100 tons or fraction thereof:  Tests: 1-Q, Quality Test  E. Compacted Pavement</p>

	<p>For every full day's operation:  Test: D &amp; T, Density and Thickness Tests ó at least 1 but not more than 3 samples shall be taken.</p>
Item 307 ó Bituminous Plant Mix Surface Course General	<p>A. Aggregates  For every 75 cu. m/200 tons or fraction thereof:  1-G &amp; P, Grading and Plasticity Tests  For every 1,500 cu. m or fraction thereof:  1-Q, Quality Test for Grading, Plasticity, Abrasion, Stripping and Bulk Specific Gravity  1-F, Fractured Face</p> <p>B. Bituminous Materials  Quantity: 5.0 to 8.0 mass % of total dry aggregate  Test: 1-Q, Quality Test for each 40 tons or fraction thereof.</p> <p>C. Mix  For every 75 cu. m/130 tons or fraction thereof:  1-G, Grading test  1-Extr, Extraction  1-Sty, Stability  1-C, Laboratory Compaction</p> <p>D. Hydrated Lime  For every 100 tons or fraction thereof:  Tests: 1-Q, Quality Test</p>
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
	<p>E. Mineral Filler  For every 75 cu. m or fraction thereof:  1-G &amp; P, Grading and Plasticity Tests (LL, PL, PI)  For each full day's operation:  D &amp; T, Density and Thickness Tests ó at least 1 but not more than 3 samples shall be taken.</p>
Item 308 ó Cold Asphalt Plant Mix	<p>A. Aggregates  Same Tests as for Item 307</p> <p>B. Bituminous Materials  Quantity:  1. Using Cut-Back Asphalt ó 4.5 to 7.0 mass % of total dry aggregate  2. Using Emulsified Asphalt ó 6.0 to 10.0 mass % of total dry aggregate.  Test: 1-Q, Quality Test for each 40 tons or 200 drums or fraction thereof.</p> <p>C. Mix  Same test as for Item 307</p> <p>D. Hydrated Lime  Same test as for Item 307</p> <p>E. Mineral Filler  For every 75 cu. m or fraction thereof:</p>



	1-G & P, Grading and Plasticity Tests (LL, PL, PI) F. Compacted Pavement Same test as for Item 307
Item 309 ó Bituminous Plant Mix (Stockpile Maintenance Mixture)	A. Aggregates Same test as for Item 307 B. Bituminous Materials Quantity: 4 to 10 mass % of total mix Test: 1-Q, Quality Test for each 40 tons or 200 drums or fraction thereof. C. Mix Same test as for Item 307 D. Hydrated Lime Same test as for Item 307 E. Mineral Filler Same test as for Item 307 F. Compacted Pavement Same test as for Item 307
Item 310 ó Bituminous Concrete Surface Course, Hot Laid	A. Aggregates Same test as for Item 307 B. Bituminous Materials Quantity: 5 to 8 mass % of total dry aggregates Test: 1-Q, Quality Test for each 40 tons or 200 drums or fraction thereof.
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
	C. Mix Same test as for Item 307 D. Hydrated Lime Same test as for Item 307 E. Mineral Filler Same test as for Item 307 F. Compacted Pavement Same test as for Item 307
Item 311 ó Portland Cement Concrete Pavement	A. Cement Quantity: 9.00 bags/cu. m (40 kg/bag) Test: For every 2,000 bags or fraction thereof 1-Q, Quality Test B. Fine Aggregate Quantity: 1. 0.5 cu. m/cu. m of concrete if rounded coarse aggregate is used. 2. 0.54 cu. m/cu. m of concrete if angular coarse aggregate id used. Tests: for every 1,500 cu. m or fraction thereof a. For a source not yet tested or that failed in previous quality tests: 1-Q, Quality Test for Grading, Elutriation (Wash), Bulk

	<p>Specific Gravity, Absorption, Mortar Strength, Soundness, Organic Impurities, Unit Weight, %Clay Lumps and Shale.</p> <p>b. For a source previously tested and that passed quality test: 1-Q, Quality Test for Grading, Elutriation (Wash), Bulk Specific Gravity, Absorption, Mortar Strength For every 75 cu. m or fraction thereof: 1-G, Grading test</p> <p>C. Coarse Aggregate Quantity: 1.0.77 cu. m/cu. m of concrete if rounded coarse aggregate is used. 2.0.68 cu. m/cu. m of concrete if angular coarse aggregate is used. Tests: for every 1,500 cu. m or fraction thereof a. For a source not yet tested or that failed in previous quality test: 1-Q, Quality Test for Grading, Bulk Specific Gravity, Absorption, Abrasion and Unit Weight</p>
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
	<p>b. For a source previously tested and that passed quality test: 1-Q, Quality Test for Grading, Absorption, Bulk Specific Gravity and Abrasion. For every 75 cu. m or fraction thereof: 1-G, Grading test</p> <p>D. Water Tests: 1-Certificate from Project Engineer 1-Q, Quality Test, if source is questionable.</p> <p>E. Joint Filler 1. Poured Joint Filler 1-Q, Quality Test on each type of ingredient for each shipment. 2. Premolded Joint Filler 1-Q, Quality Test on each thickness of filler for each shipment</p> <p>F. Special Curing Agents 1-Q, Quality Test for each shipment</p> <p>G. Steel Bars For every 10,000 kg or fraction thereof for each size: 1-Q, Quality Test for Bending, Tension and Chemical Analysis.</p> <p>H. Concrete Flexural Strength Test on Concrete Beam Sample 1-set consisting of 3 beam samples shall represent a 330 sq. m. of pavement, 230 mm depth or fraction thereof placed each day. Volume of concrete not more than 75 cu. m</p> <p>I. Completed Pavement Thickness determination by concrete core drilling on</p>

	a lot basis. 5 holes per km per lane or 5 holes per 500 m when 2 lanes are poured concurrently.
<b>PART F – BRIDGE CONSTRUCTION</b>	
Item 400 - Piling	A. Concrete Piles 1. Concrete: Same tests as for Item 405. 2. Reinforcement Steel: Same tests as for Item 404. B. Structural Piles 1-Q, Quality Test/Mill Test Certificate 1-IR, Inspection Report
Item 401 - Railings	A. Concrete: Same tests as for Item, 405, Class C B. Reinforcement Steel: same tests as for Item 404.
Item 403 ó Metal Structures	1-Q, Quality Test/Mill Test Certificate for each type of material used.
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
	1-IR, Inspection Report for each type and shipment of Metal used
Item 404 ó Reinforcement Steel	A. Bar Reinforcement for Concrete for every 10,000 kg or fraction thereof for each size: 1-Q, Quality Test for Bending, Tension and Chemical Analysis B. Wire and Wire Mesh 1-Q, Quality Test
Item 405 ó Structural Concrete	A. Cement Quantity: (40 kg/bag) Class A ----- 9.0 bags/cu. m of concrete Class B ----- 8.0 bags/cu. m of concrete Class C ----- 9.5 bags/cu. m of concrete Class P ----- 11.0 bags/cu. m of concrete Tests: for every 2,000 bags or fraction thereof 1-Q, Quality Test B. Fine Aggregate Quantity: cu. m/cu. m of concrete For Rounded For Angular Class A ----- 0.50 ----- 0.54 Class B ----- 0.45 ----- 0.52 Class C ----- 0.53 ----- 0.50 Class P ----- 0.44 ----- 0.47 Tests: for every 1,500 cu. m or fraction thereof a. For a source not yet tested or that failed in previous quality tests: 1-Q, Quality Test for Grading, Elutriation (Wash), Bulk Specific Gravity, Absorption, Mortar Strength, Soundness, Organic Impurities, Unit Weight, %Clay Lumps and Shale. b. For a source previously tested and that passed quality test: 1-Q, Quality Test for Grading, Elutriation (Wash), Bulk Specific Gravity, Absorption and Mortar Strength.

	<p>For every 75 cu. m or fraction thereof:  1-G, Grading Test  C. Coarse Aggregate  Quantity: cu. m/cu. m of concrete</p> <table style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: center;">For Rounded</td> <td style="text-align: center;">For Angular</td> </tr> <tr> <td>Class A -----</td> <td style="text-align: center;">0.77 -----</td> <td style="text-align: center;">0.68 -----</td> </tr> <tr> <td>Class B -----</td> <td style="text-align: center;">0.82 -----</td> <td style="text-align: center;">0.73 -----</td> </tr> <tr> <td>Class C -----</td> <td style="text-align: center;">0.70 -----</td> <td style="text-align: center;">0.68 -----</td> </tr> <tr> <td>Class P -----</td> <td style="text-align: center;">0.68 -----</td> <td style="text-align: center;">0.65 -----</td> </tr> </table>		For Rounded	For Angular	Class A -----	0.77 -----	0.68 -----	Class B -----	0.82 -----	0.73 -----	Class C -----	0.70 -----	0.68 -----	Class P -----	0.68 -----	0.65 -----
	For Rounded	For Angular														
Class A -----	0.77 -----	0.68 -----														
Class B -----	0.82 -----	0.73 -----														
Class C -----	0.70 -----	0.68 -----														
Class P -----	0.68 -----	0.65 -----														
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>															
	<p>Tests: for every 1,500 cu. m or fraction thereof  a. For a source not yet tested or that failed in previous quality tests:  1-Q, Quality Test for Grading, Bulk Specific Gravity, Absorption, Abrasion and Unit Weight.  c. For a source previously tested and that passed quality test:  1-Q, Quality Test for Grading, Absorption, Bulk Specific Gravity and Abrasion.  For every 75 cu. m or fraction thereof:  1-G, Grading Test  D. Water  1-Certificate from Project Engineer  1-Q, Quality Test, if source is questionable.  E. Premolded Filler for expansion joints  1-Q, Quality Test on each thickness of filler for each shipment  F. Steel Reinforcement  1-Q, Quality Test for every 10,000 kg or fraction thereof.  G. Concrete  Compressive strength on concrete cylinder samples. 1 set consisting of 3 concrete cylinder samples shall be taken from each day's pouring and to represent not more than 75 cu. m or fraction thereof.</p>															
Item 406 ó Prestressed Concrete Structures	<p>A. Concrete : Same tests as Item 405, Class P  B. Reinforcing Steel: Same tests as Item 404  C. Wire Strand  1-Q, for every 20 tons or fraction thereof.</p>															
Item 407 ó Concrete Structures	<p>Same tests as for Items 403, 404, 405 and 411.  Elastomeric Bearing Pad will be tested to determine its quality.</p>															
Item 408 ó Steel Bridges	<p>Same tests as for Items 403 and 411.  Painting:  1-Q, One 20-liter can for every 100 cans or fraction</p>															

	thereof, or 1-Q, One 4-liter can for every 100 cans or fraction thereof.
Item 409 ó Welded Structural Steel	Same tests as for Item 403 and Inspection Report.
Item 411 - Paint	1-Q, One 20-liter can for every 100 cans or fraction thereof, or 1-Q, One 4-liter can for every 100 cans or fraction thereof.
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
<b>DRAINAGE AND SLOPE PROTECTION</b>	
Item 500 ó Pipe Culverts and Storm Drains	A. Pipes Pipe for every 50 pieces: Strength, Absorption and Dimension. Alternative Requirements: 1-set consisting of 3 concrete cylinder samples for not more than 25 pipes cast in the field and 1-Inspection Report for each size for not more than 25 pipes cast in the field. B. Mortar for Joint Cement, Fine Aggregates and Water ó Same tests as for Item 405.
Item 501 - Underdrains	A. Concrete Pipe (Non-Reinforced) 0.5% of the number of pipes of each size but not less than 2, for strength, Absorption and Dimension. Alternative Requirements: 1-set consisting of 3 concrete cylinder samples for not more than 25 pipes cast in the field and 1-Inspection Report for each size for not more than 25 pipes cast in the field. B. Clay Pipe I-Pipe for every 200 pieces each size, with a minimum of 2 specimens for Strength, Absorption and Dimension.
Item 502 ó Manholes, Inlets and Catch Basins	A. Concrete Same tests as for item 405, Class A B. Lids, Cast Iron Frames and Grating Inspection Report
Item 503 ó Cleaning and Reconditioning Existing Drainage Structures	Inspection Report
Item 504 ó Riprap ó Grouted Riprap	Same tests as for Item 505
Item 505 ó Stone Masonry	A. Cement Quantity: 2 bags/cu. m of concrete Tests: for every 2,000 bags or fraction thereof 1-Q, Quality Tests B. Fine Aggregate

	<p>Quantity: 0.17 cu. m/cu. m of concrete.  Tests: for every 2,000 bags or fraction thereof.  1-Q, Quality Test ó same as for Item 405.  For every 75 cu. m or fraction thereof.</p> <p>C. Stone  Inspection report</p> <p>D. Water  1-Certificate from Project Engineer  1-Q, Quality Test, if source is questionable.</p>
<b>ITEMS OF WORK</b>	<b>MINIMUM TEST REQUIREMENTS</b>
Item 506 ó Hand-Laid Rock Embankment	Inspection Report
Item 507 ó Sheet Piles	<p>A. Concrete Sheet Piles  Same tests as for Item 404.</p> <p>B. Steel Sheet Piles  Same tests as for Item 403.</p>
Item 508 ó Concrete Slope Protection	<p>A. Bed Course  Same tests as for Item 200.</p> <p>B. Steel Reinforcement  Same tests as for Item 404.</p> <p>C. Concrete  Same tests as for Item 404.</p>
Item 509 - Gabions	1-Q, Quality Test for each shipment
<b>PART H – MISCELLANEOUS STRUCTURES</b>	
Item 600 ó Curb and Gutter	<p>A. Concrete  Quantity:  0.078 cu. m/m (Curb only)  0.092 cu. m/m (Curb and Gutter, Type A)  0.149 cu. m/m (Curb and Gutter, Type B)  0.074 cu. m/m (Curb and Gutter, Type C)  Same tests as for Item 405.</p> <p>B. Joint Filler  Same tests as for Item 311.</p>
Item 601 - Sidewalk	<p>A. Concrete  Same tests as for Item 405, Class A.</p> <p>B. Premolded Expansion Joint Filler  Same tests as for Item 311.</p>
Item 602 ó Monuments, Markers and Guide Posts	<p>A. Concrete  Same tests as for Item 405.</p> <p>B. Reinforcement Steel  Same tests as for Item 404.</p> <p>C. Paint  Same tests as for Item 411.</p>
Item 604 - Fencing	<p>A. Barbed Wire, Chain Link Fabric  1-Q, Quality Test</p>

	B. Concrete Post Same tests as for Item 405. Steel Reinforcement: Same tests as for Item 404.
Item 605 ó Road Sign (Reflective Sheets)	Quantity: 6 pieces of 1 inch x 6 inch reflective sheets Test Perform: 1 ó Adhesion Test 1 ó Solvent Resistant Test Resistance to Heat Thickness of Sheeting Reflectivity

ITEMS OF WORK	MINIMUM TEST REQUIREMENTS
Item 606 ó Pavement Markings (Thermoplastic Paint)	Quantity: 1 Quality Test per 100 bags or fraction thereof: A. Physical Properties 1. Condition in Container 2. Specific Gravity 3. Drying Time (min.) 4. Softening Point  B. Paint Composition 1. Total Dry Solids, % 2. Titanium Dioxide, % 3. Extenders (Fillers), % 4. Binders, % 5. Glass Beads, % 6. Grading, % Passing
Item 607 ó Reflective Pavements Studs	Quantity: 3 samples per 10,000 pcs. Test: 1 Compression Test
Item 608 - Topsoil	Inspection Report
Item 609 - Sprigging	Inspection Report
Item 610 - Sodding	Inspection Report
Item 611 ó Tree Planting	Inspection Report
Item SPL 614ó Street Lighting including Footing, Steel poles, wires, conduits and etc.	A. Wires and Cables 1. Perform Continuity Test; 2. Perform Insulation Resistance Test. B. Molded Case Circuit Breakers Visual and Mechanical Inspection: 1. Compare nameplate data with specifications and approved shop drawings; 2. Inspect circuit breaker for correct mounting; 3. Operate circuit breaker to ensure smooth operation; 4. Inspect case for cracks or other defects; 5. Inspect all bolted electrical connections for high resistance using low resistance ohmmeter, verifying tightness of accessible bolted connections and/or cable connections by calibrated torque-wrench method, or performing thermographic survey; 6. Inspect mechanism contacts. Electrical Tests:  1. Perform contact-resistance tests; 2. Perform insulation-resistance tests.

	<p>C. Time Switch and Contactors</p> <p>1. Field Quality Control: Upon completion of installation, verify that equipment is properly installed, connected, and adjusted. Conduct an operating test to show that equipment operates in accordance with requirements.</p>
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ITEMS OF WORK	MINIMUM TEST REQUIREMENTS
	<p>D. Lighting Fixtures</p> <p>Field Testing: Demonstrate that all lighting fixtures and their accessories operate satisfactorily in the presence of the Owner. Perform operational tests in accordance with referenced standards in this specifications.</p> <p>E. Project Engineers Inspection Report.</p>
<b>PART I – MATERIAL DETAILS</b>	
Item 700 ó Hydraulic Cement	Same tests as for Item 405.
Item 701 ó Construction Lime (Hydrated)	1-Q, Quality Test for every 100 tons or fraction thereof.
Item 702 ó Bituminous Materials	Same tests as for Items 301, 302, 303, 306, 307, 308, 309 and 310.
Item 703 - Aggregates	Same tests as for Item of work specified in the Bill of Quantities.
Item 703A ó Mineral Filter	Same tests as for Item 405.
Item 704 ó Masonry Units	1-Q, Quality Test for every 10,000 units or fraction thereof.
Item 705 ó Joint Materials	Same tests as for Items 311 and 500.
Item 706 ó Concrete, Clay, Plastic and Fiber Materials	<p>A. Concrete Pipes</p> <p>Same tests as for Item 500.</p> <p>B. Clay and Other Types of Pipes</p> <p>Refer to applicable requirements of AASHTO Tests and Specifications.</p>
Item 707 ó Metal Pipe	Same tests as for Item 400.
Item 708 ó Chemical Admixtures for Concrete	1-Q, Quality Test for each shipment
Item 709 - Paints	Same tests as for Item 411.
Item 710 ó Reinforcing Steel and Wire Rope	<p>A. Reinforcing Steel</p> <p>Same tests as for Item 404.</p> <p>B. Wire Rope</p> <p>Same tests as for Item 406.</p>
Item 711 ó Fence and Guardrail	<p>A. Fence</p> <p>Same tests as for Item 604.</p> <p>B. Guardrail</p> <p>Same tests as for Item 603.</p>
Item 712 ó Structural Metal	Same tests as for Items 403 and 409
Item 713 - Water	<p>1-Certificate from Project Engineer</p> <p>1-Q, Quality Test, if source is questionable.</p>



