

PHILIPPINE BIDDING DOCUMENTS

(As Harmonized with Development Partners)

Procurement of INFRASTRUCTURE PROJECTS

**RENOVATION OF 16TH FLOOR DOTC
CONFERENCE ROOM**

Government of the Republic of the Philippines

**Fourth Edition
December 2010**

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Section I. Invitation to Bid



INVITATION TO BID FOR RENOVATION OF 16TH FLOOR DOTC CONFERENCE ROOM

The Department of Transportation and Communications (DOTC), through its Bids and Awards Committee (BAC), invites contractors registered with and classified by the Philippine Contractors Accreditation Board (PCAB) to join in the procurement of the herein project:

	Name of Project	:	Renovation of 16th Floor DOTC Conference Room	
	Brief Description	:	Renovation of Conference Room	
	Location	:	16th Floor, The Columbia Tower, Ortigas Ave., Mandaluyong City	
	Source of Fund	:	CY 2015 Budget (Repairs & Maintenance Buildings & Other Structures)	
	ABC/Duration	:	Php 3,023,818.76 / 45 Calendar Days	
	PCAB Registration	:	Small B for General Building	
	Minimum Equipment Requirement (OWNED/LEASED)	:	1 – Garbage Truck	1 – Air Filter

The schedule of procurement activities are shown below:

Issuance of Bid Tender Documents	30 March 2015 – 21 April 2015
Pre-Bidding Conference	07 April 2015, 10:00 am, at Unit 167, 16 th Floor, The Columbia Tower, Ortigas Ave., Mandaluyong City
Submission and Receipt of Bids	The deadline for submission and receipt of bids is 21 April 2015, until 11:00 am, only at Unit 167, 16 th Floor, The Columbia Tower, Ortigas Ave., Mandaluyong City. Bids may be submitted before the 21 April 2015, deadline at Unit 153, 15 th Floor, The Columbia Tower, Ortigas Avenue, Mandaluyong City.
Opening of Bids	21 April 2015, 11:00 am, Unit 167, 16 th Floor, The Columbia Tower, Ortigas Avenue, Mandaluyong City.

Prospective bidders 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 NSO consumer price indices, must be at least fifty percent (50%) of the Approved Budget for the Contract (ABC) and have key personnel and equipment available for the prosecution of the contract.

Bidding will be conducted through open competitive bidding procedures using non-discretionary pass/fail criteria as specified in the Implementing Rules and Regulations (IRR) of Republic Act 9184 (RA 9184), otherwise known as the "Government Procurement Reform Act".

Bidding is restricted to Filipino citizen/sole proprietorships, partnerships, or organizations with at least seventy-five percent (75%) interest or outstanding capital stock belonging to citizens of the Philippines.

Interested bidders may obtain further information from the DOTC and inspect the Bidding Documents at the address given below from 8:00 AM to 5:00 PM.

The Bid Documents/Forms will be made available at Unit 153, The Columbia Tower Bldg., Ortigas Avenue, Mandaluyong City, upon payment of a non-refundable amount of P5,000.00 to the DOTC Cashier. It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and at the DOTC website at, www.dotc.gov.ph provided that the bidders shall pay the fee for the Bidding Documents not later than the submission of bids. The pre-bid conference is open to all interested parties.

All bids must be accompanied by the bid security in any of the acceptable forms and in the amount stated in ITB Clause 18.

Bids will be opened in the presence of the bidders' representatives who choose to attend at the address as stated above. Late bids shall not be accepted.

The DOTC reserves the right to reject any or all bids, and accept the offer most advantageous to the Government. The DOTC assumes no responsibility whatsoever to compensate or indemnify bidders for any expenses incurred in the preparation of the bid.

For further information, please refer to:

Undersecretary Catherine P. Gonzales
Over-all Head, BAC Secretariat
Department of Transportation and Communications
Bids and Awards Committee Office
15th Floor, Unit 153, The Columbia Tower
Ortigas Avenue, Mandaluyong City
Tel No. 654-7725; 790-8300 local 235
Fax No. 654-7725
bacsec@dotc.gov.ph
www.dotc.gov.ph

SGD.

ATTY. JOSE PERPETUO M. LOTILLA
Undersecretary for Legal and
Chairman, Bids and Awards Committee

Section II. Instructions to Bidders

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A. General

1. Scope of Bid

- 1.1. The Procuring Entity as defined in the **Bid Data Sheet (BDS)**, invites bids for the construction of Works, as described in Section VI. Specifications. 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. Source of Funds

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, and Coercive 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; and

(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. Further, 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 **Instructions to Bidders (ITB)** Clause 3.1(a).

- 3.3. Furthermore, 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; or
- (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.

4.2. In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents 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. 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 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.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

5. Eligible Bidders

5.1. Unless otherwise indicated in the BDS, the following persons shall be eligible to participate in this Bidding:

- (a) Duly licensed Filipino citizens/sole proprietorships;
- (b) Partnerships 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) Corporations duly organized under the laws of the Philippines, and of which at least seventy five percent (75%) of the outstanding capital stock belongs to citizens of the Philippines;
- (d) Cooperatives 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; and
- (e) Persons/entities forming themselves into a 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, however, that, in accordance with Letter of Instructions No. 630, Filipino ownership or interest of the joint venture concerned shall be at least seventy five percent (75%): 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 JVA.

- 5.2. The Procuring Entity may also invite foreign bidders when provided for under any Treaty or International or Executive Agreement as specified in the **BDS**.
- 5.3. Government Corporate Entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the Procuring Entity.
- 5.4. (a) Unless otherwise provided in the **BDS**, the Bidder must have completed a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC adjusted to current prices using the National Statistics Office consumer price index.

(b) For Foreign-funded Procurement, the Procuring Entity and the foreign government/foreign or international financing institution may agree on another track record requirement, as specified in the **BDS**.

For this purpose, contracts similar to the Project shall be those described in the **BDS**, and completed within the period stated in the Invitation to Bid and **ITB** Clause 12.1(a)(iii).

- 5.5. The Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC), which must be at least equal to the ABC to the bid, calculated as follows:

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

Where:

$K = 10$ for a contract duration of one year or less, 15 for a contract duration of more than one year up to two years, and 20 for a contract duration of more than two years.

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).

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. Bidding Forms as required in **ITB** Clause 12.1(b)(iii).
- 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 10.3.
 - (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.

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 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. **Subcontracts**

- 8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the Works to an extent as may be approved by the Procuring Entity and stated in the **BDS**. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.
- 8.2. Subcontractors 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 subcontracting 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 subcontracted 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.

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 Bidding Documents may request for clarification(s) on any part of the Bidding Documents 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 Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity concerned, if available. 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 23.

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 and Technical Components

12.1. Unless otherwise indicated in the **BDS**, the first envelope shall contain the following eligibility and technical documents:

(a) Eligibility Documents –

Class "A" Documents:

- (i) 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**;
- (ii) Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located;
- (iii) Statement of all its ongoing and completed government and private contracts within ten (10) years from the

submission of bids, including contracts awarded but not yet started, if any. The statement shall include, for each contract, the following:

- (iii.1) name of the contract;
 - (iii.2) date of the contract;
 - (iii.3) contract duration;
 - (iii.4) owner's name and address;
 - (iii.5) nature of work;
 - (iii.6) contractor's role (whether sole contractor, subcontractor, or partner in a JV) and percentage of participation;
 - (iii.7) total contract value at award;
 - (iii.8) date of completion or estimated completion time;
 - (iii.9) total contract value at completion, if applicable;
 - (iii.10) percentages of planned and actual accomplishments, if applicable;
 - (iii.11) value of outstanding works, if applicable;
 - (iii.12) the statement shall be supported by the notices of award and/or notices to proceed issued by the owners; and
 - (iii.13) the statement shall be supported by the Constructors Performance Evaluation System (CPES) rating sheets, and/or certificates of completion and owner's acceptance, if applicable;
- (iv) Unless otherwise provided in the **BDS**, valid Philippine Contractors Accreditation Board (PCAB) license and registration for the type and cost of the contract for this Project;
 - (v) 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;

- (vi) NFCC computation in accordance with ITB Clause 5.5;
- (vii) Tax Clearance per Executive order 398, Series 2005;
and

Class "B" Document:

- (viii) If applicable, valid Joint Venture Agreement (JVA) or, in lieu thereof, duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful shall be included in the bid.

(b) Technical Documents –

- (i) Bid security as prescribed in **ITB** Clause 18. If the Bidder opts to submit the bid security in the form of:
 - (i.1) a bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or
 - (i.2) a surety bond accompanied by a certification coming from an authorized Insurance Commission that a surety or insurance company is authorized to issue such instrument;
- (ii) Project Requirements, which shall include the following:
 - (ii.1) Organizational chart for the contract to be bid;
 - (ii.2) 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
 - (ii.3) 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
- (iii) Sworn statement in accordance with Section 25.2(b)(iv) of the IRR of RA 9184 and using the form prescribed in Section IX. Bidding Forms.

13. Documents Comprising the Bid: Financial Component

- 13.1. Unless otherwise stated in the **BDS**, the financial component of the bid shall contain the following:
- (a) Financial Bid Form in accordance with the form prescribed in Section IX. Bidding Forms and
 - (b) Any other document related to the financial component of the bid as stated in the **BDS**.
- 13.2. (a) Unless indicated in the **BDS**, all Bids that exceed the ABC shall not be accepted.
- (b) 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) 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.
 - (ii) 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.
 - (iii) The procuring entity has trained cost estimators on estimating prices and analyzing bid variances. In the case of infrastructure projects, the procuring entity must also have trained quantity surveyors.
 - (iv) The procuring entity has established a system to monitor and report bid prices relative to ABC and engineer's/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 goods and works.

14. Alternative Bids

- 14.1. Alternative Bids shall be rejected. 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.

- 14.2. 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.
- 14.3. 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.

15. Bid Prices

- 15.1. The contract shall be for the whole Works, as described in **ITB** Clause 1.1, based on the priced Bill of Quantities submitted by the Bidder.
- 15.2. The Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, bill of quantities, 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) 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 rates, prices, and total bid price submitted by the Bidder.
- 15.4. All bid prices for the given scope of work in the contract as awarded 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. Bid Currencies

- 16.1. 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.
- 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) calendar days from the date of the opening of bids.
- 17.2. 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 18 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.

18. Bid Security

- 18.1. The bid security in the amount stated in the **BDS** shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or	Five percent (5%)

insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

For biddings conducted by local government units, the Bidder may also submit bid securities in the form of cashier's/manager's check, bank draft/guarantee, or irrevocable letter of credit from other banks certified by the BSP as authorized to issue such financial statement.

- 18.2. The bid security should be valid for the period specified in the **BDS**. Any bid not accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.
- 18.3. No bid securities shall be returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, 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 **ITB Clause 18.2**.
- 18.4. Upon signing and execution of the contract, pursuant to **ITB Clause 31**, and the posting of the performance security, pursuant to **ITB Clause 32**, the successful Bidder's Bid security will be discharged, but in no case later than the Bid security validity period as indicated in **ITB Clause 18.2**.
- 18.5. The bid security may be forfeited:
- (a) if a Bidder:
 - (i) withdraws its bid during the period of bid validity specified in **ITB Clause 17**;
 - (ii) does not accept the correction of errors pursuant to **ITB Clause 27.3(b)**;
 - (iii) fails to submit the requirements within the prescribed period, or a finding against their veracity, as stated in **ITB Clause 28.2**;
 - (iv) submission of eligibility requirements containing false information or falsified documents;

- (v) submission of bids that contain false information or falsified documents, or the concealment of such information in the bids in order to influence the outcome of eligibility screening or any other stage of the public bidding;
 - (vi) allowing the use of one's name, or using the name of another for purposes of public bidding;
 - (vii) withdrawal of a bid, or refusal to accept an award, or enter into contract with the Government without justifiable cause, after the Bidder had been adjudged as having submitted the Lowest Calculated and Responsive Bid;
 - (viii) refusal or failure to post the required performance security within the prescribed time;
 - (ix) refusal 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;
 - (x) any documented attempt by a bidder to unduly influence the outcome of the bidding in his favor;
 - (xi) failure of the potential joint venture partners to enter into the joint venture after the bid is declared successful; or
 - (xii) all other acts that tend to defeat the purpose of the competitive bidding, such as habitually withdrawing from bidding, submitting late Bids or patently insufficient bid, for at least three (3) times within a year, except for valid reasons.
- (b) if the successful Bidder:
- (i) fails to sign the contract in accordance with **ITB** Clause 31;
 - (ii) fails to furnish performance security in accordance with **ITB** Clause 32.

19. Format and Signing of Bids

19.1. 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 21 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 12.1, and the second shall contain the financial component of the bid.

- 19.2. Forms as mentioned in **ITB** Clause 19.1 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.
- 19.3. The Bidder shall prepare an original of the first and second envelopes as described in **ITB** Clauses 12 and 13. 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.
- 19.4. 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.
- 19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

20. Sealing and Marking of Bids

- 20.1. 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”.
- 20.2. 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. ____ - 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.
- 20.3. 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.
- 20.4. 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 10.1;

- (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 21.

20.5. 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

21. 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**.

22. Late Bids

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to **ITB** Clause 21, shall be declared “Late” and shall not be accepted by the Procuring Entity.

23. Modification and Withdrawal of Bids

23.1. 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.

23.2. 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.

23.3. Bids requested to be withdrawn in accordance with **ITB** Clause 23.1 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.

23.4. 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 18.5, and the imposition of administrative, civil, and criminal sanctions as prescribed by RA 9184 and its IRR.

24. Opening and Preliminary Examination of Bids

24.1. The BAC shall open the first bid envelopes 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 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 said first bid envelope as “passed”.

- 24.2. Unless otherwise specified in the BDS, immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated “passed”. The second envelope of each complying bidder shall be opened within the same day. 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 13.1(b), 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.
- 24.3. 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.
- 24.4. If a Bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class “A” Documents, the said certification may be submitted in lieu of the requirements enumerated in **ITB** Clause 12.1(a), items (i) to (vi).
- 24.5. In the case of an eligible foreign Bidder as described in **ITB** Clause 5, the Class “A” Documents enumerated in **ITB** Clause 12.1(a) may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.
- 24.6. Each partner of a joint venture agreement shall likewise submit the documents required in **ITB** Clauses 12.1(a)(i) and 12.1(a)(ii). Submission of documents required under **ITB** Clauses 12.1(a)(iii) to 12.1(a)(vi) by any of the joint venture partners constitutes compliance.
- 24.7. 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

25. Process to be Confidential

- 25.1. 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.
- 25.2. 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.

26. 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

27. Detailed Evaluation and Comparison of Bids

- 27.1. 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.
- 27.2. In evaluating the Bids to get the Lowest Calculated Bid, the Procuring Entity shall undertake the following:
 - (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
 - (b) The ranking of the total bid prices as so calculated from the lowest to highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.
- 27.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary "pass/fail" criterion. The BAC shall consider the following in the evaluation of bids:

- (a) Completeness of the bid. Unless the ITB specifically allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, bill of quantities, 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) for the said item would mean that it is being offered for free to the Procuring Entity; and
- (b) Arithmetical corrections. Consider computational errors and omissions 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.

27.4. Based on the detailed evaluation of bids, those that comply with the above-mentioned 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, to 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 the **BDS**.

27.5. The Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form

27.6. Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids 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.

28. Post Qualification

28.1. 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, and 13.

28.2. 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; and

- (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.

- 28.3. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted pursuant to **ITB** Clauses 12 and 13, as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary "pass/fail" criterion.
- 28.4. 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.
- 28.5. 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.
- 28.6. 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. In the case of government owned and government-owned and/or -controlled corporations (GOCCs) and government financial institutions (GFIs), the period provided herein shall be fifteen (15) calendar days.

29. Reservation Clause

- 29.1. 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.

29.2. 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:
 - (i) 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;
 - (ii) If the project is no longer necessary as determined by the head of the procuring entity; and
 - (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

29.3. 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

30. Contract Award

- 30.1. Subject to **ITB** Clause 28, the Procuring Entity shall award the contract to the Bidder whose Bid has been determined to be the Lowest Calculated and Responsive Bid (LCRB).
- 30.2. 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.
- 30.3. 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:
 - (i) Valid JVA, if applicable, within ten (10) calendar days;
 - (ii) 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 12.1(a)(iv);
 - (b) Posting of the performance security in accordance with **ITB** Clause 32;
 - (c) Signing of the contract as provided in **ITB** Clause 31; and
 - (d) Approval by higher authority, if required.

31. Signing of the Contract

- 31.1. 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.
- 31.2. 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.
- 31.3. 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.
- 31.4. 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; and
- (g) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

32. Performance Security

32.1. 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.

32.2. The performance security shall be 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:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Ten percent (10%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(d) Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

32.3. 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.

33. Notice to Proceed

33.1. 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.

33.2. 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

Bid Data Sheet

ITB Clause	
1.1	<p>The PROCURING ENTITY is Department of Transportation and Communications (DOTC).</p> <p>The name of the Contract is Renovation of 16th Floor DOTC Conference Room.</p>
2	<p>The Funding Source is:</p> <p>The Government of the Philippines (GOP) through DOTC C.Y. 2014.</p> <p>The name of the Project is Renovation of 16th Floor DOTC Conference Room.</p>
3.1	No further instructions.
5.1	No further instructions.
5.2	Bidding is restricted to eligible bidders as defined in ITB Clause 5.1.
5.4.(a)	<p>The bidders 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 NSO consumer price indices, must be at least fifty percent (50%) of the Approved Budget for the contract.</p> <p>For this purpose, similar contracts shall refer to Building Projects.</p>
8.1	Subcontracting is not allowed.
8.2	Not applicable.
9.1	The DOTC will hold a pre-bid conference for this Project on 07 April 2015, 10:00 am, at 16 th Floor, DOTC Multi-Purpose Room, The Columbia Tower, Ortigas Avenue, Mandaluyong City.
10.1	<p>The Procuring Entity's address is:</p> <p>Department of Transportation and Communications Secondary Bids and Awards Committee Office (BAC) The Columbia Tower, Ortigas Avenue, Mandaluyong City Telefax: 654-7725</p>
10.3	No further instructions.
12.1	No further instructions.
12.1(a)(i)	No other acceptable proof of registration is recognized.

12.1(a)(ii)	No further instructions.
12.1(a)(iii)	<p>Bidders must also submit the following:</p> <ol style="list-style-type: none"> 1. Duly signed Statement of all Ongoing Government & Private Construction Contracts including contracts awarded but not yet started (SF-INFR-15). 2. Duly signed Statement showing the bidder's Single Largest Completed Contract which is similar in nature (SF-INFR-16).
12.1(a)(iv)	<p>The PCAB Registration for this project is Small B for General Buildings.</p> <p>For joint venture bidders, a Joint License issued by the PCAB pursuant to Section 38 of RA 4566, and not the PCAB license and registration individually issued to each joint venture partner must be submitted. Failure of the joint venture bidder to submit a Joint License may be a ground for its disqualification despite the submission of the individual licenses of each joint venture partner.</p>
12.1(b)(ii)(ii.2)	<p>List of Contractors Personnel to be assigned to the contract to be bid with their respective curriculum vitae showing, among others, their educational attainment, professional qualification and experiences (SF-INFR-48), as follows:</p> <ol style="list-style-type: none"> 1. Civil Engineer (licensed) 2. Materials Engineer (duly accredited by DPWH) 3. Architect 4. Safety Officer (with certificate of training in occupational safety and health) <p>Duly signed Statement of Availability of Key Personnel and Equipment (SF-INFR-18).</p>
12.1(b)(ii)(ii.3)	List of Contractor's Equipment OWNED/LEASED (pls. see Invitation to Bid), assigned to the Proposed Contract (SF-INFR-49).
13.1	<p>Checklist of Financial Components:</p> <ol style="list-style-type: none"> 1. Bid Prices in the bill of quantities in the prescribed form. 2. Detailed estimates 3. Including summary sheet indicating the unit prices of construction materials, labor rates and equipment OWNED/LEASED (Pls. see Invitation to Bid) used in coming up with the bid, and 4. Cash flow by quarter and payment schedules.
13.1(b)	The ABC is Three Million Twenty Three Thousand Eight Hundred Eighteen and 76/100 Pesos (₱ 3,023,818.76). Any bid with a financial component exceeding this amount shall not be accepted.
14.2	No further instructions.

14.2	No further instructions.
16.1	The bid prices shall be quoted in Philippine Pesos.
17.1	Bids will be valid until One Hundred Twenty (120) calendar days from the date of the opening of bids.
18.1	<p>The bid security shall be in the following amount:</p> <ol style="list-style-type: none"> 1. The amount of Sixty Thousand Four Hundred Seventy Six and 38/100 Pesos (₱ 60,476.38), if bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit; 2. The amount of One Hundred Fifty One Thousand One Hundred Ninety and 94/100 Pesos (₱ 151,190.94), if bid security is in Surety Bond; 3. Any combination of the foregoing proportionate to the share of form with respect to total amount of security; or 4. Bid Securing Declaration.
18.2	The bid security shall be valid until One Hundred Twenty (120) calendar days from the date of the opening of bids.
20.3	Each Bidder shall submit One (1) original and Two (2) copies of the first and second components of its bid.
21	<p>The address for submission of bids is :</p> <p style="text-align: center;">Department of Transportation and Communications Bids and Awards Committee Office 15th Floor, Unit 153, The Columbia Tower, Ortigas Avenue, Mandaluyong City Tel No: 654-7725;727-7960 local 235 Fax No: 654-7725</p> <p>The deadline for submission of bids is 21 April 2015, 11:00 am</p>
24.1	<p>The place of bid opening is at DOTC, Unit 167, The Columbia Tower, Ortigas Avenue, Mandaluyong City.</p> <p>The date and time of bid opening is 21 April 2015, 11:00 am</p>
24.2	No further instructions.
27.3(b)	Bid modification is not allowed.
27.4	No further instructions.
28.2(a)	<p>Only tax returns filed and taxes paid through the BIR Electronic Filing and Payment System (EFPS) shall be accepted.</p> <p><i>NOTE: The latest income and business tax returns are those within the</i></p>

	<i>last six months preceding the date of bid submission.</i>
28.2(c)	Additional document: Valid Certificate of Registration indicating the Tax Identification Number and photocopy of TIN Card.
31.4(g)	Construction schedule and S-curve, manpower schedule, construction methods, equipment utilization schedule, construction safety and health program duly approved by the Department of Labor and Employment, and PERT/CPM.
32.2	The performance security shall be in the following amount: <ol style="list-style-type: none"> 1. The amount of (10% of the total contract amount), if performance security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit; 2. The amount of (30% of the total contract amount), if performance security is in Surety Bond; or 3. Any combination of the foregoing proportionate to the share of form with respect to total amount of security.

Section IV. General Conditions of Contract

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1. Definitions

For purposes of this Clause, boldface type is used to identify defined terms.

- 1.1. The **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 20.
- 1.2. **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.
- 1.3. The **Completion Date** is the date of completion of the Works as certified by the Procuring Entity's Representative, in accordance with GCC Clause 49.
- 1.4. The **Contract** is the contract between the Procuring Entity and the Contractor to execute, complete, and maintain the Works.
- 1.5. The **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.
- 1.6. **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.
- 1.7. The **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.
- 1.8. The **Contractor's Bid** is the signed offer or proposal submitted by the Contractor to the Procuring Entity in response to the Bidding Documents.
- 1.9. **Days** are calendar days; months are calendar months.
- 1.10. **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.
- 1.11. A **Defect** is any part of the Works not completed in accordance with the Contract.
- 1.12. The **Defects Liability Certificate** is the certificate issued by Procuring Entity's Representative upon correction of defects by the Contractor.
- 1.13. The **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.

- 1.14. **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.
- 1.15. **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.
- 1.16. The **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.
- 1.17. **Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- 1.18. The **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.
- 1.19. **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.
- 1.20. **Plant** refers to the machinery, apparatus, and the like intended to form an integral part of the Permanent Works.
- 1.21. The **Procuring Entity** is the party who employs the Contractor to carry out the Works stated in the SCC.
- 1.22. The **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.
- 1.23. The **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.
- 1.24. **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.
- 1.25. **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.

- 1.26. **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.
- 1.27. The **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.
- 1.28. A **Subcontractor** 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.
- 1.29. **Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Permanent Works.
- 1.30. **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 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 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. The 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 Contractor's Equipment, which may be required. All Materials and Plant on Site shall be deemed to be the property of the Procuring Entity.

6.2. 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 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. Performance Security

- 7.1. 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.
- 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:
- (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 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.
- 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 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.

8. Subcontracting

- 8.1. Unless otherwise indicated in the **SCC**, the Contractor cannot subcontract Works more than the percentage specified in **ITB** Clause 8.1.
- 8.2. Subcontracting 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.

- 8.3. 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.

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. 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.

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. The Procuring Entity, 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.

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 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.
- 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 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.
- 12.4. 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 – 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 – 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.

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	Minimum Amount in Percentage (%) of Total Contract Price
(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%)

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

14.1. From the Start Date until the Certificate of Final Acceptance has been 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:
 - (i) any type of use or occupation of the Site authorized by the Procuring Entity after the official acceptance of the works; or
 - (ii) 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 country where the Works are to be executed.

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 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.

15.3. 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.

The above insurance policies shall be obtained from any reputable insurance company approved by the Procuring Entity's Representative.

15.4. 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.

15.5. 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 39 until the Contractor complies with this Clause.

15.6. 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:

(i) become bankrupt;

(ii) been placed under receivership or under a management committee;

- (iii) been sued for suspension of payment; or
- (iv) been suspended by the Insurance Commission and its license to engage in business or its authority to issue insurance policies cancelled; or
- (v) Where 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:
- 16.2. 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;
- 16.3. 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
- 16.4. The Contractor:
 - (a) 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;
 - (b) 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;
 - (c) does not execute the Works in accordance with this Contract or persistently or flagrantly neglects to carry out its obligations under this Contract;
 - (d) neglects or refuses to remove materials or to perform a new Work that has been rejected as defective or unsuitable; or
 - (e) sub-lets any part of this Contract without approval by the Procuring Entity.
- 16.5. 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.

17. 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.

18. Termination for Other Causes

18.1. 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.

18.2. The Procuring Entity or the Contractor may terminate this Contract if the other party causes a fundamental breach of this Contract.

18.3. 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 7.5; 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:
 - (i) corrupt, fraudulent, collusive, coercive, and obstructive practices as defined in **ITB** Clause 3.1(a), unless otherwise specified in the SCC;
 - (ii) drawing up or using forged documents;
 - (iii) using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
 - (iv) any other act analogous to the foregoing.
- 18.4. 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.
- 18.5. 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 18.3, the Procuring Entity's Representative shall decide whether the breach is fundamental or not.
- 18.6. 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.

19. Procedures for Termination of Contracts

19.1. 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:
 - (i) 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;
 - (ii) the extent of termination, whether in whole or in part;
 - (iii) an instruction to the Contractor to show cause as to why this Contract should not be terminated; and
 - (iv) 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 described in item (c) above 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.

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 (“NTP”);
- (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:
 - (i) Employment of competent technical personnel, competent engineers and/or work supervisors;
 - (ii) Provision of warning signs and barricades in accordance with approved plans and specifications and contract provisions;
 - (iii) 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;
 - (iv) Deployment of committed equipment, facilities, support staff and manpower; and
 - (v) 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 ("CPES") 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:
 - (i) Negative slippage of 15% and above within the critical path of the project due entirely to the fault or negligence of the contractor; and
 - (ii) 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, Release From Performance

- 20.1. 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.
- 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 works carried out before receiving it and for any Work 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 then give notice of termination, which shall take effect twenty eight (28) days after the giving 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 27;
 - (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 time of the notice of termination.

21. Resolution of Disputes

- 21.1. 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.
- 21.2. 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.
- 21.3. Any and all disputes arising from the implementation of this Contract covered by the R.A. 9184 and its IRR shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 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 Act and its IRR: *Provided, further,* that, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

22. 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 45.2.

23. Procuring Entity's Representative's Decisions

- 23.1. 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.
- 23.2. 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.

24. Approval of Drawings and Temporary Works by the Procuring Entity's Representative

- 24.1. 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.
- 24.2. The Contractor shall be responsible for design of Temporary Works.
- 24.3. The Procuring Entity's Representative's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
- 24.4. The Contractor shall obtain approval of third parties to the design of the Temporary Works, when required by the Procuring Entity.

25. Acceleration and Delays Ordered by the Procuring Entity's Representative

- 25.1. 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.
- 25.2. 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.

26. Extension of the Intended Completion Date

- 26.1. 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. No payment shall be made for any event which may warrant the extension of the Intended Completion Date.

26.2. 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.

27. Right to Vary

27.1. The Procuring Entity's Representative with the prior approval of the Procuring Entity may instruct Variations, up to a maximum cumulative amount of ten percent (10%) of the original contract cost.

27.2. Variations shall be valued as follows:

- (a) At a lump sum price agreed between the parties;
- (b) where appropriate, at rates in this Contract;
- (c) in the absence of appropriate rates, the rates in this Contract shall be used as the basis for valuation; or failing which
- (d) at appropriate new rates, equal to or lower than current industry rates and to be agreed upon by both parties and approved by the Head of the Procuring Entity.

28. Contractor's Right to Claim

If the Contractor incurs cost as a result of any of the events under **GCC** Clause 12, 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 43 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.

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. Bill of Quantities

- 33.1. The Bill of Quantities shall contain items of work for the construction, installation, testing, and commissioning of work to be done by the Contractor.
- 33.2. The Bill of Quantities is used to calculate the Contract Price. The Contractor is paid for the quantity of the work done at the rate in the Bill of Quantities for each item.
- 33.3. If the final quantity of any work done differs from the quantity in the Bill of Quantities for the particular item and is not more than twenty five percent (25%) of the original quantity, provided the aggregate changes for all 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 with a detailed cost breakdown of any rate in the Bill of Quantities.

34. Instructions, Inspections and Audits

- 34.1. 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.

- 34.2. 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.
- 34.3. 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.

35. 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.

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 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.

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) year from project completion up to final acceptance by the Procuring Entity's.
- 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 he notices himself before the end of the Defects Liability Period.
- 37.4. 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.

38. Uncorrected Defects

- 38.1. 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.
- 38.2. 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.

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 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.
- 39.2. 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.
- 39.3. The advance payment shall be repaid by the Contractor by an amount equal to the percentage of the total contract price used for the advance payment.
- 39.4. The contractor may reduce his standby letter of credit or guarantee instrument by the amounts refunded by the Monthly Certificates in the advance payment.
- 39.5. 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.

40. Progress Payments

- 40.1. 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.
- 40.2. 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.
- 40.3. 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. No payment of interest for delayed payments and adjustments shall be made by the Procuring Entity.
- 40.4. 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.
- 40.5. Items of the Works for which a price of "0" (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. Payment Certificates

- 41.1. 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.
- 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.

42. Retention

- 42.1. 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 **ITB** Sub-Clause 42.2.
- 42.2. 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.
- 42.3. 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.
- 42.4. 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.

43. Variation Orders

- 43.1. Variation Orders may be issued by the Procuring Entity to cover any increase/decrease in quantities, including the introduction of new work items that are not included in the original contract or reclassification of work items that are either due to change of plans, design or alignment to suit actual field conditions resulting in disparity between the preconstruction plans used for purposes of bidding and the “as staked plans” or construction drawings prepared after a joint survey by the Contractor and the Procuring Entity after award of the contract, provided that the cumulative amount of the Variation Order does not exceed ten percent (10%) of the original project cost. The addition/deletion of Works should be within the general scope of the project as bid and awarded. The scope of works shall not be reduced so as to accommodate a positive Variation Order. A Variation Order may either be in the form of a Change Order or Extra Work Order.

- 43.2. A Change Order may be issued by the Procuring Entity to cover any increase/decrease in quantities of original Work items in the contract.
- 43.3. An Extra Work Order may be issued by the Procuring Entity to cover the introduction of new work necessary for the completion, improvement or protection of the project which were not included as items of Work in the original contract, such as, where there are subsurface or latent physical conditions at the site differing materially from those indicated in the contract, or where there are duly unknown physical conditions at the site of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in the Work or character provided for in the contract.
- 43.4. Any cumulative Variation Order beyond ten percent (10%) shall be subject of another contract to be bid out if the works are separable from the original contract. In exceptional cases where it is urgently necessary to complete the original scope of work, the 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%).
- 43.5. In claiming for any Variation Order, the Contractor shall, within seven (7) calendar days after such work has been commenced or after the circumstances leading to such condition(s) leading to the extra cost, and within twenty-eight (28) calendar days deliver a written communication giving full and detailed particulars of any extra cost in order that it may be investigated at that time. Failure to provide either of such notices in the time stipulated shall constitute a waiver by the contractor for any claim. The preparation and submission of Variation Orders are as follows:
- (a) If the Procuring Entity's representative/Project Engineer believes that a Change Order or Extra Work Order should be issued, he shall prepare the proposed Order accompanied with the notices submitted by the Contractor, the plans therefore, his computations as to the quantities of the additional works involved per item indicating the specific stations where such works are needed, the date of his inspections and investigations thereon, and the log book thereof, and a detailed estimate of the unit cost of such items of work, together with his justifications for the need of such Change Order or Extra Work Order, and shall submit the same to the 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 technical staff

of the Procuring Entity's 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.

44. Contract Completion

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

45. Suspension of Work

- 45.1. The Procuring Entity shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to *force majeure* or any fortuitous events or for failure on the part of the Contractor to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the Procuring Entity or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The Contractor shall immediately comply with such order to suspend the work wholly or partly.
- 45.2. The Contractor or its duly authorized representative shall have the right to suspend work operation on any or all projects/activities along the critical path of activities after fifteen (15) calendar days from date of

receipt of written notice from the Contractor to the district engineer/regional director/consultant or equivalent official, as the case may be, due to the following:

- (a) There exist right-of-way problems which prohibit the Contractor from performing work in accordance with the approved construction schedule.
- (b) Requisite construction plans which must be owner-furnished are not issued to the contractor precluding any work called for by such plans.
- (c) Peace and order conditions make it extremely dangerous, if not possible, to work. However, this condition must be certified in writing by the Philippine National Police (PNP) station which has responsibility over the affected area and confirmed by the Department of Interior and Local Government (DILG) Regional Director.
- (d) There is failure on the part of the Procuring Entity to deliver government-furnished materials and equipment as stipulated in the contract.
- (e) Delay in the payment of Contractor's claim for progress billing beyond forty-five (45) calendar days from the time the Contractor's claim has been certified to by the procuring entity's authorized representative that the documents are complete unless there are justifiable reasons thereof which shall be communicated in writing to the Contractor.

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

46. Payment on Termination

46.1. If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Procuring Entity's Representative shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed, as indicated in the SCC. Additional Liquidated Damages shall not apply. If the total amount due to the Procuring Entity exceeds any payment due to the Contractor, the difference shall be a debt payable to the Procuring Entity.

46.2. If the Contract is terminated for the Procuring Entity's convenience or because of a fundamental breach of Contract by the Procuring Entity, the Procuring Entity's Representative shall issue a certificate for the

value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works, and less advance payments received up to the date of the certificate.

- 46.3. The net balance due shall be paid or repaid within twenty eight (28) days from the notice of termination.
- 46.4. If the Contractor has terminated the Contract under GCC Clauses 17 or 16.5, the Procuring Entity shall promptly return the Performance Security to the Contractor.

47. Extension of Contract Time

- 47.1. Should the amount of additional work of any kind or other special circumstances of any kind whatsoever occur such as to fairly entitle the contractor to an extension of contract time, the Procuring Entity shall determine the amount of such extension; provided that the Procuring Entity is not bound to take into account any claim for an extension of time unless the Contractor has, prior to the expiration of the contract time and within thirty (30) calendar days after such work has been commenced or after the circumstances leading to such claim have arisen, delivered to the Procuring Entity notices in order that it could have investigated them at that time. Failure to provide such notice shall constitute a waiver by the Contractor of any claim. Upon receipt of full and detailed particulars, the Procuring Entity shall examine the facts and extent of the delay and shall extend the contract time completing the contract work when, in the Procuring Entity's opinion, the findings of facts justify an extension.
- 47.2. No extension of contract time shall be granted the Contractor due to (a) ordinary unfavorable weather conditions and (b) inexcusable failure or negligence of Contractor to provide the required equipment, supplies or materials.
- 47.3. Extension of contract time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.
- 47.4. No extension of contract time shall be granted when the reason given to support the request for extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection.
- 47.5. Extension of contract time shall be granted for rainy/unworkable days considered unfavorable for the prosecution of the works at the site, based on the actual conditions obtained at the site, in excess of the number of rainy/unworkable days pre-determined by the Procuring

Entity in relation to the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection, and/or for equivalent period of delay due to major calamities such as exceptionally destructive typhoons, floods and earthquakes, and epidemics, and for causes such as non-delivery on time of materials, working drawings, or written information to be furnished by the Procuring Entity, non-acquisition of permit to enter private properties 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.

48. 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.

49. Completion

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

50. Taking Over

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

51. Operating and Maintenance Manuals

51.1. If "as built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the SCC.

If the Contractor does not supply the Drawings and/or manuals by the dates stated in the SCC, or they do not receive the Procuring Entity's Representative's approval, the

Procuring Entity's Representative shall withhold the amount stated in the SCC from payments due to the Contractor.

Section V. Special Conditions of Contract

Special Conditions of Contract

GCC Clause	
1.16	The Intended Completion Date is Forty Five (45) calendar days.
1.21	The Procuring Entity is the Department of Transportation and Communications (DOTC).
1.22	The Procuring Entity's Representative is the DOTC Project Manager concerned.
1.23	The Site is located at Ortigas Avenue, Mandaluyong City.
1.27	The Start Date is the 7 th calendar day after the date of the receipt of the Notice to Proceed.
1.30	The Works consist of Renovation of Conference Room.
2.2	No further instructions.
5.1	The DOTC shall give possession of all parts of the Site to the Contractor beginning on the date of effectivity of contract until the date of its termination and/or project completion.
6.5	The Contractor shall employ the following Key Personnel: <ul style="list-style-type: none"> ✓ Civil Engineer (licensed) ✓ Architect (licensed) ✓ 1 Materials Engineer (accredited by DPWH) ✓ 1 Safety Officer
7.4(c)	No further instructions.
7.7	No further instructions.
8.1	No further instructions.
10	The site investigation reports are: Not Applicable.
12.3	No further instructions.
12.5	In case of permanent structures, such as buildings of types 4 and 5 as classified under the National Building Code of the Philippines and other structures made of steel, iron, or concrete which comply with relevant structural codes (e.g., DPWH Standard Specifications), such as, but not limited to, steel/concrete bridges, flyovers, aircraft movement areas, ports, dams, tunnels, filtration and treatment plants, sewerage systems, power plants, transmission and communication towers, railway system, and other similar permanent structures: Fifteen (15) years. In case of semi-permanent structures, such as buildings of types 1, 2, and 3 as classified under the National Building Code of the Philippines,

	<p>concrete/asphalt roads, concrete river control, drainage, irrigation lined canals, river landing, deep wells, rock causeway, pedestrian overpass, and other similar semi-permanent structures: Five (5) years.</p> <p>In case of other structures, such as Bailey and wooden bridges, shallow wells, spring developments, and other similar structures: Two (2) years.</p>
12	If the Contractor is a joint venture, “All partners to the joint venture shall be jointly and severally liable to the Procuring Entity.”
15	Contractor’s All Risk Insurance (CARI) shall be submitted by the contractor as part of the requirements for contract facilitation.
18.3(h)(i)	No further instructions.
21.2	The Arbiter is: <i>Construction Industry Arbitration Commission</i> <i>5th Floor, Executive Building Corner Buendia, Makati City</i>
29.1	Dayworks are applicable at the rate shown in the Contractor’s original Bid.
31.1	The Contractor shall submit the Program of Work to the Procuring Entity’s Representative (DOTC Project Manager concerned) within 10 days of delivery of the Letter of Acceptance.
31.3	<p>The period between Program of Work updates is 7 to 15 days.</p> <p>The amount to be withheld for late submission of an updated Program of Work is 5% of the contract amount.</p>
34.3	The Funding Source is the Government of the Philippines.
39.1	The amount of the advance payment is 15% of the contract amount.
40.1	No further instructions.
51.1	<p>The date by which operating and maintenance manuals are required is [N/A].</p> <p>The date by which “as built” drawings are required is 15 days after project completion.</p>
51.2	The amount to be withheld for failing to produce “as built” drawings and/or operating and maintenance manuals by the date required is 5% of the contract amount.

Section VI. Specifications

Name of Project : Renovation of DOTC Conference Room
Location : 16th Flr., The Columbia Tower, Brgy. Wack-wack, Ortigas Ave.,
Mandaluyong City
Duration : Forty Five (45) Calendar Days
Source of Fund : CY 2015 Repair and Maintenance Budget

SCOPE OF WORK

The project covers the following scope of work which shall be done in accordance with the approved plans, specifications and provisions of contract, to wit;

ITEM I REMOVAL OF OBSTRUCTIONS. This item includes the demolition and dismantling of furnishings, joineries, affected floor, ceiling, and wall portions prior to constructing and installation of new materials in accordance with the specified plans. (Pls. refer to plans)

ITEM II FLOOR FINISHES. Tile works. This item covers the provision of labor, materials and tools necessary to complete the laying of 3mm x 150mm x 900mm Vinyl Planks for Conference 1 and 2, Entry 1 and 2; 300mm x 300mm Ceramic Tiles Non-skid are for male and female rest rooms. (Please refer to floor plans)

ITEM III CEILING WORKS. This covers the supply of labor, materials, and all incidental items necessary to complete the installation of Ordinary Gypsum Board on 19mm x 50mm furring channels with 12mm x 38mm carrying channel as indicated on the specified plans. Painting works also included under this item. (Please refer to plans).

ITEM IV DOORS AND WINDOWS. This item covers the supply of labor, installation and supply of materials necessary to all given doors and windows with accessories as specified on plan, in accordance with the approved design and material specifications. (Pls. refer to plans)

ITEM V WALL FINISHES. This covers the supply of labor, materials, and all incidental items necessary to complete the installation of 9mm Ecoboard and 6mm Ecoboard on light steel framing system as indicated on the specified plans. Painting works also included under this item. (Please refer to plans).

Tile Works. This item covers the provision of labor, materials and tools necessary to complete the laying of 300mm x 300mm Ceramic Tiles Non-skid are for male and female wall rest rooms as indicated on the given plans and sections. (Please refer to sections).

ITEM VI OPERABLE WALL. This item covers the supply of labor, and materials necessary to install the operable wall partition, in accordance with the approved design and material specifications. (Pls. refer to plans)

ITEM VII ELECTRICAL WORKS. This item covers the supply of labor, and materials necessary to supply power, lighting, audio, and mechanical requirements of the specified room, in accordance to approved design and specification as indicated in the given plans. (Pls. refer to plans)

ITEM VIII FIXTURES. This item covers the supply of labor, and materials necessary to service all plumbing fixtures, water supply system and all the necessary accessories in accordance with the approved design and material specifications. (Pls. refer to plans)

ITEM IX FIRE SPRINKLER & DUCTING WORKS FOR AIR-CONDITIONING.

This item covers the supply of labor and materials necessary to relocate and adjust the elevation of the existing fire sprinkler heads, and to complete the air-conditioning requirements of the room, in accordance with the approved design and specification. (Pls. refer to plans)

The contractor shall be responsible for all laboratory, materials testing and survey instruments necessary in the project implementation. Expenses for the said testings shall be incorporated in the contractor's overhead cost and shall not be considered as pay item.

REMOVAL OF STRUCTURES AND OBSTRUCTIONS

101.1 DESCRIPTION

This Item shall consist of removal, wholly or in part, and satisfactory disposal of all buildings, fences, structures, old pavements, abandoned pipe lines, and any other obstructions which are not designated or permitted to remain, except for the obstruction to be removed and disposed of under other items in the Contract. It shall also include the salvaging of designated materials and back-filling the resulting trenches, holes, and pits.

101.2 CONSTRUCTION REQUIREMENTS

101.1.1 GENERAL

The Contractor shall perform the work described above, within and adjacent to the roadway, runway on Government land or easement, as shown on the Plans or as directed by the Engineer. All designated salvable material shall be removed, without unnecessary damage, in sections or pieces which may readily be transported, and shall be stored by the Contractor at specified places on the project or as otherwise shown in the Special Provisions. Perishable material shall be handled as designated in Sub-section 100.2.2. Nonperishable material may be disposed of outside the limits of view from the project with written permission of the property owner where the material is placed. Copies of all agreements with property owners are to be furnished to the Engineer. Basements or cavities left by structure removal shall be filled with acceptable material to the level of the surrounding ground and, if within the prism of construction, shall be compacted to the required density.

101.1.2 REMOVAL OF BRIDGES, CULVERTS AND OTHER DRAINAGE STRUCTURES.

Bridges, culverts and other drainage structures in use by traffic shall not be removed until satisfactory arrangements have been made to accommodate traffic. The removal of existing culverts within embankment areas will be required only as necessary for the installation of new structures. Abandoned culverts shall be broken down, crushed and sealed or plugged. All culvert sections removed, which are not designated for stockpiling or relaying, shall become the property of the contractor and be removed from the project or disposed of in a manner approved by the Engineer.

Blasting and other operations necessary for the removal of an existing structure or obstruction, which may damage new construction, shall be completed prior to placing the new work, unless otherwise provided in the Special Provisions.

101.1.3 REMOVAL OF PIPES OTHER THAN PIPE CULVERTS.

Unless otherwise provide, all pipes shall be carefully removed and every precaution taken to avoid breakage or damage. Pipe to be re-laid shall be removed and stored when necessary so that there will no loss or damage before relaying. The Contractor shall replace sections lost from storage or damage by negligence, at his own expense.

101.1.4 REMOVAL OF PAVEMENT, SIDEWALKS, CURBS, ETC.

All concrete pavement, base course, sidewalks, curbs, gutter, etc., designated for removal, shall be:

1. Broken into pieces and used for rip-rap on the project, or
2. Broken into pieces, the size of which shall not exceed 300 mm (12 inches) in any dimension and stockpiled at designated locations on the project for use by the Government, or
3. Otherwise disposed of as directed, when specified, ballast, gravel, bituminous material or other surfacing or pavement materials shall be removed and stockpiled as required in Subsection 103.2.1, otherwise such materials shall be disposed of as directed

There will be no separate payment for excavation and removal of structures and obstructions or for back-filling and compacting the remaining cavity.

101.3 METHOD OF MEASUREMENT

When the Contract stipulates that payment will be made for removal of obstructions on a lump-sum basis, the Pay Item will include all structures and obstructions encountered within the project site. Where the Contract stipulates that payment will be made for the removal of specific Items on a unit basis, measurement will be made by the unit stipulated in the Contract.

Wherever the Bill of Quantities does not contain an item for any aforementioned removals, the work will not be paid for directly, but will be considered as a subsidiary obligation of the Contractor under other contract items.

101.4 BASIS OF PAYMENT

The accepted quantities, measured as prescribed in Section 103.1, shall be paid for at the Contract unit or lump sum bid for each of the pay items listed below that is included in the Bill of Quantities, which price and payment shall be full compensation for removing and disposing of constructions, including all materials, labor, equipment, tools and incidentals necessary to complete the work prescribed in this item. The price shall also include backfilling, salvage of materials removed, their custody, preservation, storage on the right-of-way and disposal as provided herein.

PAYMENT WILL BE MADE UNDER:

PAY ITEM NUMBER	DESCRIPTION	UNIT OF MEASUREMENT
101 (1)	Removal of Structures Obstructions	Lump Sum
101 (2)	Removal of	Each
101 (3)	Removal of	Square Meter
101 (4)	Removal of	Linear Meter

FLOOR FINISH

515.1 SCOPE OF WORK

The work covered under this Item consist of furnishing all labor, materials, equipment, tools and incidentals necessary to undertake and complete all the floor finishing works for the buildings as indicated on the Plans and as specified herein.

The works shall include but will not be limited to the following:

- a. Vinyl Tile Finish
- b. White Vitrified Tiles for toilets, shower room and kitchen
- c. Plain Cement Floor Finish
- d. Pebble Washout Finish
- e. Marble Tiles
- f. Monolithic Concrete Floor Steel Trowel Finish
- g. Granolithic Floor Finish

515.2 MATERIALS REQUIREMENT

515.2.1 SUBMITTALS

The Contractor before placing order for the finishing material shall submit to the "Engineer" for approval representative samples of finishing materials to be used in the works.

515.2.2 MATERIALS

1. VINYL TILE FINISH

- a. Vinyl tiles shall have 300 mm x 300 mm dimensions and 3.00 mm uniform thickness held to a tolerance of plus or minus 0.13 mm. The color to be used is as indicated on the drawings or as directed by the "Engineer".

It shall be carefully homogeneous, flexible and dimensionally stable. It shall be dense, yet resilient and shall be resistant to moisture. Colors and marbling shall be integrated throughout the entire thickness.

Asphalt base be as recommended by the tile manufacturer and approved by the "Engineer".

2. VITRIFIED TILES

- a. Vitrified tiles shall be standard-graded. It shall be glazed, first quality tile, 100 mm x 100 mm dimensions, free from lamination, chipped-off corners and other imperfections affecting their quality, appearance and strength.
- b. Portland Cement, sand and water shall conform with the requirements specified in Item 405, CONCRETE WORKS.
- c. Vitrified tiles shall be delivered in the manufacturer's original unbroken packages or containers that are labeled plainly with the manufacturer's name and brand. Containers shall be grade scaled. Materials shall be stored in dry weather tight enclosures and shall be handled in a manner that will prevent the inclusion of foreign materials and damage by water or dampness.

3. PLAIN CEMENT FLOOR FINISH

- a. Portland Cement, sand and water shall conform with the requirements specified in Item 405, CONCRETE WORKS.
- b. Mortar shall be one part of Portland cement and three parts sand.
- c. Hardener shall be non-rusting floor hardener, delivered in cartons, cans or bags to the construction site with the labels installed and seal unbroken.

4. PEBBLE WASHOUT FINISH

- a. Pebble shall be pea gravel, clean, hard, washed river gravel, well selected and graded from 6 mm to 10 mm rounded non-slip type and not flaky.
- b. Mortar shall be one part Portland cement and two parts sand.
- c. Portland cement, sand and water shall conform with the requirements specified in Item 405, CONCRETE WORKS.

5. MARBLE TILES

- a. All marble tile shall be 200 mm x 300 mm Teresa marble beige color. The Contractor shall submit sample for approval of the "Engineer" as to color and texture prior to installation. Samples shall be of sufficient size to indicate true color and texture. The sides of the tiles shall be perpendicular with square edges.
- b. Marble tiles shall be stack by pairs. The face of one shall be over the other to avoid damaged of the faces. They shall be stack 12 pairs HIGH.

6. GRANOLITHIC FINISH

- a. Sand shall be clean, free from organic matter and shall pass a No. 4 sieve; 90% No. 8 sieve; 80% No. 16 sieve; 30% No. 50 sieve; and 5% No. 100 sieve. Percentages are by weight.
- b. Marble granules shall be hard and with size 1 and 2 granules. Size 1 granules shall pass a 1/4 inch mesh retained on a 1/8 inch mesh. Size 2 granules shall pass a 3/8 inch mesh and be retained on a 1/4 inch mesh. Color of marble granules shall be approved by the "Engineer".
- c. Granolithic floor shall be reinforced with a 1/4 inch round bars, spaced 200 mm on centers, each way, or with a 2-inch wire mesh, galvanized No. 8 gauge.

CEILING WORKS

514.1 SCOPE OF WORK

This item shall include all ceiling works for building and related works.

514.2 GENERAL PROVISIONS

Ceiling finish shall be applied at locations indicated on the Drawings and approved by the "Engineer".

Unless otherwise shown, the suspension system shall consist of wooden runners lumbers, and wooden furring strips of the sizes shown on the drawings and shall be suspended by hanger material as indicated on the drawings.

All materials including fastening devices to be used in ceiling construction shall be of good quality and approved by the "Engineer".

For ceiling with plain cement finish, Portland cement, sand and water shall conform with the requirements specified under Item 405, CONCRETE WORKS. Sand shall be free from any substance that will decrement the finishing work

514.3 MATERIALS

Wooden Board Ceiling: See Item 501 CARPENTRY WORKS..

Waterproof plywood board, 25 mm x 150 mm, 6 mm thick for interior ceiling. See Item 501, Carpentry Works.

Wood Runners & Furring shall be local origin and approved by the Engineer.

514.4 DELIVERY AND STORAGE

Materials delivered to the site shall be inspected for damage before storage. The storage spaces shall be in dry locations with adequate ventilation, free from water, and shall permit easy access for inspection and handling. Materials shall be stored neatly on the floor, properly stacked on non-absorptive strips or wood platforms.

514.5 APPLICATION AND INSTALLATION

Wooden board ceiling shall be installed at locations indicated on Drawings.

Fixing of units shall be secured to wooden furring strips by finishing nail as approved by the Engineer. Joints shall be straight and true to line, and the proposed surfaces shall be flushed and leveled. All units shall be tightly butted, and corners shall be full without worn or broken places. At the perimeter of the units to the plaster wall, wooden molding shall be provided as shown on the Plans.

Hangers shall be spaced 1.20 meters on center or as indicated on the Plans and shall be attached to threaded inserts set in concrete slab above or shall be supported from the purlins as shown. Hangers shall have an allowance at lower ends for making final adjustment of furring height. Hangers shall be cut and trimmed accurately to its correct length.

Main runner shall be spaced as indicated and not less than 600 mm to both ways, and shall be attached to hangers with bent hanger- lumber supports as shown. Runner lumbers shall be located as shown and approved.

Wooden furnishing shall be spaced not more than 300 mm on centers, and attached at right angles to the runner strips with standard hanger clips as recommended and approved by the "Engineer".

514.6 MEASUREMENT AND PAYMENT

The quantity of ceiling works to be paid for shall be measured by the number of square meters installed/applied complete and accepted by the "Engineer".

Separate measurement will not be made for individual detailed items of this work not listed herein; nor for compliance with various detailed requirements applicable to this work; as such shall be considered incidental to work measured as specified above.

Payment will be made under:

ITEM NO.	DESCRIPTION	UNIT OF MEASUREMENT
514	Ceiling	sq.m

DOORS, WINDOWS AND GLASS WORKS

7.1 VINYL DOOR SYSTEM

7.1.1 SCOPE OF WORK

Furnish and install all labor and materials to complete all vinyl doors and jambs (hinges included) as shown on the drawings and as specified herein.

7.1.2 GENERAL REQUIREMENT

Doors shall be of the quality and workmanship acceptable to the Officer. Doors shall be of the size and type indicated in the schedules and as specified herein guarantee finished doors against twisting, warping, cracking and such other defects due to construction and installation for a period of three hundred sixty days after final acceptance of the building.

7.1.3 INSTALLATION

Hinged doors shall be hung plumbed and fitted accurately allowing 1.5 mm clearance at the jambs and heads and 3 mm over thresholds. Clearance at the bottom of doors having no threshold shall be 9 mm. Lock stiles of doors 35 mm thick and thicker shall be leveled 3 mm. Knob locks and latches shall be installed 964 mm from the finished floors to the center.

7.2 METAL / WOODEN FLUSH DOORS

7.2.1 SCOPE OF WORK

Furnish and install all labor and materials to complete all metal flush doors as shown on the drawings and as specified herein.

7.2.2 GENERAL REQUIREMENT

Doors shall be of the quality and workmanship acceptable to the Construction Officer. Doors shall be of the size and type indicated in the schedules and as specified herein. Guarantee finished doors against rust, twisting, and such other defects due to construction and installation for a period of three hundred sixty days after final acceptance of the building.

7.2.3 SHOP DRAWINGS AND INSPECTIONS

Shop drawings showing fabrication and installation details of doors shall be prepared prior to manufacture and submitted to the Architect for approval.

After shop fabrication and before painting of doors, the work shall be inspected under attendance of the Construction Officer and Inspection reports shall be submitted to him/her.

7.3 METAL ROLL-UP DOOR

7.3.1 SCOPE OF WORK

The work includes deliver and installation metal roll-up door, complete with hardware and accessories.

7.3.2 GENERAL REQUIREMENT

Roll-up doors shall be spring counter-balanced, over-head ceiling type and shall be designed for use on exterior opening and/or as indicated. Door shall be mechanically (chain operated). Door shall be complete with guide, hardware, fastenings, and manual operating mechanism and other accessories. Door shall be surface mounted type suitably framed in the adjoining structures with guides at jambs set back a sufficient distance to provide a clear opening when door is in open position. Metal roll-up door and operated shall be as manufactured by Filipinas Shutters, Inc. , or its approved equivalent.

The Contractor shall submit to the Officer for approval, shop drawings at large scale showing details of construction, installation and operation. No roll-up door shall be delivered to the jobsite without prior approval of the Officer. No reinforced concrete columns or walls affected by roll-up shall be poured unless shop drawings are approved.

Curtain shall be designed to resist a wind pressure of 30 MPa without being damaged and shall be of the gauges specified hereinafter.

7.3.3 MATERIALS

7.3.3.1 CURTAINS

Curtains shall be formed of interlocking steel slats of gauge # 16 and shapes standard with the manufacturer's and shall be fabricated from hot-dip galvanization. Curtain shall roll-up on a drum supported at head of opening on brackets and shall be balanced by helical springs.

7.3.3.2 ENDLOCKS

The end of each slat shall have a malleable and iron endlocks of manufacturer's stock design. Windlocks in addition to endlocks, door shall have windlocks of manufacturer's standard design at end of each sixth slat. Windlocks shall prevent curtain from leaving guide because of deflection from wind pressure or other forces.

7.3.3.3 BOTTOM RAIL

The curtain shall have a rolled sheet bottom bar consisting of angles of equal height on each side, fastened to bottom of curtain, in addition exterior doors shall have compressible and replaceable rubber, or vinyl weather seal attached to bottom rail.

7.3.3.4 GUIDES

Guides shall consist of steel structural shapes or formed steel shapes, not less than 63mm deep and not less than 5mm thick and shall form a channel pocket of sufficient depth to retain the curtain in place under the wind pressure specified. Guides shall be securely attached to adjoining construction with 10mm diameter bolts, spaced near each end and not over 600mm apart.

7.3.3.5 ROLLER

Roller shaft shall be constructed of steel pipe or commercial steel tubing of proper diameter and thickness for the size of curtain. Deflection shall not exceed 0.7mm per 300mm of span. Ends of roller shall be closed with cast iron plugs, machined to fit the pipe. Plugs shall be either pinned or attached with screw in the spring barrel, welding shall not be used. An oil-tempered, helical, counter-balancing steel spring, capable of producing sufficient torque to assure easy operation of the door curtain the roller. At least 80% of the door weight shall be counter-balanced at any position.

7.3.3.6 BRACKETS

Brackets shall be fabricated of heavy cast iron or steel, designed to close the ends of roller shaft housing and to form a supporting ring for hood. Bracket hubs or shaft plugs shall be equipped with pre-lubricated ball bearings, shielded or sealed.

7.3.3.7 HOOD

Hood shall be constructed at least 24 gauge metal, formed to fit contour of end brackets and reinforced with steel rods or rolled beads at top and bottom edges.

7.3.3.8 LOCKS

Locking devise shall be provided and shall be included in the master keying.

7.3.3.9 OPERATING CHAIN

Operating chain shall be of design and strength to prevent stretching and to provide a comfortable hand grip and shall be heavily galvanized.

7.3.3.10 GEARS

Gears shall be of the best grade gray iron, cast teeth machine molded from machine-cut patterns.

7.3.4 INSTALLATION

Roll-up door shall be installed by the manufacturer or his authorized representative, in accordance with approved shop drawings and manufacturers direction. All anchors and inlets for guides, brackets and other work shall be

located accurately. Upon completion, doors shall be weather tight and shall be free from twist or distortion and shall be lubricated and properly adjusted to operate freely.

7.3.5 FIELD PAINTING

Painting steel member shall be as specified under the Section entitled Painting.

7.4 STEEL WINDOWS

7.4.1 GENERAL REQUIREMENT

All steel windows shall be products of reputable and nationally known manufacturers approved by the Construction Officer. Unless otherwise indicated, all window frames shall be constructed to withstand a minimum 1225 N/sq.m., windload with the sashes in closed position. Windows shall be designed for glazing from outside with continuous glazing heads.

The Contractor shall submit to the Officer shop drawings for approval showing design, elevation of windows, full of size sections of sash, frames and mullion, hardware, construction and assembly details. Details of anchorage, erection, proposed location and method of jointing and splicing of the unit to be installed shall be clearly shown. Fabrication shall not commence until these shop drawings have been submitted and approved.

7.4.2 MATERIALS

Window members shall be low-carbon, new hot-rolled steel frame. Vent sections shall be Zee-bars not less than 25mm in depth or 3mm in thickness for light section 32mm depth for heavy sections. All members shall be special sections hot-rolled from new billet steel. Munitions when required shall be 22mm x 32mm rolled tee sections.

7.4.3 CONSTRUCTION

Corners of frames and vents shall be miltred and electrically welded, exposed surfaces ground smooth.

Munitions shall be attached to frame or vent members by means of mortise tendon joints and riveted. Muntin intersections shall be of inter-locking design with flush interior surfaces.

Hinges shall have bronze-to-steel contact surfaces throughout. Hinge pins shall be steel, rustproof.

Double, full contact weathering shall be provided between vents and frames around the entire perimeter of each vent.

Windows shall be designed for glazing from the outside with angle glazing clips and steel sash putty. All unit shall be prepared for and supplied with necessary standard hardware.

7.4.4 HARDWARE

Hardware for doors and windows shall be acceptable foreign or local products of the types, material, sizes and mechanism as indicated on the drawings, and shall be free from any mark or other defect. For Construction Officer's approval. Manufacturers of hardware items shall be as listed below or approved equals:

Yale, Schlage or equivalent for locksets, door closed.

Yale, Alona, Shows or equivalent for hinges.

Samples of each type of hardware shall be submitted to the Architectural approval.

Hinges and door closers shall be the type size and capacity as indicated on the drawings, however, the Contractor shall verify each hardware item as to weight and other load of doors and windows, and minor modifications may be made without change in construction cost.

Each vent shall be a solid bronze, polished, cam locking handle and strike.

7.4.5 SHOP FINISH

All windows shall be given one shop coat of approved rust inhibitive of the type standard with the steel window manufacturer.

7.4.6 GLAZING

Glazing shall be as specified under the Section entitled GLASS AND GLAZING.

7.4.7 PAINTING

Refer to the Section entitled PAINTING.

7.4.8 PROTECTION AND CLEANING

The Contractor shall be responsible for protecting the windows during construction and for cleaning at the completion of the building.

7.5 GLASS GLAZING

7.5.1 SCOPE OF WORK

This section of work includes furnishing of glass and labor required to complete all glass and glazing works.

7.5.2 MATERIALS

7.5.2.1 PLATE GLASS

Plate glass used shall be mechanically ground and polished, distortion-free surfaces. Use where good vision is required.

7.5.2.2 FLOAT GLASS

Manufacture by “floating” continuous ribbon of molten glass onto a bath of molten tin where it is reheated to obtain a flat, fire-polished finish. It is then allowed to cool to a degree permitting it to be drawn on rollers in a long oven and then annealed.

7.5.2.3 SHEET GLASS

Drawn either vertically or horizontally into sheets, then cut to size. Characterized by fire-polished surfaces with some inherent wave or distortion usually prominent in one direction.

7.5.2.4 MIRROR

Silvering quality float glass, ¼ inch thick, recommended specifically for high humidity usage, double silvered produced by a coat of electro-deposited copper. Furnish with edges polished, in one place unless otherwise, indicated on the drawing or approved.

7.5.2.5 GRADING

Grade AA - Intended for uses where superior quality is required.

Grade A - Intended for selected glazing.

Grade B - Intended for general glazing.

7.5.2.6 GLAZING MATERIALS

Mastic - elastic compounds and non-skid compound.

Putties - wood sash putty and metal sash putty

Sealants: Synthetic polymer - based sealants - resilient or non-resilient type.

Performed caskets - Compression type, structural type.

7.5.3 WORKMANSHIP

Glass for glazing shall be cut and finished by grinding accurately to true sizes to set with equal bearing on the entire width of pane. Glass shall be set properly with glazing putty and angle glazing chips for windows, and with glazing beads for doors.

7.5.3.1 SAMPLES AND SUBMITTALS

Submit samples of panel glass not less other than 2” x 3” and glazing materials in lengths not less than 6” for Construction Officer’s approval. Submit manufacturer’s specifications and recommendations for glazing conditions specified herein. Submit certificates of compliance, certifying conformity with requirements of this specification.

7.5.3.2 DELIVERY

All glass shall be carefully packed for transportation, exercising reasonable precaution to insure avoidance of damage during transit. Care shall be insured in unloading, unpacking and storage on arrival at jobsite to avoid damage. Deliver all glazing accessory materials in manufacturer's original unopened containers, clearly marked as to their contents.

7.5.3.3 STORAGE

Store all materials at the job site, in a manner assuring its safety from all forms of damage. Protect glass from soiling, condensation, etching, etc. Follow manufacturer's recommendations properly.

7.5.3.4 GLAZING

Prevent glass from all contact with metal or any hard or sharp materials by use of resilient shims placed at quarter points. Use resilient sealants. Use stops in sizes permitting a "good grip" onto the glass. Install glass only in opening that are rigid, plumb and square. Allow sufficient clearance at edges of glass to compensate for its expansion or for some settlement of the building. Clearance should be 1/4" from edge to frame and 1/8" for face, markings, banners, posters and other decal shall not be spelled directly to glass surface as these could cause thermal stress. Removal of part of glazing compound smears from glass shall be performed by the glazing contractor during the materials normal work life. Failure to do so may result in damage to the glass.

WALL FINISH

513.1 SCOPE OF WORK

The work covered under this item consist of finishing works of the walls for the buildings as indicated on the Plans and as specified herein.

The work shall include, but will not be limited, to the following:

- a. Synthetic adobe plaster finish with silicon base water proofing finish for exterior and interior concrete walls.
- b. Plain cement plaster finish with acrylic resin emulsion paint finish for exterior and interior CHB concrete walls.
- c. Wall tiles; and
- d. 6" thick plywood double wall with stain varnish finish

513.2 MATERIAL REQUIREMENT

513.2.1 SUBMITTALS

The Contractor, before placing order for the finishing materials, shall submit to the "Engineer" for approval representative samples of finishing materials to be used in the works.

513.2.2 MATERIALS

1. Plain Cement Plaster Finish
 - a. Sand shall be clean, hard material, free from deleterious substances and conforming with the requirements of Item 405, concrete works.
 - b. Cement shall be Portland cement conforming with the requirements of Item 405, concrete works.
 - c. Water shall be clean and potable.
2. Synthetic Adobe Finish with Silicon Base Water Repellant
 - a. Portland Cement shall be in accordance with (1) above.
 - b. Crushed adobe shall be free from foreign and organic materials and a maximum size of not more than 19 mm.
 - c. Water shall conform with the requirements of (1) above.

- d. Silicon waterproofing shall be in accordance with manufacturer's specifications and approved by the "Engineer".
- e. Where so indicated on the drawings as synthetic adobe finish, the concrete surfaces where this finish is to be applied shall be prepared screed finish.
- f. The synthetic adobe finish shall consist of one (1) part of Portland cement mixed with two (2) parts crushed adobe, one-fourth (1/4) part white marble chips and sufficient amount of clean water to make this mix just sufficiently plastic and to obtain just enough and easy workability. When applied to the concrete surface, it is trowelled well to a smoother and even surface, true to forms, shape and dimensions shown on the drawings.

3. Wall Tiles

- a. Wall tiles shall be 100 mm x 100 mm white ceramic glaze tiles, marble tiles (preferably Romblon Marble Tiles of 25 mm x 150 mm x 300 mm Mariposa beige or equivalent free from imperfection that will affect its quality, appearance and strength after polishing, or other types as indicated in the Drawing.
- b. Portland Cement, sand and water shall conform with (1).
- c. Hydrated lime shall be the product of recognized manufacturer. The free (unhydrated) calcium oxide (CaO) and Magnesium oxide (MgO) in hydrated product shall not exceed 8% by weight.

4. Plywood Double Wall

- a. Plywood shall be 6 mm thick ordinary or Narra plywood as indicated in the drawings.
- b. Studs shall be well seasoned pressure-treated apitong, straight square-edge stock, free from loose or unsound knots, back edges or other defects that will impair its strength.

513.3.3 FINISHING WORK METHODS

1. Plain Cement Plaster Finish

- a. Preparation of Surfaces, clean all surfaces and remove projections, dust, loose particles and other materials which would prevent good bond. Do not apply plaster directly to concrete and masonry surfaces coated with bituminous compounds and surfaces and previously painted or plastered. Wet thoroughly all surfaces before plastering.

b. Trial Mix of at least three (3) different water-cement ratio for a proposed mix shall be prepared under full scale conditions and adequate workability. The proportions by weight of cement to the weight of sand shall be no less than one part of Portland cement to two parts of sand. The proportion of cement-sand and water is necessary to produce the cement plaster of the required consistency shall be subject to the approval of the "Engineer". Such approval may be withdrawn at any time and a change in proportions may be required. Based on the approved mix proportions, the contractor shall prepare a list showing the number of kilograms of the various materials to be used in the cement plaster finish mix. No cement plaster finish shall be started without an approved trial mix by the "Engineer".

c. Cement Plaster Finish Application

Apply base coat with sufficient pressure to fill the gaps, and to secure a good bond. Keep moist for 48 hours each coat of cement plaster after application and allow to dry.

Apply finish coat after base coat has set. Moisten base before application of finish coat. Float finish coat to plumb, even planes and surfaces.

Rubber sponge all final plaster finishes.

d. Tolerance

Finish plaster work plumb, level, square and true within tolerance of 3 mm in 3 meters, without cracks and other imperfections.

e. Patching and Cleaning

Upon completion of the building, and when so directed by the "Engineer", all loose, cracked, damaged or defective plastering shall be cut out and replastered in a satisfactory and approved manner.

2. Synthetic Adobe Plaster Finish Silicon Base Water Repellant Coating

a. Preparation of Surface: The CHB wall surfaces where this finish is to be applied shall be prepared screed-finished. Clean all surfaces and remove projections, dust, loose articles and other materials which would prevent good bond.

Do not apply plaster directly to the surface coated with bituminous compounds or as surfaces previously painted or plastered.

Wet thoroughly all surfaces before plastering.

b. Trial Mix

No synthetic adobe plaster finish work shall be started without an approved trial mix by the "Engineer". The synthetic adobe plaster finish shall consist of one part Portland Cement mixed with two parts crushed adobe and one-fourth part white marble chips and sufficient amount of clean water to make the mix just sufficiently plastic to obtain just enough and easy workability.

c. Finish Application

Apply synthetic adobe finish to a thickness of at least 19 mm. When applied to the concrete surface, it is trowelled well to smooth and even surface, true to form, shape and dimensions shown on the drawings.

The resulting surfaces shall be bush-hammered. This final surface shall be sprayed with clear silicon water-repellant, in accordance with the manufacturer's specifications and approved recommended method of application.

d. Tolerance

Synthetic adobe finish work shall be plumb, level, square and true within the tolerance of 3 mm in 3 meters, without cracks and other imperfections.

3. Wall Tiles

a. Mortar Preparation

All mortar setting beds shall be mixed by volume in the proportion of 1 part Portland Cement and 3 parts dry sand and not more than 1/10 part hydrated lime.

Mortar materials shall be measured in approved containers, which will ensure that the specified proportions of materials will be controlled and accurately maintained during the progress of the work. Measuring materials with shovels, "shovel count" will not be permitted. Unless specified otherwise, mortar shall be mixed in proportions by volume, using an approved mortar boxes. The quantity of water shall be controlled accurately and uniformly. The aggregates shall be introduced and mixed in such manner that the materials will be distributed uniformly throughout the mass. Sufficient amount of water shall be added gradually and the mass further mixed until a mortar of the elasticity necessary for the purpose intended is obtained. Mortar boxes, pans and wall surfaces shall be kept clean and free from debris or dried mortar. Mortar shall be used before the initial setting of the cement has occurred. Retampering of mortar in which cement has started to set will not be allowed.

b. Application of Tile Wall

Interior masonry shall be clean, thoroughly dry, sound and sufficiently rough to provide strong mechanical bond. Surface shall be evenly damped immediately prior to the application of the scratch coat.

Scratch coat shall be applied to masonry, as backing of wall tile, not less than 24 hours or more than 48 hours before starting the setting. Scratch coat shall be not less than 6 mm from the face of the masonry. Scratch coat shall be applied with sufficient pressure to ensure a proper bond with the base, and a proper base for the setting bed. While the mortar is still plastic, the scratch coat shall be cut with a trowel at all internal vertical angles for the depth of the coat with the full height of the tile bed and shall be cross-scratched, in 25mm centers for the extent of the tile bed.

Immediately before the application of mortar setting bed, the scratch coat shall be moistened thoroughly but not saturated. Temporary screeds shall be applied to the scratch coat with mortar to provide a true and plumb surface the proper distance back from the finished wall line. The setting bed shall be applied, rodded, and floated flush with the screeds over an area not greater than will be covered with the tile while the bed remains plastic. The thickness of the setting bed shall not exceed 19 mm and the mortar shall not be retamped. The setting bed shall be cut with trowel at all internal corners as specified for the scratch coat.

Intersection and returns shall be formed accurately. Where cutting of tiles is necessary, it shall be done at the internal angles of the walls or wainscots. Cutting and drilling tiles shall be done neatly without marring the surfaces. The cut edges of tiles against drain, built-in fixtures, and similar surfaces shall be ground and jointed carefully. The tiles shall fit closely at plumbing fixtures and around electric outlets, pipes and fittings, so that the plates or escutcheons will properly overlap the tiles. Wainscots shall be within one half tile of the heights indicated without cutting of the tiles. Bases, caps, bullnose corners, and all other trimmers, molded or shaped features, and accessories shall be backed thoroughly with mortar and set firmly into place.

All lines shall be kept straight and true, and all finished surfaces rough to true and even planes, straight and plumb, and internal corners squared and external corners rounded.

Horizontal joints shall be maintained level and vertical joint plumb and in alignment. The completed work shall be free of broken, cracked, damaged, or otherwise faulty tiles.

Joints shall be parallel and uniform in width, plumb, level and in alignment. End joints shall be made as far as practicable, on the center lines of adjoining tiles.

Except in special arrangement and design, as indicated or specified, square tiles shall be set with straight joints, and oblong tiles shall be set with broken joints.

Joints width shall be uniform and spaced to accommodate the tile in the given spaces with a minimum of cutting. Tile shall be wetted, if they have become dry, before applying grout. Joints 3 mm or less in width shall be grouted with a neat Portland cement grout of the consistency of thick cream. Other joints shall be pointed with mortar consisting of one part Portland cement and two parts sand. The grout of walls and other vertical surfaces shall be forced into joints by using trowel, squeegee, brush or finger application. Before the grout or mortar sets, the joints of cushion edge tile shall be struck or tooled to the depth of cushion, filling all skips or gaps, and the joints of square edge tile shall be filled completely flush with their surface. Dark cement shall not show through grouted white joints. Care shall be taken to avoid scratching glazed finishes. All mortar or grout shall be removed before it has set or hardened.

c. Cleaning and Curing

All completed tile works shall be thoroughly sponged and washed diagonally across joints, and finally polished with clean, dry cloth. Acid cleaning of unglazed tile, when necessary, shall not be done within ten days after setting tile. All metal shall be covered with an approved grease and the tile wet with clean water, before tile is cleaned with 10 % muriatic acid solution. After acid cleaning, the tile shall be flushed with clean water, and the grease coating on metal removed. Acid cleaners shall not be used on glazed tile.

d. Polishing of Marble Tiles

Surfacing: After all marble tiles have been identified, it shall be out ground with an electric grinding machine to a smooth even surface. For vertical surface, use as electric sanding machine with No. 24 grit abrasive stone for the initial rubbing, then followed by No. 80 grit abrasive stone.

Finishing: Final rubbing shall be done by the use of abrasive stone no coarser than No. 80 grit and shall remove scratches and produce a true surface. The finish surface, after final grinding and rubbing shall not show a wave exceeding one thirty two (1/32) second of an inch when tested with steel straight edge, three (3) feet long. After final grinding, it shall be thoroughly cleaned and left in a finished condition using an electric buffing machine.

e. Protection

Tiled walls outside corners(external angles) shall be protected with board corners strips in areas used as passage ways by workmen. Extreme care should be taken not to disturb walled tiled until mortar has fully set.

4. Plywood Double Wall

Clean all surface and remove projections so that studs can be accurately set.

Studs shall be well fitted, accurately set, and rigidly secured in place.

Studs in contact with concrete shall be given a brush coat of bituminous paint.

All carpentry and joinery work shall be in accordance with the requirements.

Double wall panels shall be accurately placed and plumb as shown on the drawings.

Means of fastening plywood wall panel shall be concealed.

Wall panel shall be machined and hand sanded to an even smooth surface, ready for finish. No hammer marks or other unsightly marks shall be allowed on any panel.

All wood finish works shall be true to details, clean and sharply defined.

513.4 MEASUREMENT AND PAYMENT

The quantity of wall finishing works to be paid for shall be measured by the number of square meters installed/applied complete and accepted by the "Engineer". Payment shall include furnishing all labor, materials, equipment, tools and incidentals necessary to undertaken and complete the works.

Payment will be made under:

ITEM NO.	DESCRIPTION	UNIT OF MEASUREMENT
513 (1)	Plain Cement Plastic Finish	sq.m.
513 (2)	Wall Tiles (Ceramic)	sq.m.
513 (3)	Wall Tiles (Marble)	sq.m.
513 (4)	Synthetic Adobe Finish	sq.m.
513 (5)	Plywood Double Wall	sq.m.

ELECTRICAL WORKS

10.1 WORK INCLUDED

All work under these specifications shall consist of furnishing and/or installing all labor, materials, tools and all services necessary unless otherwise indicated to complete and make ready for operation, the electrical power, lighting and other utility system described herein and/or indicated in the Electrical Plans except for Owner-furnished equipment and fixtures for the proposed AIRPORT BUILDING. In accordance with the electrical plans and these specifications.

- 10.1.1. Furnish and install low voltage service entrance including accessories.
- 10.1.2. Furnish and install feeder distribution layout.
- 10.1.3. Furnish and install lighting and power system.
- 10.1.4. Furnish and install panel boards, circuit breakers, and disconnect switches.
- 10.1.5. Furnish and install outlets, switches and plates.
- 10.1.6. Furnish and install lighting fixtures and lamp (including T-runners & lighting diffusers)

10.2 WORK NOT INCLUDED

The following items of work shall be supplied by the Owner but to be installed by the Electrical Contractor or respective trade contractors or suppliers.

- 10.2.1. Motor, magnetic starters and controlling devices.
- 10.2.2. Air-conditioning units.
- 10.2.3. Electrical cooperative deposits.

10.3 CODE REGULATIONS

All materials and equipment to be used in the electrical installations and construction shall be in accordance with the latest edition of the Philippine Electrical Code and the pertinent ordinances of the City Government.

All work shall comply with the rules and regulations of the local power company in so far as they are concerned in providing their respective permanent services to the building.

With respect to the local power company, it shall be the electrical contractor's sole responsibility to verify the point of service entrances and other requirements necessary for service connection of both abilities.

10.4 DRAWINGS AND SPECIFICATIONS

The electrical plans and these specifications are meant to be complementary to each other, and what is called for in one shall be as binding as if called for by both.

Any apparent conflict between the electrical plans and these specifications and any unclear points of controversial matters in either shall be referred to the owner's assigned representative for final decision.

Upon final completion of the work herein described, the electrical contractor shall furnish the Owner two (2) copies of the "As-built" plans for future reference and maintenance purposes.

The electrical plans indicate the general layout of the complete electrical system, arrangement of feeders, circuit outlets, switches, controls, panel boards, service equipment and other work. Field verification of the scale dimensions on plane must be made, since actual locations, distances and levels will be governed by actual field conditions.

The Electrical Contractor shall check architectural, structural and plumbing plans be necessary to resolve such conflicts, the Electrical Contractor shall notify the Architect and secure approval and agreement on necessary adjustments before installation is started.

10.5 PERMITS AND INSPECTION

The Electrical Contractor shall obtain all necessary permits and certificates of electrical inspection from the proper government authorities concerned, required both for the performance of the work involved and the operation of the system upon completion of the work.

The Electrical Contractor shall pay all necessary electrical fees for the securing of the above-mentioned permits and certificates of electrical inspection.

The Electrical Contractor shall as his own expense, reproduce the electrical plans for work to the necessary scale and size, complete them with the necessary information and requirements as required by the government authorities concerned with approving such plans.

The Electrical Contractor shall coordinate with the local power company regarding the power facilities and secure approval of the power requirements.

10.6 MATERIALS AND WORKMANSHIP

All materials to be installed shall be brand new, unused and shall in every case to be the best where such standard have been established for the particular type of materials used.

Only skilled workmen using proper tools and equipment shall be employed during the entire course of the installation work. All workmanship shall be of the best quality, all work to be done in accordance with the best engineering practice of the trade involved.

10.7 WIRING METHOD

Branch circuit installation for lighting and power layout shall be done polyvinyl chloride pipes (PVC) exposed, inside drop ceiling, wooden and concrete partitions, using NELTEX, ATLANTA EMERALD or approved equal.

All auxiliary layout shall be in uPVC pipes using NELTEX or ATLANTA, EMERALD or approved equal.

Branch circuit layout run underground or embedded in concrete slab shall also be in PVC pipes.

Low voltage service entrance and all feeders shall be in Rigid Steel Conduit (RSC) using PUSAN, KSP or approved equal.

Use flexible metal pipe for connection between junction boxes inside ceiling and lighting fixtures and ceiling fans with standard fittings.

All conduits shall be standard mild steel; hot galvanized or sherardized with an interior coating. Conduits shall be 15mm minimum nominal diameter or otherwise as indicated in the Drawings.

All conduits shall be laid during the construction and shall be concealed in ceiling. All boxes, cabinets and other equipment shall be installed flush-mounted unless specified otherwise. All underground conduits shall be encased in concrete with minimum thickness of 10mm around conduit, and when outside the building, be reinforced sufficiently with steel bars.

All boxes for lighting outlets, convenience outlets, tumbler switches and other devices shall be galvanized and approved products of reputable manufacturers. Outlet boxes shall be 1.5mm thick (Gauge 16). Ceiling and wall outlet boxes shall be 10mm octagonal. Boxes for wall, 50mm x 100mm x 55mm deep, locally made. Cut ends of conduits shall be reamed and cleaned to remove burr and sharp edges. Threads cut on conduits shall be the same thread dimensions as factory cut conduit threads. Conduit joints shall be made straight and true. Elbows and offsets and changes in direction of runs and shall be uniform. Bends shall be made without chinking or destroying the cross-sectional contours of the conduits. Conduit terminals shall be provided at outlet boxes and cabinets with locknuts and bushing. Conduits shall be continuous from outlet and from outlet to pull boxes and cabinets in the manner that the conduit system shall be electrically continuous.

Where conduit runs are exposed, they shall be supported at an interval of 1.52m maximum with proper clamps and bolts or expansion shields or other means of support.

Wires shall be manufactured by PHELP DODGE PHILS., AMERICAN WIRE AND CABLE or approved equivalent. Use one brand only.

All splices taps, junction in wires larger than 8.0 sq.mm. shall be done with solderless connectors or suitable sizes properly insulated with rubber tapes and protected by friction tapes, so that the insulation strength shall at least be equal to the insulation of the conductors they join.

Smallest size of wire to be used for lighting and power unless otherwise indicated shall be 3.5sq.mm.

10.8 FEEDERS

Feeders shall be laid out in accordance with the riser diagram shown in the electrical plans.

Unless otherwise specified type THW wires shall be used for feeder lines. The wires and conduits sizes shown in the electrical plans shall be the minimum sizes to be used.

10.9 WALL SWITCHES AND RECEPTACLES

Suitable single pole tumbler switches and three way switches of the flush type shall be NATIONAL brand. Japanese brand or approved equal, to be furnished and installed by the electrical contractor as indicated in the electrical plans.

Wall switches intended to control more than 500 watts load shall be rated Amperes, 300 volts.

Ordinary convenience outlets shall be duplex flush type, 2 wires, 15 Amperes, 250 volts; NATIONAL brand. Japan made or approved equal. Heavy duty convenience outlets shall be rated 250 volts, 2 wires, 20 Amperes.

All wall plates for switches, receptacles, telephone outlets and blank cover shall be National brand, practidesign or approved equal.

Wall tumbler switches shall be installed 1.40m above finish floor level.

Wall convenience outlets shall be installed 0.30m above finish floor or above the baseboard where there are baseboards.

10.10 MAIN SWITCHES AND PANEL BOARDS

The Electrical Contractor shall furnish and install main distribution panel, lighting panel boards as shown in the drawings.

The cabinets for the above must be of standard sizes and gauge. Locally assembled by FUJI HAYA ELECTRIC CORP., WESTINGHOUSE or approved equal.

Main circuit breakers for power and lighting panel boards shall be 250 volts, AC and shall be quick break, FUJI brand, Japan made WESTINGHOUSE or approved equal.

Safety disconnect switches shall be fusible type as manufactured by EVER, or approved equal.

10.11 LIGHTING FIXTURES

Install all lighting fixtures and lamps as specified and shown on plans. Fluorescent lamps shall be 48 inches, 48 watts, standard cool white or daylight with minimum light output of 3,000 lumens. Use normal power factor ballast, 250V.

All fluorescent fixtures housing shall be of US Gauge 22 minimum.

Submit one (1) sample of each type of fixtures to the Architect for approval prior to manufacturing and installation.

10.12 WATER PUMP

The electrical contractor shall install a complete wiring and conduit for the system including circuit breaker.

The water pump and accessories such as electric motor, magnetic starter, electrode water level controller and others are supplied and installed by others.

10.13 GUARANTEE

The electrical contractor shall guarantee his work for a period of one (1) year form the date of acceptance of the Owner, with which time, he shall repair any defects and failures in any part of the system and replace defective materials, except those to the Owner.

10.14 “AS BUILT” DRAWINGS

Upon completion and before first acceptance of the work, the contractor shall prepare at his own expense and submit to the Architect “as built” drawings indicating in all detail the actual as-built conditions of the work required.