

Republic of the Philippines

VICTORIAS CITY WATER DISTRICT

Victorias City, Negros Occidental

**PROCUREMENT OF DRILLING OF ONE (1)
EXPLORATORY/PRODUCTION WELL**

October 2018

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Section I. Invitation to Bid



VICTORIAS CITY WATER DISTRICT

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INVITATION TO BID

DRILLING OF ONE (1) EXPLORATORY/PRODUCTION WELL

1. The VICTORIAS CITY WATER DISTRICT (VCWD), through the 2018 Approved Corporate Budget, intends to apply the sum of “**THREE MILLION ONE HUNDRED FIFTY THOUSAND TWO HUNDRED SEVENTY SEVEN PESOS (PhP 3,150,277.00)**” being the Approved Budget for the Contract (ABC) to payments under the contract for the procurement of DRILLING of ONE (1) EXPLORATORY/PRODUCTION WELL. Bids in excess of the ABC shall be automatically rejected at Bid Opening.
2. The VCWD now invites bids for the DRILLING of ONE (1) EXPLORATORY/PRODUCTION WELL. Completion of the Works is required within **sixty five (65) calendar days** after receipt of Notice to Proceed. The prospective Bidder should have completed, within ten (10) years prior to the date of submission and receipt of bids, a single largest completed contract (SLCC) similar to the Project, equivalent to at least 50% of the ABC. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II “Instructions to Bidders”.
3. Bidding will be conducted through open competitive bidding procedures using a non- discretionary “pass/fail” criterion as specified in the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the “Government Procurement Reform Act”.

Bidding is restricted to Filipino citizens/sole proprietorship, partnerships, or organizations with at least seventy five percent (75%) interest or outstanding capital stock belonging to citizens of the Philippines, and to citizens or organizations of a country, the laws or regulations of which grant similar rights or privileges to Filipino citizens, pursuant to RA 5183 and subject to Commonwealth Act 138.

4. Interested bidders may obtain further information from the **VCWD Bids and Awards Committee Secretariat**, Victorias City Water District Compound, Victorias City, Negros Occidental and inspect the Bidding Documents at the address given below from 9:00 A.M. – 4:00 P.M.
5. A complete set of Bidding Documents may be acquired by interested Bidders starting **October 6, 2018** from the address below and upon payment of a non-refundable fee for

the Bidding Documents, pursuant to the latest Guidelines issued by the GPPB, in the amount of **Five Thousand Pesos (₱5,000.00)**.

It may also be downloaded free of charge from the website of the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the VCWD, provided that Bidders shall pay the non-refundable fee for the Bidding Documents not later than the submission of their bids.

6. The VCWD BAC will hold a Pre-Bid Conference on **October 15, 2018 at 01:30 P.M.** at the BAC Conference Room, VCWD, Quirino St., Victorias City, Negros Occidental, which shall be opened to all interested parties.
7. Bids must be delivered to the address below on or before **12:00 P.M. on October 29, 2018**. All Bids must be accompanied by a bid security in any of the acceptable forms and in the amount stated in **ITB** Clause 18.

Bid opening shall be on **01:30 P.M. on October 29, 2018**. Bids will be opened in the presence of the Bidders' representatives who choose to attend at the address below. Late bids shall not be accepted.

8. The VCWD reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract at any time prior to contract award in accordance with Section 41 of RA 9184 and its IRR, without thereby incurring any liability to the affected bidder or bidders.
9. For further information, please refer to:

Bids and Awards Committee Secretariat
VICTORIAS CITY WATER DISTRICT
Quirino St., Victorias City, Negros Occidental
Telephone No. (034) 399-2865 Telefax No. (034)399-354
Email address: victoriacitywd@yahoo.com.ph

(Original Signed)
LINO CORNELIO CECILIO T. BASCUG
BAC Chairperson

Section II. Instructions to Bidders

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A. General

1. Scope of Bid

- 1.1. The Procuring Entity as defined in the 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.

3. Corrupt, Fraudulent, Collusive, and Coercive Practices

- 3.1. Unless otherwise specified in the **BDS**, the Procuring Entity as well as the bidders and suppliers 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 government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in RA 3019.
 - ii. “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition.

- iii. “collusive practices” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels.
- iv. “coercive practices” means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
- v. “obstructive practice” is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or
 - (bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.
- (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.
- (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 applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in 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 bidder or supplier in the bidding for and performance of a contract themselves or through independent auditors as reflected in the GCC Clause 24.

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) below and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (f) 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; or
 - (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.
- 4.2. In accordance with Section 47 of the 2016 Revised 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 or implementing 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;
- (d) If the bidder is a cooperative, to all its officers, directors, and controlling shareholders or members; and
- (e) If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

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 provided 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
 - (e) Unless otherwise provided in the **BDS**, 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 Filipino ownership or interest of the joint venture concerned shall be at least seventy five percent (75%). For this purpose, Filipino ownership or interest shall be based on the contributions of each members of the joint venture as specified in their JVA.

JV bidders shall submit a JVA in accordance with R.A. 4566 and its IRR. Each partner of the joint venture shall submit his or her respective PhilGEPS Certificates of Registration in accordance with Section 8.5.2 of the 2016 Revised IRR of R.A. 9184. The submission of technical and financial eligibility documents by any of the joint venture partners constitutes compliance: Provided, that the partner responsible to submit the NFCC shall likewise submit the Statement of all of its ongoing contracts and Audited Financial Statements.

- 5.2. In accordance with R.A. 4566, entitled “An Act Creating the Philippine Licensing Board for Contractors, Prescribing its Powers, Duties and Functions, Providing Funds Therefor, and for Other Purposes’, the persons/entities enumerated in Section 23.4.1.1 of the 2016 Revised IRR may participate in public bidding if he has been issued a license by the PCAB to engage or act as a contractor.
- 5.3. Foreign bidders may be eligible to participate when any of the following circumstances exist, as specified in the **BDS**:
 - (a) When a Treaty or International or Executive Agreement as provided in Section 4 of the RA 9184 and its 2016 Revised IRR allow foreign bidders to participate;
 - (b) Citizens, corporations, or associations of a country, included in the list issued by the GPPB, the laws or regulations of which grant reciprocal rights or privileges to citizens, corporations, or associations of the Philippines; or
 - (c) When there is a need to prevent situations that defeat competition or restrain trade.
- 5.4. 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 attached agencies of the Procuring Entity.
- 5.5. The prospective bidder must have completed a Single Largest completed Contract (SLCC) that is similar to the contract to be bid, and whose value, adjusted to current prices using the PSA consumer price indices, must be at least fifty percent (50%) of the ABC to be bid: Provided, however, That contractors under Small A and Small B categories without similar experience on the contract to be bid may be allowed to bid if the cost of such contract is not more than the Allowable Range of Contract Cost (ARCC) of their registration based on the guidelines as prescribed by the PCAB.

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

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

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

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

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

6. Bidder's Responsibilities

- 6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section VII 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 RA 9184 in relation to other provisions of RA 3019; and
- (j) Complying with existing labor laws and standards, in the case of procurement of services.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents.
- 6.4. It shall be the sole responsibility of the Bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to the contract to be bid, including: (a) the location and the nature of this Project; (b) climatic conditions; (c) transportation facilities; and (d) other factors that may affect the cost, duration, and execution or implementation of this Project.
- 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. 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.
- 6.7. Before submitting their bids, the Bidder is deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect this Project in any way.
- 6.8. The Bidder should note that the Procuring Entity will 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

Unless otherwise indicated in the **BDS**, there is no restriction on the origin of goods other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, subject to **ITB** Clause 27.1.

8. Subcontracts

- 8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the Goods 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 comply with the eligibility criteria and the documentary requirements 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 Goods shall be disallowed.
- 8.3. The Bidder may identify the subcontractor to whom a portion of the Goods 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 and receipt of bids, but not earlier than seven (7) calendar days from PhilGEPS posting of the Invitation to Bid or Bidding Documents. 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. The pre-bid conference shall discuss, clarify and explain, among other things, the eligibility requirements and the technical and financial components of the contract to be bid including questions and clarifications raised by the prospective bidders before and during the Pre-Bid Conference.
- 9.3. 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 discussed during the pre-bid conference.
- 9.4. The minutes of the pre-bid conference shall be recorded and prepared not later than five (5) calendar days after the pre-bid conference, and shall be made available to prospective bidders not later than five (5) days upon written request.

- 9.5. Pre-bid conference may be conducted in person or face-to-face through video conferencing, webcasting, or similar technology, or a combination thereof. Procuring entities with videoconferencing capabilities that have manufacturers, suppliers, distributors, contractors and/or consultants that also have video conferencing capabilities may conduct their pre-bidding conferences electronically.
- 9.6. Any statement made at the pre-bid conference shall not modify the terms of the Bidding Documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.
- 9.7. Decisions of the BAC amending any provision of the Bidding Documents shall be issued in writing through a Supplemental/Bid Bulletin at least seven (7) calendar days before the deadline for the submission and receipt of bids.

10. Clarification and Amendment of Bidding Documents

- 10.1. Requests for clarification(s) on any part of the Bidding Documents or for an interpretation must be in writing and submitted to the BAC of the Procuring Entity concerned at least ten (10) calendar days before the deadline set for the submission and receipt of bids. The BAC shall respond to the said request by issuing a Supplemental/Bid Bulletin, duly signed by the BAC Chairperson, to be made available to all those who have properly secured the Bidding Documents, at least seven (7) calendar days before the deadline for the submission and receipt of bids.
- 10.2. For purposes of clarifying or modifying any provision of the Bidding Documents, Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative at least 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, and at any conspicuous place within the premises of the Procuring Entity. It shall be the responsibility of all those who have secured the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, Bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with Section 26 of the 2016 Revised IRR of the R.A. 9184.

C. Preparation of Bids

11. Language of Bid

The bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Procuring Entity, shall be written in English. If the bids, and all other documents submitted to the BAC are in foreign language other than English, it must be

accompanied by a translation of the documents in English. The documents shall be translated by the relevant foreign government agency authorized to translate documents, or a registered translator in the foreign bidder's country; and shall be authenticated by the appropriate Philippine foreign service establishment/post or the equivalent office having jurisdiction over the foreign bidder's affairs in the Philippines. 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

Legal 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. Tax Clearance per Executive Order 398, Series of 2005, as finally reviewed and approved by the BIR.
- iv. PhilGEPS Certificate of Registration and membership in accordance with Section 8.5.2 of the 2016 Revised IRR, except for foreign bidders participating in the procurement by a Philippine Foreign Service or Post, which shall submit their eligibility documents under Section 23.1 of the 2016 Revised IRR: Provided, That the winning bidder shall register with the PhilGEPS in accordance with Section 37.1 of the 2016 Revised IRR.

Technical Documents

- v. 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:

- (v.1) name of the contract;
 - (v.2) date of the contract;
 - (v.3) contract duration;
 - (v.4) owner's name and address;
 - (v.5) nature of work;
 - (v.6) contractor's role (whether sole contractor, subcontractor, or partner in a JV) and percentage of participation;
 - (v.7) total contract value at award;
 - (v.8) date of completion or estimated completion time;
 - (v.9) total contract value at completion, if applicable;
 - (v.10) percentages of planned and actual accomplishments, if applicable;
 - (v.11) value of outstanding works, if applicable;
 - (v.12) the statement shall be supported by the notices of award and/or notices to proceed issued by the owners; and
 - (v.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.
- vi. Statement of Single Largest Completed Contract (SLCC) similar to the contract to be bid, except under conditions provided for in Sec. 23.4.2.4 of the 2016 Revised IRR, within the relevant period as provided in the **BDS**.

The SLCC shall be supported by an Owner's Certificate of Final Acceptance issued by the project owner other than the contractor or a final rating of at least Satisfactory in the Constructors Performance Evaluation System (CPES). In case of contracts with the private sector, an equivalent document shall be submitted.

- vii. 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;

Financial Documents

- viii. 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; and
- ix. The prospective bidder’s NFCC computation in accordance with ITB Clause 5.5.

Class “B” Document:

- x. Valid Joint Venture Agreement (JVA) in case the joint venture is already in existence, or 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.

Each partner of the joint venture shall submit his or her respective PhilGEPS Certificate of Registration in accordance with Section 8.5.2 of the 2016 Revised IRR. The submission of technical and financial eligibility documents by any of the joint venture partners constitutes compliance: Provided, that the partner responsible to submit the NFCC shall likewise submit the Statement of all its ongoing contracts and Audited Financial Statements.
- xi. Bid security in the prescribed form, amount and validity period as prescribed and provided in the **BDS**;
- xii. Technical Specifications, which may include production/delivery schedule, manpower requirements, and/or after-sales service parts, if applicable;
- xiii. Certificate of Site Inspection duly signed by the General Manager or any authorized representative of the WD;
- xiv. Project Requirements, which shall include the following:
 - (xiv.1) Organizational chart for the contract to be bid;
 - (xiv.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

- (xiv.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;
- xv. Omnibus Sworn statement in accordance with Section 25.3 of the 2016 Revised IRR; and
- xvi. For foreign bidders claiming eligibility by reason of their country's extension of reciprocal rights to Filipinos, a certification from the relevant government office of their country stating the Filipinos are allowed to participate in their government procurement activities for the same item or product.

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, which includes bid prices and the bill of quantities and the applicable Price Schedules, in accordance with **ITB** Clauses 15.1 and 15.4;
- (b) If the Bidder claims preference as a Domestic Bidder or Domestic Entity, a certification from the DTI, SEC, or CDA issued in accordance with **ITB** Clause 27, unless otherwise provided in the **BDS**; and
- (c) Any other document related to the financial component of the bid as stated in the **BDS**.

13.2. (a) Unless otherwise stated 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 responsible unit of the procuring entity and that the estimates 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.
- (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 system to monitor and report bid prices relative to ABC and procuring entity's estimate. 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, 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 48. Price escalation may be allowed in extraordinary circumstances as may be determined by the National Economic and Development Authority in accordance with the Civil Code of the Philippines, and upon the recommendation of the Procuring Entity. Furthermore, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the GOP, promulgated after the date of bid opening, a contract price adjustment shall be made or appropriate relief shall be applied on a no loss-no gain basis.

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. All bids shall be accompanied by a bid security, payable to the Procuring Entity concerned as a guarantee that the successful bidder shall, within ten (10) calendar days from receipt of the notice of award, enter into contract with the Procuring Entity and furnish the performance security required in Section 39 of the 2016 Revised IRR, except when Section 37.1 of the 2016 Revised IRR allows a longer period. Failure to enclose the required bid security in the form and amount prescribed herein shall automatically disqualify the bid concerned.
- 18.2. The Procuring Entity shall prescribe in the BDS, the acceptable forms of bid security that the bidders may opt to use, which shall include the Bid Securing Declaration or at least one (1) other form, the amount of which shall equal to a 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 /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 insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)

- 18.3 The bid security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity.
- 18.4. 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.

For biddings conducted by LGUs, the procuring entity may also require bidders to 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.

The Bid Securing Declaration mentioned above is an undertaking which states, among others, that the bidder shall enter into contract with the procuring entity and furnish the performance security required under ITB Clause 33.2, from receipt of the Notice of Award, and committing to pay the corresponding fine, and be suspended for a period of time from being qualified to participate in any government procurement activity in the event it violates any of the condition stated therein as provided in the Guidelines issued by the GPPB.

- 18.5. 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 and 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 17.1.
- 18.6. Upon signing and execution of the contract pursuant to **ITB** Clause 31, and the posting of the performance security pursuant to **ITB** Clause 31.4(g), the successful Bidder's bid security will be discharged, but in no case later than the bid security validity period as indicated in the **ITB** Clause 17.1.
- 18.7. The bid security may be forfeited:
 - (a) if a Bidder:
 - i. withdraws its bid during the period of bid validity specified in **ITB** Clause 16.1;
 - 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; or
- ii. fails to furnish performance security in accordance with **ITB** Clause 31.4(g).

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 VIII Bidding Forms on or before the deadline specified in the **ITB** Clauses 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 and submit an original of the first and second envelopes as described in **ITB** Clauses 12 and 13. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 19.4. The bid, except for un-amended 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 in accordance with **ITB** Clause 10.1;
 - (d) bear the specific identification of this bidding process indicated in the **ITB** Clause 1.2; 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 18.6, 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 envelope 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 13.2, 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 (v).
- 24.5. In the case of an eligible foreign Bidder as described in **ITB** Clause 5, the Class “A” Documents described 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 requirements 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. The Procuring Entity shall prepare the minutes of the proceedings of the bid opening that shall include, as a minimum: (a) names of Bidders, their bid price, bid security, findings of preliminary examination; and (b) attendance sheet. The BAC members shall sign the abstract of bids as read.

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 otherwise allowed 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 23.4, in order to determine the Lowest Calculated Bid.
- 27.2. The Lowest Calculated Bid shall be determined in two steps:
 - (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 the 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 criteria. Unless otherwise specified in the **BDS**, 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 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**; and
 - (b) Other appropriate licenses and permits required by law and stated in the **BDS**.

Failure of the Bidder declared as Lowest Calculated Bid 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.
- 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 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 GOCCs and 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 GOP 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 (LCRB) 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 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 Bidder with 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 valid JVA, if applicable, within ten (10) calendar days from receipt by the Bidder of the notice from the BAC that the Bidder has the LCRB;
 - (b) Posting of the performance security in accordance with **ITB** Clause 31.4(g);
 - (c) Signing of the contract as provided in **ITB** Clause 31; and
 - (d) Approval by higher authority, if required.
- 30.4. At the time of contract award, the Procuring Entity shall not increase or decrease the quantity of goods originally specified in Section VI. Schedule of Requirements.

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 and 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 days 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 procuring entity shall prescribe at least two (2) acceptable forms of performance security taken from two (2) categories below that bidders may opt to use, denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
<p>(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.</p> <p>For biddings conducted by LGUs, the cashier's/manager's check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.</p>	<p>Five percent (5%)</p>
<p>(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.</p> <p>For biddings conducted by LGUs, bank draft/guarantee, or irrevocable letter of credit may be issued by other banks</p>	

certified by the BSP as authorized to issue such financial instrument.	
(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%)

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 LCRB 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.

34. Protest Mechanism

Decision of the procuring entity at any stage of the procurement process may be questioned in accordance with Section 55 of the revised Implementing Rules and Regulations of R.A. 184.

Section III. Bid Data Sheet

Bid Data Sheet

ITB Clause	
1.1	The Procuring Entity is the Victorias City Water District The Contract is: Drilling of One (1) Exploratory/Production Well
1.2	No further instructions.
2	The Funding Source is: The Government of the Philippines (GOP) through the 2018 Approved Corporate Budget in the amount of Three Million One Hundred Fifty Thousand Two Hundred Seventy Seven Pesos (Php 3,150,277.00) The name of the Project is: PROCUREMENT OF DRILLING OF ONE (1) EXPLORATORY/PRODUCTION WELL
3.1	No further instructions.
5.1	No further instructions.
5.2	No further instructions
5.4	The Bidder must have completed, within the period specified in the Invitation to Bid and ITB Clause 12.1(a)(iii) , a SINGLE LARGEST COMPLETED CONTRACT (SLCC) that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC. For this purpose, similar contracts shall refer to DRILLING OF DEEPWELLS.
7	Bidders are required to indicate the Brand and Origin of Well Screen and Well Casing. Must provide product catalog.
8.1	Only GEOPHYSICAL BOREHOLE LOGGING can be SUBCONTRACTED .
8.2	No further instructions.
9.1	A Pre-Bid Conference will be held on October 25, 2018 at 1:30 PM at the BAC Conference Room, Victorias City Water District Quirino St., Victorias City, Negros Occidental.
10.1	The Procuring Entity's address is:

	<p>VICTORIAS CITY WATER DISTRICT Quirino St., Victorias City, Negros Occidental Telephone No. (034) 399-2865 Telefax No. (034) 399-354 Email address: victoriacitywd@yahoo.com.ph</p> <p>Contact person: Lino T. Bascug Victor J. Sotelo BAC Chairperson BAC Secretariat</p>
12.1	No further instructions.
12.1(a)(i)	No other acceptable proof of registration is recognized.
12.1(a)v	Valid PCAB License, minimum of SMALL B with specialty in WELL DRILLING works.
13.1	No further instructions.
13.1(b)	<p>This shall include all of the following documents:</p> <ol style="list-style-type: none"> 1) Bid prices in the Bill of Quantities; 2) Detailed estimates, including a summary sheet indicating the unit prices of construction materials, labor rates, and equipment rentals used in coming up with the Bid; and 3) Cash flow by quarter or payment schedule.
13.2 (a)	The ABC is Three Million One Hundred Fifty Thousand Two Hundred Seventy Seven Pesos (Php 3,150,277.00) . Any bid with a financial component exceeding this amount shall not be accepted.
15.4(a)(iii)	No incidental services are required.
15.4(b)	No further instructions.
16.1(b)	The Bid Prices shall be quoted in Philippine Pesos.
16.3	No further instructions.
17.1	No further instructions.
18.1	<p>The bid security shall be limited to Bid Securing Declaration or at least one (1) other form in accordance with the following amount:</p> <ol style="list-style-type: none"> 1. The amount of ₱ 63,005.54 [2% of ABC], if bid security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit; 2. The amount of ₱ 157,513.85 [5% of ABC] if bid security is in Surety Bond;

18.2	Bids will be valid in one hundred twenty (120) calendar days from the date of bid opening.
20.3	The Bidder shall submit the eligibility and Technical Documents arranged, numbered and tab. Each Bidder shall submit one (1) original and three (3) copies of the first and second components of its bid. The bidder shall sign the seal of their respective bid envelopes prior to submission.
21	The address for submission of bids is: Bids and Awards Committee, VICTORIAS CITY WATER DISTRICT, Quirino St., Victorias City, Negros Occidental The deadline for submission of bids is 12:00 P.M., October 29, 2018.
24.1	The place of bid opening is VICTORIAS CITY WATER DISTRICT, Quirino St., Victorias City, Negros Occidental. The date and time of bid opening is 1:30 P.M., October 29, 2018.
24.2	No further instructions.
27.1	No further instructions.
27.3 (b)	Bid modification is not allowed.
27.427.4	No further instructions.
28.2(a)	Only tax returns filed and taxes paid through the BIR Electronic Filing and Payment System (EFPS) shall be accepted. <i>NOTE: The latest income and business tax returns are those within the last six months preceding the date of submission</i>
28.2(c)	No further instructions.
31.4(g)	The following additional contract documents relevant to the Project are required: 1. Construction Schedule & S-curve 2. Manpower Schedule 3. Construction Methods 4. Equipment Utilization Schedule

	<p>5. Construction Safety and Health Program approved by the DOLE</p> <p>6. PERT/CPM</p>
32.2	<p>The performance security shall be in the following amount:</p> <ol style="list-style-type: none"> 1. The amount of _____ <i>[Insert 10% of Total Contract Price]</i>, if performance security is in cash, cashier's/manager's check, bank draft/guarantee or irrevocable letter of credit; 2. The amount of _____ <i>[Insert 30% of Total Contract Price]</i> if performance security is in Surety Bond; or

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 21**.
- 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 47.
- 5.3. The Contractor shall bear all costs and charges for special or temporary right-of-way required by it in connection with access to the Site. The Contractor shall also provide at his own cost any additional facilities outside the Site required by it for purposes of the Works.
- 5.4. The Contractor shall allow the Procuring Entity's Representative and any person authorized by the Procuring Entity's Representative access to the Site and to any place where work in connection with this Contract is being carried out or is intended to be carried out.

6. 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)	

(c) 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%)
(d) 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 40 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 9; 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 any time 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 28;
 - (b) the cost of his suspension and demobilization;
 - (c) any sum to which the Procuring Entity is entitled.
- 20.5. The net balance due shall be paid or repaid within a reasonable time period from the 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 Arbiter 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 13, the Contractor shall be entitled to the amount of such cost. If as a result of any of the said events, it is necessary to change the Works, this shall be dealt with as a Variation.

29. Dayworks

- 29.1. Subject to **GCC** Clause 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 18, the Procuring Entity shall promptly return the Performance Security to the Contractor.

47. Extension of Contract Time

- 47.1. Should the amount of additional work of any kind or other special circumstances of any kind whatsoever occur such as to fairly entitle the contractor to an extension of contract time, the Procuring Entity shall determine the amount of such extension; provided that the Procuring Entity is not bound to take into account any claim for an extension of time unless the Contractor has, prior to the expiration of the contract time and within thirty (30) calendar days after such work has been commenced or after the circumstances leading to such claim have arisen, delivered to the Procuring Entity notices in order that it could have investigated them at that time. Failure to provide such notice shall constitute a waiver by the Contractor of any claim. Upon receipt of full and detailed particulars, the Procuring Entity shall examine the facts and extent of the delay and shall extend the contract time completing the contract work when, in the Procuring Entity's opinion, the findings of facts justify an extension.
- 47.2. No extension of contract time shall be granted the Contractor due to (a) ordinary unfavorable weather conditions and (b) inexcusable failure or negligence of Contractor to provide the required equipment, supplies or materials.
- 47.3. Extension of contract time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.
- 47.4. No extension of contract time shall be granted when the reason given to support the request for extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection.
- 47.5. Extension of contract time shall be granted for rainy/unworkable days considered unfavorable for the prosecution of the works at the site, based on the actual conditions obtained at the site, in excess of the number of rainy/unworkable days pre-determined by the Procuring Entity in relation to the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection, and/or for equivalent period of delay due to major calamities such as exceptionally destructive typhoons, floods and earthquakes, and epidemics, and for causes such as non-delivery on time of materials, working drawings, or written information to be furnished by the Procuring Entity, non-acquisition of permit to enter private properties 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.
- 51.2. If the Contractor does not supply the Drawings and/or manuals by the dates stated in the SCC, or they do not receive the Procuring Entity's Representative's approval, the Procuring Entity's Representative shall withhold the amount stated in the SCC from payments due to the Contractor.

Section V. Special Conditions of Contract

Special Conditions of Contract

GCC Clause	
1.16	The Intended Completion Period is <i>sixty five (65) calendar days upon receipt of the formal Notice To Proceed.</i>
1.21	The Procuring Entity is <i>VICTORIAS CITY WATER DISTRICT Quirino St., Victorias City, Negros Occidental</i>
1.22	The Procuring Entity's Representative is: LINO CORNELIO CECILIO T. BASCUG BAC Chairperson VICTORIAS CITY WATER DISTRICT Quirino St., Victorias City, Negros Occidental
1.23	The Site is located at Toreno Heights, Victorias City.
1.27	The Start Date is <i>the date of receipt of NTP.</i>
1.30	The Works consist of : See Section VIII – Bill of Quantities
2.2	<i>No further instructions.</i>
5.1	The Procuring Entity shall give possession of all parts of the Site to the Contractor <i>upon issuance of NTP.</i>
6.5	The Contractor shall employ the following Key Personnel : <i>1 – Site Supervisor; 1 – Chief Well Driller; 1 – Assist. Well Driller; 2 – Locally Hired Helpers; 1 – Driver; 1 – Welder</i>
7.4(c)	No further instructions.
7.7	No further instructions.
8.1	The Contractor cannot subcontract Works except as specified in ITB Clause 8.1.
10	No further instructions.
12.3	Change the performance security to warranty security
12.5	<i>Five (5) years.</i>
13	No additional provision.
18.3(h)(i)	No further instructions.
21.2	The Arbitrator is: <i>Construction Industry Arbitration Commission (CIAC) Makati City</i>
29.1	No dayworks are applicable to the contract.

31.1	Not applicable.
31.3	Not applicable.
34.3	The funding source is the Government of the Philippines (GOP) through 2018 Approved Corporate Budget.
39.1	The amount of the advance payment is fifteen percent (15%) of contract price, recoupment of which shall be deducted from the Contractor's monthly billing 15% of billing).
40.1	Materials and equipment delivered on the site but not completely put in place shall be included for payment. Taxes shall be deducted from the payment and will be remitted by VCWD to the BIR to the account of the Contractor. All taxes shall be paid from the LWUA counterpart fund.
51.1	Instead of Operating & Maintenance Manuals, Complete Well Drilling Report shall be submitted within thirty (30) days after the issuance of the Certificate of Final Acceptance/Project Completion.
51.2	The amount to be withheld for failing to produce Complete Well Drilling Report by the date required is <i>Fifty Thousand Pesos (P50,000.00)</i> .

Section VI. Specifications

A. General Technical Specifications

1. General

1.1. Technical Definitions

The following definitions shall apply:

- a) Borehole – means any drilled section or boring before completion of a well as defined below.
- b) Casing – means unslotted or non-perforated lining tubes.
- c) Development equipment – means high velocity jetting tool, airlift equipment, surge plunger and all other equipment needed to restore the soil formation to its nearest natural condition that was damaged during the drilling process and improve the hydraulic properties of a well.
- d) Diameters – means nominal diameters unless otherwise stated.
- e) Drilling Rig – means the drilling equipment and the auxiliary equipment for its operation.
- f) Drilling Unit – as defined in Section A.2.2.
- g) Final Well Design – means the drawing and description prepared by the Engineer upon completion of drilling specifying the final well construction.
- h) Lining Materials – means any casing, screen, slotted lining or perforated lining tube whether permanently or temporarily installed in the borehole.
- i) Pumping Unit – as defined in Section A.8.7.
Screens – means Blended Unplasticized Polyvinyl Chloride (uPVC), Should be machine slotted and should be cut horizontally
- j) Slot width should be within 1.50 mm to 3mm. Preliminary/Tentative Well Design – means the Contract Drawing showing the estimated quantities of the work.
- k) Well – means any completed hole in which all lining material has been set, all grouting completed and all temporary lining removed.

1.2. Technical Standards

All materials or workmanship shall comply with the Specifications. Other standards equal or superior to those numerated in this Specifications, shall be acceptable, subject to the approval of the Engineer. The opinion of the Engineer must be obtained prior to utilizing such materials or workmanship on or off the site.

1.3. Water Supply and Illumination

- 1) In the absence of adequate quantities of water or illumination required for drilling at the drilling site, the Contractor shall make such arrangements including the provision for mobile tanks or fixed tanks as may be necessary to ensure a supply of water and illumination sufficient for drilling operations.
- 2) The contractor shall make such arrangements as may be necessary to illuminate all temporary working areas.

1.4. Electrical Power Supply

- 1) The Contractor will make arrangements as may be necessary for the connection of or supply of power to the site.
- 2) Payment for the provision of electrical power supplies as specified in Section A.1.4.1 shall be deemed to be included in the rates entered in the Bill of Quantities for setting up equipment at the site, drilling rates and rates entered for operation of pumping unit.

1.5. Storage of Inflammable Fuels

The Contractor shall comply with all local authority regulations applicable to the use and storage of diesel oils, gasoline, and other inflammable fuels they use on the site, and shall ensure that adequate precautions are taken against fire.

1.6. Boundaries of Work

The Procuring Entity shall provide land or rights-of-way for the work specified in this Contract and make suitable provisions for ingress and egress. The Contractor shall not enter or occupy with men, tools, equipment or material, any ground outside the property of the Procuring Entity without the written consent of the Procuring Entity. The Procuring Entity may, for all necessary purposes, enter upon the work premises used by the Contractor, and the Contractor shall conduct their work so as not to impede unnecessarily any work being done by others on or adjacent to the site.

1.7. Access Road

Construction or improvement of access roads to the well site shall, unless otherwise agreed, be done by the Contractor at their own cost, which is deemed to be included in the contract sum. The access road shall be kept in proper condition during the entire construction period.

1.8. Protection of Site

- 1) Except as otherwise provided herein, the Contractor shall protect all structures, walkways, pipelines, trees, shrubberies, lawns, etc., during the progress of their work, shall remove from the site all drill cuttings, debris, and unused materials, and shall upon the completion of the work restore the site as nearly as possible to its original condition, including removal of access tracks and the replacement, at the Contractor's sole expense, of any facility or landscaping which has been damaged beyond restoration to its original condition, all to the satisfaction of the Engineer.
- 2) Water pumped from the well shall be conducted to a place approved by the Engineer where it will be possible to dispose the water without damage to property or creation of a nuisance.

1.9. Site to be kept Tidy

The Contractor shall at all times keep the site and all working areas in a tidy and workmanship condition and free from rubbish and waste materials.

1.10. Temporary Buildings for Use by Contractor

The Contractor shall provide at the site the works such temporary buildings, tanks, workshops, etc. as may be necessary and proper for their general use in connection with the works, and for the use of persons employed by them. The nature of the buildings, tanks, etc. and the positioning of them shall be subject to the prior approval of the Engineer and the relevant authorities.

1.11. Shop Drawings

- 1) The Contractor shall if requested by the Engineer prior to start of each operation, produce for the Engineer's approval shop drawings showing details of technical operations such as test of plumbness and alignment, the method of the slotted casing production, if so required, the methods of placement of formation stabilizer and/or cement grout, the arrangement for well testing, the method for well development and all other drawings pertinent to the well drilling, well construction operations and well development as requested by the Engineer.
- 2) Shop drawings shall be completed with respect to dimensions, design criteria, materials, methods of constructions and the like to enable the Engineer to review the information as required.

1.12. Well Head Protection

- 1) At all times the progress of the work, the Contractor shall protect the well in such manner as to effectively prevent either tampering with the well or the entrance of foreign matter into it, and upon its completion they shall provide and install a well head cap, satisfactory to the Engineer.
- 2) In the event that the well becomes contaminated or that water having undesirable physical or chemical characteristics has entered the well due to the negligence of the Contractor, they shall at their own expense perform such work or supply casings, seals, sterilizing agents or other materials as may be necessary to eliminate the contamination or to exclude any undesirable water in the well.

1.13. Transport of Personnel and Equipment

- 1) The Contractor shall supply and operate all transport required for transporting his/her employees, materials and equipment.
- 2) The cost of movement of personnel, materials and equipment shall be included in the rates given for drilling, development and pump operation.

1.14. Site Preparation and Reinstatement

- 1) The Contractor shall prepare the site, provide all necessary tanks and pits and make all necessary arrangements for erecting and dismantling the drilling unit and shall reinstate the site on completion of such phase of work to the satisfaction of the Engineer.

- 2) Payment shall be deemed to be included in the items entered in the Bill of Quantities for erection and dismantling of drilling rigs.

1.15. Standby Charge

Standby Charge will be paid only when drilling is suspended on the written instruction of the Engineer beyond ten (10) cumulative calendar days and for reasons not attributable to the Contractor.

2. Well Drilling

2.1. Scope

- 1) The Contractor shall provide and operate one (1) mobile Rotary Drilling Unit required to complete the works within the contract period.
- 2) The Contractor shall provide all auxiliary equipment, lubricants, fuels and spares necessary to keep the drilling rig in continuous operation.

2.2. Equipment

- 1) The drilling rig together with all auxiliary equipment and personnel shall be defined as the Drilling Unit.
- 2) The drilling rig shall have sufficient capacity to drill the specified borehole in the diameter specified in the tentative well design to a depth which on the minimum is 25% higher than indicated in the Contract Drawings.
- 3) Payment for drilling will be by the linear meter of borehole as measured after removal of drill string. The rates set against drilling items in the Bill of Quantities shall be deemed to include all equipment, personnel, fuels and lubricants and the accessories required for operation of the Drilling Unit.
- 4) When the Drilling Unit is being used for a purpose other than drilling, then the rates for that purpose entered in the Bill of Quantities shall be deemed to include the running costs of the Drilling Unit.

2.3. Drilling Method

- 1) All drilling shall, unless otherwise specified in the Special Technical Conditions, be performed with the rotary drilling method.
- 2) The Contractor shall drill the hole to such depth and with such a diameter which shall enable an easy installation of casing and screen and placement of gravel envelope with a uniform thickness as specified, if required. During drilling of the hole, the Contractor shall ensure that the natural permeability of the yielding strata near the well bore is not irreversibly reduced due to the drilling method employed.

2.4. Strata Sampling

- 1) Strata samples shall be taken at 1 meter intervals or more frequent if the formation penetrated changes. Samples shall be placed in plastic or other appropriate bags on which or in which the sampling depth and the date of sampling is written in such a manner that it is permanently readable.
- 2) The sampling procedure must provide that all the fractions of the penetrated strata are present in the sample.
- 3) Each sample shall be placed in a wooden box with space for storage of one sample and the sampling depth shall be written on the box.
- 4) A record of samples taken with the details described above shall be submitted to the Engineer every day.
- 5) Payment for sampling shall be deemed to be included in the rates entered for drilling in the Bill of Quantities...
- 6) The failure on the part of the Contractor to obtain, preserve and deliver samples or records, satisfactory to the Engineer, shall be considered as actual damage to the Procuring Entity. In the event that, in the opinion of the Engineer, the failure of the Contractor to take and preserve the samples may affect the proper design of the well, the Contractor may be required to perform such work as the Engineer deems necessary to remedy such failure at no cost to the Procuring Entity.

2.5. Drilling Mud

1. Bentonite shall be used and shall be the basis for the priced offer.
2. The bentonite shall be of premium quality in accordance with API Standard 13A (ISO Standard 13500:2009) with 150 kg/cum of make-up water yielding a mud with a viscosity of between 35 and 40 seconds using a Marsh Funnel Viscosimeter and a mud weight of not less than 1.10 kg/l (9.2 lb/US gal).
3. Make-up water shall be treated with caustic soda (soda ash) to maintain the pH between 8.0 and 9.0 prior to mixing of mud.
4. During drilling with mud the Contractor shall perform hourly or per meter (as directed by the Engineer) measurements of the following mud characteristics:
 - pH value
 - Specific Gravity
 - Sand content
 - Filtration loss
 - Filter cake thickness
 - Funnel viscosity

The recorded mud characteristics shall not exceed the following values, without the prior approval of the Engineer:

- | | | |
|--------------------|---|--------------------------------------|
| - Specific Gravity | : | (1142 kg/m ³ (9.5 lb/gal) |
| - Sand content | : | 4% |
| - Filtration loss | : | 10 ml |
| - Filter cake | : | 1.5 mm |

2.6. Working Hours

All major drilling activities, such as pilot hole drilling, reaming of pilot, installation of casings, screens and gravel, and continuous constant discharge pumping test shall, be on a round the clock basis.

3. Geophysical Logging

3.1. Scope

The Contractor shall, if specified in the Special Technical Conditions, perform geophysical logging as specified in the Special Technical Conditions.

3.2. Equipment

- 1) The geophysical logs may be recorded either by automatic recording on a chart strip or by manual reading of recorded values. In case the logs are recorded by the manual method, readings shall be taken per meter of borehole length.
- 2) The recorded logs shall be submitted to the Engineer immediately upon completion of logging as plots of recorded characteristics versus depth for his/her approval. In case of disapproval by the Engineer, the logs shall be repeated immediately.

3.3. Logs

Geophysical logging shall, unless otherwise specified in the Special Technical Conditions, comprise the following logs:

Resistivity log (short normal and long normal)
Self-potential log (SP)

4. Well Casing

4.1. Scope

The Contractor shall provide and install the well casing specified in the Contract Drawings and any temporary casing required during the work, unless otherwise specified in the Special Technical Conditions.

4.2. Casing Material

- 1) The Contractor shall, before commencement of work, submit for the approval of the Engineer the following details of all casing:
 - a. Type of material
 - b. Internal and external diameters
 - c. Wall thickness
 - d. Method of jointing
 - e. Name of Manufacturer
 - f. Standard the pipe is manufactured to
- 2) All permanent casing material shall be spiral welded and of a new stock unless otherwise specified in these documents.

- 3) The Contractor shall assume responsibility for any casing failure and shall correct, as approved by the Engineer, any casing failure at no cost to the Procuring Entity. In the event that the Contractor cannot correct a casing failure the Contractor shall replace the casing with material complying with the Specifications, or if necessary, better casing as approved by the Engineer at no extra cost for the Procuring Entity.

4.3. Temporary Casing

The Contractor shall provide such temporary casing as may be necessary to well to be sunk to the specified depth and to allow the insertion of permanent lining material as required. The Contractor shall remove the temporary casing before completing the well, unless otherwise specified in these documents.

4.4. Lining Installation

- 1) Lining material shall be assembled and located in the well at the required depth in a continuous operation. The lining material shall be set concentric within the borehole by centralizing guides unless otherwise agreed with the Engineer.
- 2) If the lining jams or is lost before it is set to the specified depth, the Contractor shall endeavor to remove the lining material from the well or, if unable to effect removal, shall redrill the well and replace the lining material at their own expense.

4.5. Lining Material Accessories

- 1) The Contractor shall provide as necessary the following accessories to set the lining material to the required depth:
 - a. Centralizers to be affixed to the lining material, if necessary, at intervals specified by the Engineer, to locate the lining material in the center of the drill hole;
 - b. Supporting clamps, equipment and tools;
 - c. Reducing cones and connecting pieces;
 - d. Tuck-welded bottom plate at the end of the pump pipe;
 - e. Casing hangers; and
 - f. All other necessary equipment.
- 2) Except where expressly provided, all accessories shall be deemed to be included in the Bill of Quantities for the provision and insertion of lining material.

4.6. Testing for Plumbness and Alignment

- 1) All boreholes shall be constructed, plumb and true to line as defined herein. To demonstrate the compliance of their work with this requirement, the Contractor shall furnish all labor, tools and equipment and shall provide the detailed drawings and the description of the tests to the satisfaction of the Engineer.
- 2) Tests for plumbness and alignment must be made after the complete construction of the well and before its acceptance. Additional tests, however, may be made by the Contractor during the performance of the work. No specific payments shall be made for making these tests.
- 3) Should the results for plumbness and alignment show that the plumb bob or dummy fails to move freely throughout the length of the lining or borehole to a depth of the lowest anticipated pump setting and should the well vary from the vertical in excess of

two-thirds of the smallest inside diameter of that part of the well being tested or beyond the limitations of this test, the plumbness and alignment of the well shall be corrected by the Contractor at their own expense. Should the Contractor fail to correct such faulty alignment or plumbness, the Engineer may refuse to accept the well and the Contractor shall drill a new well without charge to Procuring Entity.

5. Well Screens

5.1. Scope

The Contractor shall provide and install the well screens specified in the Contract Drawings, unless otherwise specified in the Special Technical Conditions.

5.2. Type of Screens

- 1) The type of screens shall be as specified in the tentative well design and the Special Technical Conditions.
- 2) Slotted screens, if specified for installation, shall be so fabricated as to ensure the maximum yield of the well and to prevent clogging and encrustation and shall be free from jagged edges and irregularities that may accelerate clogging or corrosion.

5.3. Responsibility for Malfunction

- 1) The Contractor shall assume full responsibility for any malfunction of the screen caused by inadequate installation procedure and shall undertake any correction as approved by the Engineer at no extra cost to the Procuring Entity.
- 2) The screen must have no change of alignment at any of its joints after installation. If requested by the Engineer, the Contractor shall submit for approval by the Engineer the design and method of construction and installation of the screen.
- 3) In the event that the Contractor cannot correct a screen failure, the Contractor shall replace the screen with material complying with the specifications of this Contract at no extra cost to the Procuring Entity.

5.4. Screen Strength

The screen shall have adequate strength to resist the external forces that may be applied during and after installation.

5.5. Screen Accessories

All fittings, packers, couplings, joints, plugs and seals used during installation of well screen together with the installation procedure, shall be to the approval of the Engineer.

6. Formation Stabilizer/Gravel Pack

6.1. Scope

The Contractor shall provide and install formation stabilizer, or gravel pack if specified in the Contract Drawings and the Special Technical Conditions.

6.2. Material

- 1) The formation stabilizer/gravel pack material shall consist of well rounded, water-worn siliceous grains. Angular chipping or road stone must under no circumstances be used as formation stabilizer/gravel pack material.
- 2) The Contractor shall, during the mobilization period, submit to the Engineer for his/her approval, samples of the formation stabilizer they propose to use, stating the source of the formation stabilizer, quantities available, rate of delivery and any other information requested by the Engineer.

6.3. Method of Installation

- 1) The method of placing the formation stabilizer/gravel pack in the annulus shall be such that separation of the gravel and bridging is avoided.
- 2) The formation stabilizer/gravel pack shall immediately upon completion of lining installation, be placed in the annulus between the borehole and the lining, in the screened section(s) of the lining, as specified in the Final Well Design.
- 3) If the borehole was drilled by the rotary method, installation of formation stabilizer/gravel pack shall be done by circulation of the drilling mud with fluid marsh funnel viscosity not exceeding 30 seconds. The rate of circulation should be slow enough to prevent the segregation of bigger particles from smaller particles.

6.4 Monitoring of Formation Stabilizer/Gravel Level

The level of the formation stabilizer/gravel pack shall be monitored and maintained during the progress of development activities as specified in Section A.7. Additional quantities of formation stabilizer/gravel pack shall be installed to maintain the level as specified in the Final Well Design. The cost of additional formation stabilizer/gravel pack shall be deemed included in the rates entered for the item, furnishing and installation of gravel pack materials, in the Bill of Quantities.

6.5 Gravel Fill-up Pipe

The gravel fill-up pipe shall be 75 mm diameter galvanized iron (GI) pipe fitted with a screw cap at one end and open at the other end. It shall be placed on top of the gravel pack and below the clay seal. It shall be installed after all the development activities are completed and before the clay seal is installed as specified in A.9.5. The cost of installing the gravel fill-up pipe shall be deemed included in the rates specified in the item installation of formation stabilizer/gravel pack in the Bill of Quantities.

7. Well Development

7.1. Scope

- 1) The Contractor shall furnish compressors, surge plungers, jetting tools, electric generators, chemicals and any other equipment required for satisfactory well development and shall undertake the development as directed by the Engineer.
- 2) Development shall, if the rotary method is applied, comprise of mud thinning/deflocculation, high velocity jetting along the continuous slot screens, surging with plunger in slotted screens and development by airlifting, unless otherwise specified in the Special Technical Conditions.

7.2. Expected Yield

The Contractor shall develop the well to its maximum expected yield, as specified in the Special Technical Conditions, by the methods specified in Section B.7.2.

7.3. Deflocculation

- 1) Upon completion of installation of lining or formation stabilizer/gravel pack, the drilling mud shall immediately be displaced from the well by pumping clean water into the sump pipe.
- 2) Mud displacement shall immediately be followed by injection and/or jetting through the screened sections with a mud thinner to deflocculate the mud cake on the borehole wall. The well shall then be left for 12-24 hours before developing is continued, to allow the mud thinner to react.

7.4 High Velocity Jetting

- 1) After the deflocculation material has been allowed to work for 12-24 hours all screened/slotted/perforated sections shall be developed by high velocity jetting.
- 2) The jetting tool shall be equipped with two or four nozzles. The nozzle design shall be such that it produces a concentrated jetting action. The tool shall be presented to the Engineer for approval before start of drilling operation.
- 3) The jetting tool shall be supplied with water through a high-pressure pump capable of producing a nozzle velocity of 50-70 m per second. The pump shall be equipped with a suitable pressure gauge on the discharge side to facilitate monitoring of nozzle velocity.
- 4) The development shall be carried out by slowly rotating the jetting tool and gradually lowering it in order to cover the entire surface of the screen.
- 5) At the same time as the high velocity jetting is performed, the well shall be discharged with a discharge rate slightly higher than the discharge rate from the jetting tool.
- 6) Each section of the screen shall be jetted until the return water is free from drilling mud, but no section shall be jetted less than 20 minutes per meter of screen.

7.5 Surging with Plunger

- 1) After development by high velocity jetting is completed, the Contractor shall develop the well by mechanical surging with surge plunger approved by the Engineer.
- 2) Before the start of surging the depth of the well bottom and the top of gravel pack shall be recorded.
- 3) Surging shall be done along the blank portions of the well, starting at the topmost section proceeding downward until the lowest blank casing before the sump pipe.
- 4) The length of time per surging interval shall be as directed by the Engineer.
- 5) The level of sediments deposited inside of the well at the end of every surging interval shall be measured and recorded before it is bailed out.
- 6) Surging shall be continued until accumulation of sediments in the sump pipe, during any surging operation, is negligible.

- 7) The length of development time is the total time consumed in the surging. Payment for the bailing out of sediments shall be deemed included in the rates entered for in the item development by surging including bailing out of sediments in the Bill of Quantities.

7.6 Development by Airlifting

- 1) The compressor used for development by airlifting shall be capable of developing a minimum pressure enough to counteract the hydrostatic head equal to depth of the well. The delivery shall be no less than 21.25 cum air per minute.
- 2) The quantity of water discharged from the well and the drawdown in the well at the commencement of the development shall be limited and shall be gradually increased only as the water clears. From time to time the air flow shall be stopped to facilitate loosening of trapped sand grains. The well may also be backwashed by pumping clean water in to the well.
- 3) During the airlifting operation, position of air pipe and conductor pipe, drawdown in well, approximate yield and time for each change in position shall be recorded by the Contractor.
- 4) The development shall be completed with a conductor pipe not more than 0.5 m above the bottom of the well to ensure that all sand has been cleaned out of the sump pipe.

7.7 Well Cleaning

Upon completion of the development operations, the Contractor shall demonstrate to the satisfaction of the Engineer that the bottom of the well is clear of all sand, mud and other foreign materials.

7.8. Freedom from Sand

- 1) The Contractor shall develop the well by the methods specified until the water pumped from the well is substantially free from sand and until the turbidity is less than 5 nephelometric turbidity units (NTU).
- 2) The water pumped from the well shall not contain fine material in excess of 1.0 mg per liter when the well is pumped at its maximum yield. The equipment for measurement of the sand content shall be furnished by the Contractor.

7.9. Acceptance of Development

- 1) The development by the specified methods shall be repeated and continued until the well is thoroughly developed in accordance with the criteria specified in Section A.7.8.
- 2) If the well yield after the well has been confirmed sand-free is still below the yield that is considered acceptable for the penetrated aquifer, then the Engineer may instruct the Contractor to perform further development.

8. Well Testing

8.1. Scope

The Contractor shall, unless otherwise specified in the Special Technical Conditions, provide and operate a Pumping Unit for the following purposes:

- 1) Step-drawdown pumping tests on the completed well

- 2) Continuous discharge pumping test on the completed well.

8.2. Equipment Capacity

- 1) The Contractor shall provide and operate pumping machinery capable of carrying out the specified pumping and shall provide adequate controls to allow discharge rates to be kept constant at varying pumping water levels and to permit pumping with a variation of not more than 5% of the designated discharge rate during any period of yield or aquifer testing.
- 2) The Pumping Unit set shall be able to deliver a discharge rate that is 50% higher than the expected yield of the well and a minimum discharge that is 15% of the expected yield of the well when suitably controlled by use of a gate valve.
- 3) Suitable pumping machinery will be deemed to be:
 - i. Submersible motor (electric) and pump unit together with generator and such accessories needed to run the pump.
 - ii. Line-shaft pump and internal combustion prime mover together with all accessories needed to run the pump.

8.3. Equipment Operation

- 1) The Contractor shall supply and operate all equipment and accessories necessary for installation and removal of pumps.
- 2) The Contractor shall maintain on site sufficient fuels, lubricants, spares and other accessories needed to run the Pumping unit for whatever period may be specified by the Engineer.
- 3) The Contractor shall provide sufficient competent personnel including a qualified fitter and electrician, as may be necessary to install and operate the Pumping Unit.

8.4. Control of Discharge Rate

The Contractor shall, during the pumping tests, provide a suitable gate valve on the discharge pipeline, to facilitate easy control of the discharge rate. Discharge shall be controlled with a valve. An additional measuring device (e.g. oil drum and stopwatch) shall be provided for back up and checking. Drawdown and recovery of the water level is to be monitored with a water level indicator at intervals specified by the Engineer on the site. The Engineer may demand water quality measurements. Monitoring forms shall be provided by the Engineer.

8.5. Water Level Sounding Pipe

- 1) The Contractor shall, if instructed by the Engineer, provide and install a temporary tube of at least 25 mm diameter from the top of the well to 2 meters above the pump bowl assembly to facilitate easy measurements of water level. The tube shall be open only at the bottom and top.
- 2) Payment for providing, installing and removing the tube shall be deemed to be included in the rates given for pumping tests.

8.6. Discharge Rate Monitoring

Discharge rates of up to 10 liters per second (36 cubic meters per hour) may be measured by drum filling (volumetric method). Discharge rates in excess of 10 liters per second shall be recorded with a production meter or by a V-notch (or rectangular) weir or discharge pipe fitted with orifice plate and piezometer tube. All items are subject to the Engineer's approval before start of drilling.

8.7. Definition of "Pumping Unit"

The equipment specified in Section A.8.2 – A.8.6 is referred to as the Pumping Unit.

8.8. Pumping Procedure

The Engineer will determine the pumping procedure necessary to obtain the objectives of this Contract.

8.9. Suspension of Pumping

If the Engineer finds the condition of any equipment, personnel, fuel, lubricants or accessories will prejudice the quality of data obtained from any pumping test, he may suspend the work in accordance with the provisions of the Conditions of the Contract.

8.10. Equipment Breakdown During Pumping

- 1) The pumping must be continuous and at a constant rate during the pumping tests. The Engineer will instruct the Contractor as to the expected maximum duration of each pumping test before start of each test.
- 2) If pumping is interrupted or the discharge rate fluctuates by more than 5% of the designated discharge rate, the test may be repeated after a period of recovery determined by the Engineer.
- 3) If any pumping test is interrupted because of equipment breakdown or inadequate supervision or discharge control, no payment will be made for any pumping period.

8.11. Duration of Tests

- 1) The step-drawdown pumping tests shall be performed on 5 steps with the duration of 1 hour each step.
- 2) The continuous constant discharge pumping test shall be performed for a period of 3-5 days, unless otherwise specified in the Special Technical Conditions or unless otherwise instructed by the Engineer.

8.12. Temporary Pipeline

- 1) The Contractor shall provide a temporary pipeline as directed by the Engineer for the discharge from pumping tests to a suitable watercourse or drain.
- 2) Under certain circumstances when re-infiltration cannot be avoided or it is costly to provide for this condition, the Engineer shall decide to what distance from the well, water may be discharged on the ground.

9. Cement Grouting

9.1. Scope

The Contractor shall, unless otherwise specified in the Special Technical Conditions, provide the cement and mixing equipment required for the mixing of the grouting indicated in the Tentative Well Design and shall place the cement grout, on top a clay seal, as specified.

9.2. Grouting Material

- 1) Cement grout shall consist of Portland cement and clean water, mixed in the proportion of 50 kg of Portland cement to maximum 30 liters of water.
- 2) All cement, unless otherwise specified in the Contract Documents, shall conform to the “Specifications for Portland Cement” (ASTM C150 – latest revision).

9.3. Clay Seal

Clay seal shall consist of bentonite made into mud balls and placed into the annulus between the final well casing and borehole wall. The consistency of the mud balls and its placement in the well shall be subject to the approval of the Engineer.

9.4. Method of Placing Grout Material

- 1) The method and equipment for placing the grout shall be to the approval of the Engineer. No method will be approved that does not provide for the forcing of grout from the bottom of the casing/hole/annulus to be grouted, to the surface. Flushing of the annular space with fluid to assure the space is open and to remove loose material will be required to the Contractor before grouting is commenced.
- 2) Any grouting operation shall be continuous and before starting, sufficient grout shall be mixed to complete the whole operation. During the grouting operation, the mixed grout shall be continuously stirred. The Contractor shall provide such tanks, hoppers and other equipment as may be necessary to meet these requirements.

9.5. Setting Time

No work will be allowed on the well within a period of 72 hours after completion of grouting unless a quick-setting cement is used. In such case, the idle period may be reduced to 24 hours subject to the Engineer’s prior approval.

10. Well Disinfection And Cleaning

10.1. Scope

- 1) The Contractor shall upon completion of well construction and well testing thoroughly clean the well of all foreign substances including tools, timbers, rope, debris of any kind, cement, oil, grease and scum.
- 2) The casing pipe shall be thoroughly swabbed using alkalis, if necessary, to remove oil and grease of joint dope.

10.2. Chlorine Solution

- 1) The chlorine solution for disinfecting the well shall be such volume and strength that a concentration of at least 50 mg/liter of chlorine shall be obtained in all parts of the borehole.
- 2) The chlorine solution shall be prepared and applied in accordance with the directions of and to the satisfaction of the Engineer and shall remain in the well for a period of at least two hours.

10.3. Cleaning of Test Pump

In the event that the test pump is to be installed after the well has been disinfected, all exterior parts of the test pump coming in contact with the water shall be doused with a chlorine solution as directed by the Engineer.

10.4. Disinfection Procedure

- 1) Method A: Where practical, the chlorine solution of standard concentration used to disinfect the well shall be prepared on the surface in containers having a volume of water contained in the well. This prepared solution shall then be discharged rapidly into the well, care being taken to flush the walls of the well above the water level.
- 2) Method B: In lieu of using liquid chlorine solutions, a perforated pipe container capped at both ends containing a granular chlorine compound or HTH, may be moved up and down in the well by means of a weighted cable. The amount of compound applied should be such as to provide the standard concentration.

11. Well Completion

11.1. Scope

The Contractor shall provide and operate all equipment necessary to restore the site as near as possible to its condition before commencement of drilling and shall furnish and install a well head cap as specified in the Contract Drawings.

11.2. Site Restoration

The site shall be restored to a condition as nearly as possible to that which existed before the well drilling and testing activities commenced. This work shall include, but not limited to, restoration of fences and structures, removal of drill cuttings, leveling of the disturbed ground surfaces and replacement or compensation for the destroyed plants and landscaping.

11.3. Well Head Capping

The well head shall be completed with a well head assembly fully welded to the upper casing as well as water level sounding tube with screw cap in order to prevent any unauthorized tampering of the well.

12. Submittal of Reports and Borehole Data

12.1. Scope

- 1) The Contractor shall submit to the Engineer daily records in duplicate containing the following information:

Site:
Date:
Description of each stratum encountered:
Depth below ground of each change of stratum:
Depths and details of all disturbed samples:

- 2) The Contractor will be required to keep a record of penetration rate, mud losses and mud conditions.
- 3) At the end of the well construction and before final payment is made, the Contractor shall submit to the Engineer a narrative report and as built drawings containing the following information, but not limited to wit:
 - a. The total depth of the well.
 - b. Description of the strata encountered and penetration rate.
 - c. The sizes and the lengths/specifications of the casing installed.
 - d. The date of the start and the completion of the well construction.
 - e. The locations and the description of the casing perforations or the well screen placement.
 - f. The locations of the gravel, the size of the gravel, if applicable, and the amount of cement grout installed.
 - g. Records well development activities undertaken together with description of the methods of the development, amount of time consumed for each type of development method employed, amount of sediments taken out of the well per type of development method, and changes in the quality of water, if applicable.
 - h. The well yield (expressed as discharge rate and drawdown), the dates and the duration of the test(s).
 - i. The methods of measuring the discharge rate and the drawdown.
 - j. Pump test evaluation including drawdown graphs, other illustrations, calculation of hydraulic parameters (transmissivity, storage coefficient, well and aquifer efficiency, specific capacity, etc.).
- 4) The cost of records shall be deemed to be included in the contract rates.

B. Special Technical Conditions

1. General

1.1. Scope

The work includes the drilling of one (1) test/production well in Toreno Heights Subdivision, Victorias City, Negros Occidental.

1.2. Water Level Sounding

The Contractor shall provide a functioning and accurate water sounding instrument acceptable to the Engineer to measure the water level during all drilling, development and testing of the wells. Failure to provide such instrument will subject the Contractor to a penalty of P3, 000.00 per day.

2. Well Drilling

2.1. Equipment

The Contractor shall provide and operate one (1) Rotary drilling rig including all auxiliary equipment necessary to complete the work within the contract period.

2.2. Drilling Method

All drilling shall be performed with the rotary method.

3. Geophysical Logging

3.1. Scope

The work include geophysical logging (refer to Sec. A.3.3).

The Engineer and the operator of the logging device will decide jointly on the logging velocity. The logging direction shall generally be from bottom to top. Processing of the measurements and printout of graphs must take place on the site. The Contractor shall assign the borehole logging to a person familiar with the instrument and the data processing. “Learning-by-doing” will not be accepted.

4. Well Casing

4.1. Casing Material

Must be manufactured in 4 meter lengths; with one end socketed, male and female threads on both ends. The wall thickness of the uPVC casing must conform to standards: SDR 17 or Schedule 80 designation as required under DIN 4925 German Standard, ASTM F480 All permanent casings to be installed shall be uPVC casing with minimum wall thickness of 14.5 mm and should be of new stock. Materials to be use is subject to Procuring Entity’s approval.

5. Well Screen

5.1. General

Must be manufactured in 4 meter lengths; with one end socketed, male and female threads on both ends. The wall thickness of the uPVC screens must conform to standards: SDR 17 or Schedule 80 designation as required under DIN 4925 German Standard, ASTM F480. Materials to be use is subject to Procuring Entity’s approval.

5.2. Material and Fittings

Composition : Blended Unplasticized Polyvinyl Chloride (uPVC)

Density : 1.42 -1.44 g/cc

Modulus of Elasticity: more than 470,000 psi

Tensile Strength: more than 7,000 psi

Approved for potable water supplies

Threaded Joints : Trapezoidal type of thread design as per DIN 4925, ASTM F480

5.3. Slot Opening

Should be machine slotted and should be cut horizontally

Slot width should be within 1.50 mm to 3mm.

5.4. Well Screen Dimensions

Well screens have to be designed to match with the casing supplied under this contract.

Well screen overall length – as per design

5.5. Well Screen Construction

Detailed information of the profile wire, slot forming profiles and the support cross bars are to be provided with the Bid.

5.6. Open Area

The minimum open screen area shall be as follows:

Screen	300 mm	Screen	450 mm dia. Screen
1.5 mm	33.3%		30%

5.7. End Fittings

Screen	300 mm dia. Weld ring each end	450 mm dia. Well ring each end
--------	-----------------------------------	-----------------------------------

Weld rings should be beveled ends to be welded to each other or the casings, supplied under this contract.

5.8. Hydrostatic Collapse Pressure

150 m depth or less – 10 bar

5.9. Quality

Manufacturer shall submit the proof that the manufacturing is done according to accredited international quality control system.

6. Formation Stabilizer/Gravel Pack

6.1. Scope

The Contractor shall provide and install graded gravel pack materials with grain size 5 to 7 mm. The final grain size of the gravel pack to be installed, if any, shall be determined based on the strata samples collected during drilling.

7. Well Development

7.1. Scope

Well development for the production well shall consist of deflocculation, high pressure water jetting, airlifting and surging with plunger including bailing out of sediments,

7.2. Expected Yield

The production well is expected to yield **25 lps.**

8. Well Testing

Should it be proven by the LWUA Drilling Engineer that completing the 72-hour continuous constant discharge pumping tests are no longer necessary and/or not possible anymore, VCWD shall only pay the actual number of testing hours used but payment should not be less than equivalent to 12 hours of testing.

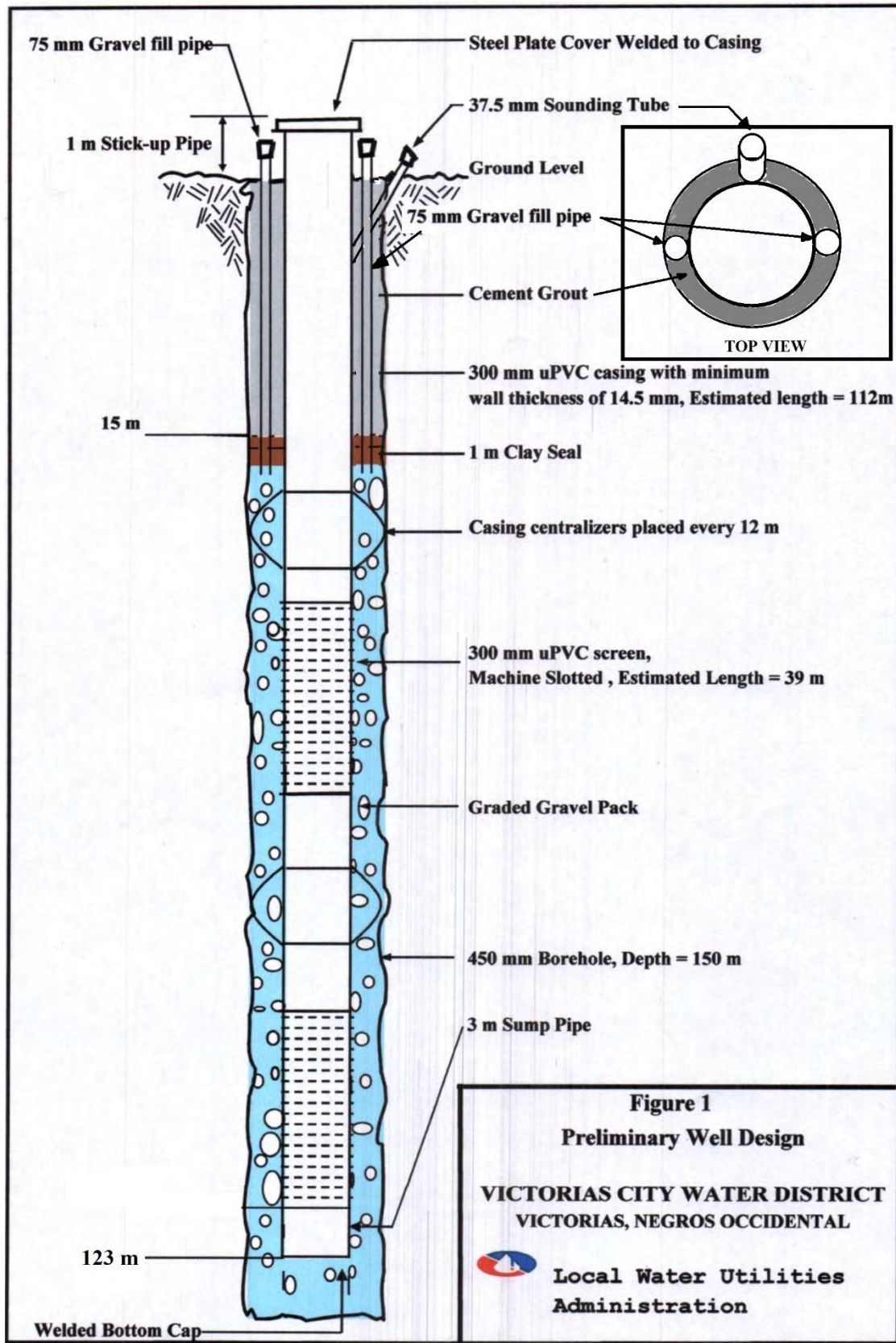
9. Cement Grouting

No Special Provisions.

10. Well Disinfection and Cleaning

Not in contract.

Section VII. Drawings



Section VIII. Bill of Quantities

VICTORIAS CITY WATER DISTRICT

Product Name: Drilling of One (1) Exploratory/Production Well
 Location: Toreno Heights, Victorias City, Negros Occidental

BILL OF QUANTITIES

Part No. ___ of ___

Part Description: _____

<i>(Columns (1), (2), (3) and (4) are to be filled up by the Procuring Entity)</i>				<i>(Columns (5) and (6) are to be filled up by the Bidder)</i>	
<i>Pay Item No.</i>	<i>Description</i>	<i>Unit</i>	<i>Quantity</i>	<i>Unit Price (Pesos)</i>	<i>Amount (Pesos)</i>
(1)	(2)	(3)	(4)	(5)	(6)
1	Resource Movement (Moving in)	Lot	1	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
2	Preparation of site and setting up all equipment	Lot	1	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
3	Drilling of pilot hole including strata sampling for every meter of penetration or less when change of formation occurs including mud viscosity and conductivity measurements	M	123	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
4	Geophysical borehole logging (electric resistivity and self potential)	Lot	1	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
5	Reaming to 450 mm pilot hole	M	123	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____

<i>Pay Item No.</i>	<i>Description</i>	<i>Unit</i>	<i>Quantity</i>	<i>Unit Price (Pesos)</i>	<i>Amount (Pesos)</i>
6	Furnishing of 300 mm casing with minimum wall thickness of 14.5 mm	M	88	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
7	Furnishing of 300 mm uPVC screen, machine slotted	M	36	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
8	Installation of casings and screens	M	124	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
9	Furnishing and installation of centralizers	Lot	1	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
10	Furnishing and installation of gravel packing materials (8.5m ³) at annulus around casings and screens	M	108	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
11	Furnishing and installation of 75 mm GI (Schedule 40) gravel fill-up pipe with couplings	M	17	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
12	Mud dispersion/thinning	Lot	1	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
13	Development by water jetting	Hrs	12	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
14	Development by surging and bailing	Hrs	12	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
15	Development by airlift method	Hrs	12	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____
<i>Pay Item No.</i>	<i>Description</i>	<i>Unit</i>	<i>Quantity</i>	<i>Unit Price (Pesos)</i>	<i>Amount (Pesos)</i>
16	Step-drawdown pumping test, Max Q = 25 L/s	Lot	1	In words: _____ _____ _____ In figures: _____	In words: _____ _____ _____ In figures: _____

				_____	_____
17	Constant discharge pumping tests; Q= 25 L/s	Hrs	72	In figures: _____ In words: _____ _____ _____	In figures: _____ In words: _____ _____ _____
18	Cement grouting	M	15	In figures: _____ In words: _____ _____ _____	In figures: _____ In words: _____ _____ _____
19	Furnishing and installation of well head cap and sounding tube	Lot	1	In figures: _____ In words: _____ _____ _____	In figures: _____ In words: _____ _____ _____
20	Cleaning up and restoration of well sites	Lot	1	In figures: _____ In words: _____ _____ _____	In figures: _____ In words: _____ _____ _____
21	Resource Movement (Moving out)	Lot	1	In figures: _____ In words: _____ _____ _____	In figures: _____ In words: _____ _____ _____
22	Water quality testing	Lot	1	In figures: _____ In words: _____ _____ _____	In figures: _____ In words: _____ _____ _____
TOTAL OF (1)					

Submitted by:

Name of & Signature of Bidder's Representative
Positions
Name of Bidder

Date: _____

Section IX. Bidding Forms

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Bid Form

Date: _____

To: VICTORIAS CITY WATER DISTRICT
BAC Secretariat, VCWD Compound
Victorias City, Negros Occidental

We, the undersigned, declare that:

- (a) We have examined and have no reservation to the Bidding Documents, including Addenda, for the Contract – **Drilling of One (1) Exploratory/Production Well at Terraville Ecovillage Subdivision**;
- (b) We offer to execute the Works for this Contract in accordance with the Bid and Bid Data Sheet, General and Special Conditions of Contract accompanying this Bid;

The total price of our Bid, excluding any discounts offered in item (d) below is: [insert information];

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

- (c) Our Bid shall be valid for a period of [insert number] days from the date fixed for the Bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (d) If our Bid is accepted, we commit to obtain a Performance Security in the amount of [insert percentage amount] percent of the Contract Price for the due performance of the Contract;
- (e) Our firm, including any subcontractors or suppliers for any part of the Contract, have nationalities from the following eligible countries: [insert information];
- (f) We are not participating, as Bidders, in more than one Bid in this bidding process, other than alternative offers in accordance with the Bidding Documents;
- (g) Our firm, its affiliates or subsidiaries, including any subcontractors or suppliers for any part of the Contract, has not been declared ineligible by the Funding Source;
- (h) We understand that this Bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal Contract is prepared and executed; and
- (i) We understand that you are not bound to accept the Lowest Evaluated Bid or any other Bid that you may receive.

Name: _____

In the _____ capacity _____ of: _____

_____ Signed: _____

_____ Duly authorized to sign the Bid for and

on behalf of: _____ Date: _____

Form of Contract Agreement

THIS AGREEMENT, made this *[insert date]* day of *[insert month]*, *[insert year]* between *[name and address of PROCURING ENTITY]* (hereinafter called the “Entity”) and *[name and address of Contractor]* (hereinafter called the “Contractor”).

WHEREAS, the Entity is desirous that the Contractor execute *[name and identification number of contract]* (hereinafter called “the Works”) and the Entity has accepted the Bid for *[insert the amount in specified currency in numbers and words]* by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:
 - (a) General and Special Conditions of Contract;
 - (b) Drawings/Plans;
 - (c) Specifications;
 - (d) Invitation to Apply for Eligibility and to Bid;
 - (e) Instructions to Bidders;
 - (f) Bid Data Sheet;
 - (g) Addenda and/or Supplemental/Bid Bulletins, if any;
 - (h) Bid form, including all the documents/statements contained in the Bidder’s bidding envelopes, as annexes;
 - (i) Eligibility requirements, documents and/or statements;
 - (j) Performance Security;
 - (k) Credit line issued by a licensed bank, if any;
 - (l) Notice of Award of Contract and the Bidder’s conforme thereto;
 - (m) Other contract documents that may be required by existing laws and/or the Entity.
3. In consideration of the payments to be made by the Entity to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Entity to execute and complete the Works and remedy any defects therein in conformity with the provisions of this Contract in all respects.
4. The Entity hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

Signed, sealed, delivered by _____ the _____ (for the Entity)

Signed, sealed, delivered by _____ the _____ (for the Contractor).

Binding Signature of PROCURING ENTITY

Binding Signature of Contractor

[Addendum showing the corrections, if any, made during the Bid evaluation should be attached with this agreement]

Omnibus Sworn Statement

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

AFFIDAVIT

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

1. **Select one, delete the other:**

If a sole proprietorship: I am the sole proprietor of *[Name of Bidder]* with office address at *[address of Bidder]*;

If a partnership, corporation, cooperative, or joint venture: I am the duly authorized and designated representative of *[Name of Bidder]* with office address at *[address of Bidder]*;

2. **Select one, delete the other:**

If a sole proprietorship: As the owner and sole proprietor of *[Name of Bidder]*, I have full power and authority to do, execute and perform any and all acts necessary to represent it in the bidding for *[Name of the Project]* of the *[Name of the Procuring Entity]*;

If a partnership, corporation, cooperative, or joint venture: I am granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the *[Name of Bidder]* in the bidding as shown in the attached *[state title of attached document showing proof of authorization (e.g., duly notarized Secretary's Certificate issued by the corporation or the members of the joint venture)]*;

3. *[Name of Bidder]* is not "blacklisted" or barred from bidding by the Government of the Philippines or any of its agencies, offices, corporations, or Local Government Units, foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board;

4. Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;

5. *[Name of Bidder]* is authorizing the Head of the Procuring Entity or its duly authorized representative(s) to verify all the documents submitted;

6. **Select one, delete the rest:**

If a sole proprietorship: I am not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

If a partnership or cooperative: None of the officers and members of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office

or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

If a corporation or joint venture: None of the officers, directors, and controlling stockholders of *[Name of Bidder]* is related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), the Technical Working Group, and the BAC Secretariat, the head of the Project Management Office or the end-user unit, and the project consultants by consanguinity or affinity up to the third civil degree;

7. *[Name of Bidder]* complies with existing labor laws and standards; and
8. *[Name of Bidder]* is aware of and has undertaken the following responsibilities as a Bidder:
 - a) Carefully examine all of the Bidding Documents;
 - b) Acknowledge all conditions, local or otherwise, affecting the implementation of the Contract;
 - c) Made an estimate of the facilities available and needed for the contract to be bid, if any; and
 - d) Inquire or secure Supplemental/Bid Bulletin(s) issued for the *[Name of the Project]*.
9. *[Name of Bidder]* did not give or pay, directly or indirectly, any commission, amount, fee, or any form of consideration, pecuniary or otherwise, to any person or official, personnel or representative of the government in relation to any procurement project or activity.

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

Bidder's Representative/Authorized Signatory
[JURAT]

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

BID-SECURING DECLARATION

Invitation to Bid *[Insert reference number]*

To: *[Insert name and address of the Procuring Entity]*

I/We², the undersigned, declare that:

1. I/We understand that, according to your conditions, bids must be supported by a Bid Security, which may be in the form of a Bid-Securing Declaration.
2. I/We accept that: (a) I/we will be automatically disqualified from bidding for any contract with any procuring entity for a period of two (2) years upon receipt of your Blacklisting Order; and, (b) I/we will pay the applicable fine provided under Section 6 of the Guidelines on the Use of Bid Securing Declaration³, **within fifteen (15) days from receipt of the written demand by the procuring entity for the commission of acts resulting to the enforcement of the bid securing declaration under Section 23.1 (b), 34.2, 40.1 and 69.1, except 69.1 (f), of the IRR of RA 9184; without prejudice to other legal action the government may undertake⁵.**
3. I/We understand that this Bid-Securing Declaration shall cease to be valid on the following circumstances:
 - (a) Upon expiration of the bid validity period, or any extension thereof pursuant to your request;
 - (b) I am/we are declared ineligible or post-disqualified upon receipt of your notice to such effect, and (i) I/we failed to timely file a request for reconsideration or (ii) I/we filed a waiver to avail of said right;
 - (c) I am/we are declared as the bidder with the Lowest Calculated and Responsive Bid/Highest Rated and Responsive Bid⁴, and I/we have furnished the performance security and signed the Contract.

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this ____ day of *[month]* *[year]* at *[place of execution]*.

*[Insert NAME OF BIDDER'S
AUTHORIZED REPRESENTATIVE]
[Insert signatory's legal capacity]*

Affiant

1 Select one and delete the other.
 2 Select one and delete the other. Adopt same instruction for similar terms throughout the document.
 3 Issued by the GPPB through GPPB Resolution 03-2012 on 27 January 2012.
 4 Select one and delete the other.
 5 Issued by the GPPB through GPPB Resolution 14-2014 on 20 June 2014.

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

signature appearing thereon, with no. ____ and his/her Community Tax Certificate No. _____ issued on _____ at _____.

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

NAME OF NOTARY PUBLIC

Serial No. of Commission _____

Notary Public for _____ until _____

Roll of Attorneys No. _____

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

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

Doc. No. ____

Page No. ____

Book No. ____

Series of ____.

GPPB Resolution No. 03-2012, dated 27 January 2012

Standard Forms

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

List of all Ongoing Government & Private Construction Contracts including contracts awarded but not yet started

Business Name : _____

Business Address : _____

Name of Contract/Location Project Cost	a. Owner Name b. Address c. Telephone Nos.	Nature of Work	Contractor's Role		a. Date Awarded b. Date Started c. Date of Completion	% of Accomplishment		Value of Outstanding Works
			Description	%		Planned	Actual	
<u>Government</u>								
<u>Private</u>								
						Total Cost		

Note: This statement shall be supported with:

- 1 Notice of Award and/or Contract
- 2 Notice to Proceed issued by the owner
- 3 Certificate of Accomplishments signed by the owner or Project Engineer

Submitted by : _____

(Printed Name & Signature)

Designation : _____

Date : _____

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

Statement of Single Largest Completed Contracts which are similar in nature

Business Name : _____
 Business Address : _____

Name of Contract	a. Owner Name b. Address c. Telephone Nos.	Nature of Work	Contractor's Role		a. Amount at Award b. Amount at Completion c. Duration	a. Date Awarded b. Contract Effectivity c. Date Completed
			Description	%		

Note: This statement shall be supported with:
 1 Contract
 2 CPES rating sheets and/or Certificate of Completion
 3 Certificate of Acceptance

Submitted by : _____
 (Printed Name & Signature)
 Designation : _____
 Date : _____

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

Statement of Availability of Key Personnel and Equipment

(Date of Issuance)

Name of the Head of the Procuring Entity
Position of the Head of the Procuring Entity
(Name of Procuring Entity)
(Address of Procuring Entity)

Attention : The Chairperson
Bids and Awards Committee

Dear Sir / Madame:

In compliance with the requirements of the (Name of the Procuring Entity) BAC for the bidding of the (Name of the Contract), we certify that (Name of the Bidder) has in its employ key personnel, such as project managers, project engineers, materials engineers and foremen, who may be engaged for the construction of the said contract.

Further, we likewise certify the availability of equipment that (Name of the Bidder) owns, has under lease, and/or has under purchase agreements, that may be used for the construction contracts.

Very truly yours,

(Name of Representative)
(Position)
(Name of Bidder)

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

MANPOWER UTILIZATION SCHEDULE

Category	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
Contractor's Name:	Name of the Procuring Entity:					Contract Name:						

Submitted by:

Name of the Representative of the Bidder _____ Date: _____

Position

Name of the Bidder

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

**OUTLINE
NARRATIVE DESCRIPTION
OF
CONSTRUCTION METHODS**

1.0 INTRODUCTION

Refer to Bidding, etc.

2.0 BRIEF DESCRIPTION OF CONTRACT WORKS

State general features of contract works. Use tables as necessary.

3.0 CONSTRUCTION METHODS AND PROCEDURES

3.1 Methodology or General Approach

State general approach in construction in terms of use of equipment-intensive or labor-based methods, any special techniques, methods or procedures to ensure completion on time and quality of construction financing the project, etc.

3.2 Program of Work

CPM, Progress Bar Schedule and Development Schedules submitted.

3.3 Financial Program

Cash flow schedules, provision for working capital, schedule of receipts, etc.

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

Contractor's Organizational Chart for the Contract

Submit Copy of the Organizational Chart that the Contractor intends to use to execute the Contract if awarded to him. Indicate in the chart the names of the Project Manager, Project Engineer, Bridge Engineer, Structural Engineer, Materials and Quality Control Engineer, Foreman and other Key Engineering Personnel.

Attach the required Proposed Organizational Chart for the Contract as stated above

VICTORIAS CITY WATER DISTRICT

Name of the Contract:
Location of the Contract:

**KEY PERSONNEL
(FORMAT OF BIO-DATA)**

Give the detailed information of the following personnel who are scheduled to be assigned as full-time field staff for the project. Fill up a form for each person.

- Authorized Managing Officer / Representative
- Sustained Technical Employee

1. Name : _____
2. Date of Birth : _____
3. Nationality : _____
4. Education and Degrees : _____
5. Specialty : _____
6. Registration : _____
7. Length of Service with the Firm : _____ Year from _____(months)_____(year)
To _____(months)_____(year)
8. Years of Experience : _____

9. If Item 7 is less than ten (10) years, give name and length of service with previous employers for a ten (10)-year period (attached additional sheet/s), if necessary:

<u>Name and Address of Employer</u>	<u>Length of Service</u>
_____	_____year(s) from _____ to _____
_____	_____year(s) from _____ to _____
_____	_____year(s) from _____ to _____

10. Experience:

This should cover the past ten (10) years of experience. (Attached as many pages as necessary to show involvement of personnel in projects using the format below).

1. Name : _____
2. Name and Address of Owner : _____
3. Name and Address of the Owner's Engineer (Consultant) : _____
4. Indicate the Features of Project (particulars of the project components and any other particular interest connected with the project): _____
5. Contract Amount Expressed in Philippine Currency : _____
6. Position : _____
7. Structures for which the employee was responsible : _____
8. Assignment Period : from ____ (months) ____ (years)
to ____ (months) ____ (years)

Name and Signature of Employee

It is hereby certified that the above personnel can be assigned to this project, if the contract is awarded to our company.

(Place and Date)

(The Authorized Representative)

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

Qualification of Key Personnel Proposed to be Assigned to the Contract

Business Name :
Business Address :

	Site Supervisor	Chief Well Driller	Assistant Well Driller	Welder	Locally Hired Helpers	Other positions deemed required by the Applicant for this project
1 Name						
2 Address						
3 Date of Birth						
4 Employed Since						
5 Experience						
6 Previous Employment						
7 Education						
8 PRC License						

Minimum : Site Supervisor
: Chief Well Driller
: Assistant Well Driller
: Welder
: Locally Hired Helpers

Note : Attached individual resume and PRC License of the (professional) personnel.

Submitted by : _____
: _____ (Printed Name & Signature)
Designation : _____
Date : _____

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

List of Equipment, Owned or Leased and/or under Purchase Agreements, Pledged to the Proposed Contract

Business Name : _____

Business Address : _____

Description	Model/ Year	Capacity/ Performance / Size	Plate No.	Motor No. / Body No.	Location	Condition	Proof of Ownership / Lessor or Vendor
<u>A. Owned</u>							
i.							
ii.							
iii.							
iv.							
v.							
<u>B. Leased</u>							
i.							
ii.							
iii.							
iv.							
v.							
<u>C. Under Purchase Agreements</u>							
i.							
ii.							
iii.							
iv.							
v.							

List of minimum equipment required for the project:

Submitted by : _____

(Printed Name & Signature)

Designation : _____

Date : _____

VICTORIAS CITY WATER DISTRICT

Name of the Contract:

Location of the Contract:

EQUIPMENT UTILIZATION SCHEDULE

Category / Equipment	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
Contractor's Name:	Name of the Procuring Entity:					Contract Name:						

Submitted by:

Name of the Representative of the Bidder
Position
Name of the Bidder

Date: _____

(SURETY AND/OR INSURANCE COMPANY)
 (Principal Office Address)
 (Contact Number)
 TIN No. _____

Premium	: _____
Doc. S.	: _____
Evat	: _____
N/S	: _____
Lgt	: _____
N/F	: _____
Misc. Fee	: _____
TOTAL	: _____

BOND NO. _____
G(2) -B

SURETY BOND: BID SECURITY
 (FOR GOVERNMENT BIDS)

By this bond, We, _____ (Name of Bidder) _____ represented by _____ (Name of Authorized Representative), as Principal, and _____ (Surety and/or Insurance Company) , a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at _____ (office address) _____, are held and firmly bound unto the _____ (Procuring Entity) _____ as Obligee in the sum of _____ Amount in Words) _____ (P _____), Philippine Currency, callable on demand by _____ (Procuring Entity) for the payment of which sum, well and truly to be made, we bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal will submit a written Bid to the OBLIGEE [Procuring Entity] on the _____ (Date) _____ day of _____ (Month) _____, 20 _____ Year, for the _____ (Name of Project/Procurement) _____ (Project).

NOW, THEREFORE, the conditions of this obligation are:

- (a) if the Principal:
 - a) withdraws its bid during the period of bid validity specified in **Instruction to Bidders (ITB)**;
 - b) does not accept the correction of arithmetical errors of his bid price in accordance with the **ITB**;
 - c) fails to submit the requirements within the prescribed period or a finding against their veracity as stated in the **ITB**;
 - d) submits eligibility requirements containing false information or falsified documents;
 - e) submits 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;
 - f) allows the use of one's name, or using the name of another for purposes of public bidding;
 - g) withdraws a bid, or refuses 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;
 - h) refuses or fails to post the required performance security within the prescribed time;

- i) refuses to clarify or validate in writing its bid during post-qualification within a period of seven (7) calendar days from receipt of the request for clarification;
 - j) performs any documented attempt to unduly influence the outcome of the bidding in his favor;
 - k) fails to enter into the joint venture with potential joint venture partners after the bid is declared successful; or
 - l) performs 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 Principal, having been determined as the bidder with the Lowest Calculated Responsive/Rated Responsive Bid,
- (i) fails, refuses, or is unable to submit the documents required under Sections 34.2 and 37.1.4 of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184;
 - (ii) fails to sign the contract in accordance with the **ITB**; or
 - (iii) fails to furnish performance security in accordance with the **ITB**.

In case of the occurrence of ANY OF the abovementioned grounds, the _____ (Procuring Entity) shall call upon the Bond upon a written demand to the Surety, and the Surety shall pay _____ (Procuring Entity) up to the entered amount of the Bond due to the occurrence of any or combination of the conditions stated above.

PROVIDED HOWEVER, that the Surety shall not be liable for a greater sum than the specified penalty of this bond.

The Surety agrees that this instrument shall be valid for _____ () calendar days from the date of the opening of the bids, as such period is stated in the Instruction to Bidders or as it may be extended by the Entity, notice of which extension(s) to the Surety is hereby waived.

IN WITNESS WHEREOF, we have set our hands and signed our names on this _____ at _____, Philippines.

SURETY AND/OR INSURANCE COMPANY

PRINCIPAL

SIGNED IN THE PRESENCE OF:

(SURETY AND/OR INSURANCE COMPANY)
 (Principal Office Address)
 (Contact Number)
 TIN No. _____

Premium	:	_____
Doc. S.	:	_____
Evat	:	_____
N/S	:	_____
Lgt	:	_____
N/F	:	_____
Misc. Fee	:	_____
TOTAL	:	_____

BOND NO. _____

SURETY BOND: PERFORMANCE SECURITY
 (FOR GOVERNMENT PROCUREMENT)

That we, (Name of Bidder) _____ represented by (Name of Authorized Representative), as PRINCIPAL, and _____ (Surety and/or Insurance Company) _____, a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at _____ (office address) _____, are held and firmly bound unto the _____ (Procuring Entity) _____ as OBLIGEE in the sum of _____ (Amount in Words) _____ (P _____), Philippine Currency, callable on demand by _____ (Procuring Entity) _____ for the payment of which sum, well and truly to be made, we bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has been declared the winning bidder and received a Notice of Award on the _____ (Date) _____ day of _____ (Month) _____, 20 ____ Year ____ , for the _____ (Name of Project/Procurement) _____ (Project);

WHEREAS, the PRINCIPAL is required to post a Performance Security within ten (10) days upon receipt of such Notice of Award and before the signing of the Contract for the Project to guarantee the faithful performance by the winning Bidder of its obligations under the Contract;

NOW, THEREFORE, the Surety Bond, forming as Performance Security for the Contract posted in favor of _____ (Procuring Entity) _____ shall be forfeited in the event it is established that the winning bidder failed to faithfully perform its obligations under the contract in accordance with the bidding documents.

IN CASE OF FAILURE, the _____ (Procuring Entity) _____ shall call on the Bond upon a written demand to the Surety, and the Surety shall pay the Procuring Entity up to the entered amount of the Bond; provided that, in the demand, _____ (Procuring Entity) _____ will state the violation/s of the PRINCIPAL.

PROVIDED HOWEVER, that the Surety shall not be liable for a greater sum than the specified penalty of this bond.

This performance bond is valid until the issuance of the Certificate of Final Acceptance by the OBLIGEE. This bond shall cover any extension of performance as allowed by the OBLIGEE and notice to the surety is hereby waived.

In case of a reduction of the contract value, the OBLIGEE 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.

IN WITNESS WHEREOF, we have set our hands and signed our names on this

_____ at _____, Philippines.

SURETY AND/OR INSURANCE COMPANY

PRINCIPAL

SIGNED IN THE PRESENCE OF:

(SURETY AND/OR INSURANCE COMPANY)
(Principal Office Address)
(Contact Number)
TIN No. _____

Premium	: _____
Doc. S.	: _____
Evat	: _____
N/S	: _____
Lgt	: _____
N/F	: _____
Misc. Fee	: _____
TOTAL	: _____

BOND NO. _____

SURETY BOND AS WARRANTY SECURITY
(FOR INFRASTRUCTURE PROJECTS)

That we, (Name of Bidder) _____ represented by (Name of Authorized Representative) _____, as Principal, and _____ (Surety and/or Insurance Company) _____, a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal office at _____ (office address) _____, are held and firmly bound unto the _____ (Procuring Entity) _____ as OBLIGEE in the sum of _____ (Amount in Words) _____ (P _____), Philippine Currency, callable on demand by _____ (Procuring Entity) _____ for the payment of which sum, well and truly to be made, we bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal is the Contractor for the _____ (Name of Project/Procurement) _____ (Project) of _____ (Procuring Entity) _____;

WHEREAS, the Principal completed the Project on _____ and OBLIGEE issued the Certificate of Acceptance for the Project on _____;

WHEREAS, the Principal is required to post a Warranty Security to guarantee against Structural Defects/Failures, except those occasioned on force majeure;

NOW, THEREFORE, the Surety Bond, forming as Warranty Security for the Project posted in favor of _____ (Procuring Entity) _____ shall be forfeited in case of structural defects/failure occurring during the applicable warranty period provided in the Bidding Documents.

In case of the occurrence of the abovementioned grounds, _____ (Procuring Entity) _____ shall call upon the Bond upon a written demand to the Surety, and the Surety shall pay OBLIGEE up to the entered amount of the Bond, upon receipt by the Surety of a written demand from OBLIGEE; provided that, in the demand, the OBLIGEE will note that the sum claimed is due to the occurrence of any or combination of the conditions stated above. In this case, this obligation shall remain in full force and effect, otherwise it shall be null and void.

PROVIDED HOWEVER, that the Surety shall not be liable for a greater sum than the specified penalty of this bond.

This warranty bond is valid for one year from the date of issuance of the Certificate of Final Acceptance by the OBLIGEE. This bond shall cover any extension of warranty as allowed by the OBLIGEE and notice to the surety is hereby waived.

IN WITNESS WHEREOF, we have set our hands and signed our names on this _____ at _____, Philippines.

SURETY AND/OR INSURANCE COMPANY

PRINCIPAL

SIGNED IN THE PRESENCE OF:

