

## INVITATION TO BID

The National Library of the Philippines (NLP), through the FY 2012 General Appropriations Act of the Government of the Philippines (GOP) in coordination with the Department of Public Works and Highways intend to apply the sum of Twenty Eight Million Seven Hundred Pesos (PhP28,700,000.00) being the Approved Budget for the Contract (ABC) to payments under the contract for **Retrofitting of National Library of the Philippines Building (Phase 1)**. Bids received in excess of the ABC shall be automatically rejected at bid opening.

The National Library of the Philippines (NLP) now invites bids for **Seismic Retrofitting of National Library of the Philippines Ground Floor Columns**. Completion of the Works is required within **120 calendar days**. Bidders should have completed, within ten (10) years from the date of submission and receipt of bids, a contract similar to the Project. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II, Instruction to Bidders.

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

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

Interested bidders may obtain further information from National Library of the Philippines and inspect the Bidding Documents at the address given below from 8:30am – 5:00pm, Monday – Friday.

A complete set of Bidding Documents may be purchased by interested Bidders from the address below and upon payment of a nonrefundable fee for the Bidding Documentations in the amount of Twenty Five Thousand Pesos (PhP25,000.00) which shall be issued only to bidders/authorized official representatives or employees of the bidder who can show proof of Notarized Authority to secure bid documents for the specified project and official company ID starting October 1, 2012. Bidding Documents can be purchased, Monday – Friday from 8:30am – 5:00pm.

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

The National Library of the Philippines will hold a Pre-Bid Conference on **October 11, 2012, 10:00am at the Conference Room, 3rd Floor, NLP Building, T.M. Kalaw St., Ermita, Manila** which shall be **OPEN ONLY** to bidders who have purchased the Bidding Documents.

Bids must be delivered to the address below on or before **October 23, 2012 at exactly 10:00AM** at the Conference Room, 3<sup>rd</sup> Floor, National Library Building T.M. Kalaw St., Ermita, Manila. 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 follow immediately after the deadline of submission of bids at the same venue. Bids will be opened in the presence of the Bidders' representatives who choose to attend. Late bids shall not be accepted.

The National Library of the Philippines Procuring Entity reserves the right to accept or reject any bid, to annul the bidding process, and to reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders.

For further information, please refer to:

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Chairperson

Bids and Awards Committee

National Library of the Philippines

**SECION II**

**INSTRUCTION TO BIDDERS**

**TABLE OF CONTENTS**

**A. GENERAL**

1. Scope of Bid .....	3
2. Source of Funds.....	3
3. Corrupt, Fraudulent, Collusive, and Coercive Practices.....	3
4. Conflict of Interest .....	4
5. Eligible Bidders .....	5
6. Bidder's Responsibilities.....	7

7. Origin of GOODS and Services .....	9
8. Subcontracts.....	9

**B. CONTENTS OF BIDDING DOCUMENTS**

9. Pre-Bid Conference .....	9
10. Clarification and Amendment of Bidding Documents.....	10

**C. PREPARATION OF BIDS**

11. Language of Bids .....	10
12. Documents Comprising the Bid:	
Eligibility and Technical Components .....	10
13. Documents Comprising the Bid: Financial Component .....	13
14. Alternative Bids.....	13
15. Bid Prices .....	13
16. Bid Currencies .....	14
17. Bid Validity .....	14
18. Bid Security .....	15
19. Format and Signing of Bids.....	16
20. Sealing and Marking of Bids.....	17

**D. SUBMISSION AND OPENING OF BIDS**

21. Deadline for Submission of Bids ..... 18

22. Late Bids ..... 18

23. Modification and Withdrawal of Bids..... 18

24. Opening and Preliminary Examination of Bids ..... 19

**E. EVALUATION AND COMPARISON OF BIDS**

25. Process to be Confidential..... 20

26. Clarification of Bids ..... 20

27. Detailed Evaluation and Comparison of Bids ..... 20

28. Post Qualification ..... 22

29. Reservation Clause..... 23

**F. AWARD OF CONTRACT**

30. Contract Award..... 24

31. Signing of the Contract..... 25

32. Performance Security ..... 26

**A. General**

**1. Scope of Bid**

1.1. The National Library of the Philippines (hereinafter referred to as the Procuring Entity)

wishes to receive bids for the Construction of the Retrofitting Measures of the National Library Building, as defined in these bidding documents (hereinafter referred to as the Works).

1.2. The successful bidder will be expected to complete the Works by the intended completion

date specified in **SCC** Clause 1.1.

**2. Source of Funds**

Government of the Philippines RA10155 General Appropriations Act

**3. Corrupt, Fraudulent, Collusive, and Coercive Practices**

3.1. The Procuring Entity, as well as bidders and contractors, shall observe the highest

standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Funding Source:

(a) defines, for purposes of this provision, the terms set forth below as follows: (i)

"corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Procuring Entity, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019; (ii) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after Bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition; (iii) "collusive practices" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels; and (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;

(b) will reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the Contract; and

(c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded Contract funded by the Funding Source if it at any time

determines that the firm has engaged in corrupt or fraudulent practices in competing or, or in executing, a Contract funded by the Funding Source.

3.2. Further, the Procuring Entity will seek to impose the maximum civil, administrative,

and/or criminal penalties available under the applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in **ITB** Clause 3.1(a).

3.3. Furthermore, the Funding Source and the Procuring Entity reserve the right to inspect

and audit records and accounts of a contractor in the bidding for and performance of a contract themselves or through independent auditors as reflected in the **GCC** Clause 34.

#### **4. Conflict of Interest**

4.1. All bidders found to have conflicting interests shall be disqualified to participate in

the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs(a) through (c) and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) below:

(a) A Bidder has controlling shareholders in common with another Bidder;



(b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;

(c) A Bidder has the same legal representative as that of another Bidder for purposes of this Bid;

(d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project;

(e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid;

(f) A Bidder who participated as a consultant in the preparation of the design or

technical specifications of the goods and related services that are the subject of the bid; or

(g) A Bidder who lends, or temporary seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.

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

be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity, members of the Bids and Awards Committee (BAC), members of the Technical Working Group (TWG), members of the BAC Secretariat, the head of the Project Management Office (PMO) or the end-user unit, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the bidder, this Clause shall apply to the following persons:

(a) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;

(b) If the Bidder is a partnership, to all its officers and members;

(c) If the Bidder is a corporation, to all its officers, directors, and controlling stockholders; and

(d) If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of

this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate. Relationship of the nature described

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

## 5. Eligible Bidders

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

a. Duly licensed Filipino citizens/sole proprietorships;

b. Partnerships duly organized under the laws of the

Philippines and of which at least seventy five percent (75%) of the interest belongs to citizens of the Philippines;

(c) Corporations duly organized under the laws of the Philippines, and of which at

least seventy five percent (75%) of the outstanding capital stock belongs to citizens of the Philippines;

(d) Cooperatives duly organized under the laws of the Philippines, and of which at

least seventy five percent (75%) of the interest belongs to citizens of the

Philippines; and

(e) Persons/entities forming themselves into a JV, i.e., a group of two (2) or more

persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that, in accordance with Letter of Instructions No. 630, Filipino ownership or interest of the joint venture concerned shall be at least seventy five percent (75%): Provided, further, that joint ventures in which Filipino ownership or interest is less than seventy five percent (75%) may be eligible where the structures to be built require the application of techniques and/or technologies which are not adequately possessed by a person/entity meeting the seventy five percent (75%) Filipino ownership requirement: Provided, finally, that in the latter case, Filipino ownership or interest shall not be less than twenty five percent (25%). For this purpose Filipino ownership or interest shall be based on the contributions of each of the members of the joint venture as specified in their JVA.

5.2. The Procuring Entity may also invite foreign bidders when provided for under any

Treaty or International or Executive Agreement as specified in the **BDS**.

5.3. Government Corporate Entities may be eligible to participate only if they can

establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the Procuring Entity.

5.4. Unless otherwise provided in the **BDS**, the Bidder must have completed at least one

contract similar to the Project the value of which, adjusted to current prices using the National Statistics Office consumer price index, must be at least equivalent to a percentage of the ABC stated in the **BDS**.

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

5.5. Unless otherwise provided in the **BDS**, the Bidder must submit a computation of its

Net Financial Contracting Capacity (NFCC) or a Commitment from a Universal or Commercial bank to extend a credit line in its favor if awarded the contract for this project (CLC). The NFCC, computed using the following formula, must be at least equal to the ABC to be bid:

NFCC = [(Current assets minus current liabilities) (K)] minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts,

including awarded contracts yet to be started coinciding with the contract for this Project.

Where:

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

The CLC must be at least equal to ten percent (10%) of the ABC for this Project. If issued by a foreign bank, it shall be confirmed or authenticated by a Universal or Commercial Bank. In the case of local government units (LGUs), the Bidder may also submit CLC from other banks certified by the Bangko Sentral ng Pilipinas (BSP) as authorized to issue such financial instrument.

## 6. Bidder's Responsibilities

6.1. The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section IX 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; and

(d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s as provided under **ITB** Clause 10.3

(e) Ensuring that it is not "blacklisted" or barred from bidding by the GOP or any

of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;

(f) Ensuring that each of the documents submitted in satisfaction of the bidding

requirements is an authentic copy of the original, complete, and all

statements and information provided therein are true and correct;

(g) Authorizing the Head of the Procuring Entity or its duly authorized

representative/s to verify all the documents submitted;

(h) Ensuring that the signatory is the duly authorized representative of the Bidder,

and granted full power and authority to do, execute and perform any and all acts necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;

(i) Complying with the disclosure provision under Section 47 of the Act in

relation to other provisions of Republic Act 3019; and

(j) Complying with existing labor laws and standards, if applicable. Failure to

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

6.3. The Bidder, by the act of submitting its bid, shall be deemed to have inspected the

site and determined the general characteristics of the contract works and the conditions for this Project. Unless otherwise indicated in the **BDS**, failure to furnish all information or documentation required in this Bidding Documents shall result in the rejection of the bid and the disqualification of the Bidder.

6.4. It shall be the sole responsibility of the prospective bidder to determine and to satisfy

itself by such means as it considers necessary or desirable as to all matters pertaining to this Project, including: (a) the location and the nature of the contract, project, or work; (b) climatic conditions; (c) transportation facilities; (c) nature and condition of the terrain, geological conditions at the site communication facilities, requirements, location and availability of construction aggregates and other materials, labor, water, electric power and access roads; and (d) other factors that may affect the cost, duration and execution or implementation of the contract, project, or work.

6.5. The Procuring Entity shall not assume any responsibility regarding erroneous

interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity.

6.6. Before submitting their bids, the Bidders are deemed to have become familiar with

all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect the contract in any way.

6.7. The Bidder shall bear all costs associated with the preparation and submission of his

bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.



6.8. Bidders should note that the Procuring Entity will only accept bids only from those that have paid the nonrefundable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

## 7. Origin of GOODS and Services

Unless otherwise indicated in the **BDS**, there is no restriction on the origin of Goods, or Contracting of Works or Services other than those prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

## 8. Subcontracts

8.1. Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the

Works to an extent as may be approved by the Procuring Entity and stated in the **BDS**. However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.

8.2. Subcontractors must submit the documentary requirements under **ITB** Clause 12 and

comply with the eligibility criteria specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Works shall be disallowed.

8.3. The Bidder may identify the subcontractor to whom a portion of the Works will be subcontracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

## **B. Contents of Bidding Documents**

### **9. Pre-Bid Conference**

9.1. 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.

9.2. Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents discussed during the pre-bid conference.

9.3. Any statement made at the pre-bid conference shall not modify the terms of the bidding documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

## 10. Clarification and Amendment of Bidding Documents

10.1. Bidders who have purchased the Bidding Documents may request for

clarification(s) on any part of the Bidding Documents or for an interpretation. Such a request must be in writing and submitted to the Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of Bids.

10.2. Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative for

purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of Bids. Any modification to the Bidding Documents shall be identified as an amendment.

10.3. Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the

Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity concerned, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids

in accordance with **ITB** Clause 23.

## C. Preparation of Bids

## 11. Language of Bids

The Bid, as well as all correspondence and documents relating to the Bid exchanged by the Bidder and the Procuring Entity, shall be written in English. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation in English certified by the appropriate embassy or consulate in the Philippines, in which case the English translation shall govern, for purposes of interpretation of the Bid.

## 12. Documents Comprising the Bid: Eligibility and Technical Components

12.1. Unless otherwise indicated in the **BDS**, the first envelope shall contain the

following eligibility and technical documents:

a. Eligibility Documents – Class "A" Documents:

(i) Registration certificate from the Securities and Exchange Commission

(SEC), Department of Trade and Industry (DTI) for sole proprietorship, or

Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration as stated in the **BDS**;

(ii) Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located;

(iii) Statement of all its ongoing and completed government and private

contracts within ten (10) years from the submission of bids, unless otherwise stated in the **BDS**, including contracts awarded but not yet started, if any. The statement shall include, for each contract, the following:

(iii.1) name of the contract;

(iii.2) date of the contract;

(iii.3) contract duration;

(iii.4) owner's name and address;

(iii.5) nature of work;

(iii.6) contractor's role (whether sole contractor, subcontractor, or partner in a JV) and percentage of participation;

(iii.7) total contract value at award;

(iii.8) date of completion or estimated completion time;

(iii.9) total contract value at completion, if applicable;

(iii.10) percentages of planned and actual accomplishments, if applicable;

(iii.11) value of outstanding works, if applicable;

(iii.12) the statement shall be supported by the notices of award  
and/or  
notices to proceed issued by the owners; and

(iii.13) the statement shall be supported by the Constructors

Performance Evaluation System (CPES) rating sheets, and/or  
certificates of completion and owner's acceptance, if  
applicable;

(iv) Unless otherwise provided in the **BDS**, valid Philippine Contractors

Accreditation Board (PCAB) license and registration for the type and  
cost of the contract for this Project;

(v) Audited financial statements, showing, among others, the prospective total and  
current assets and liabilities, stamped "received" by the BIR or its duly

accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission;

(vi) NFCC computation or CLC in accordance with **ITB** Clause 5.5; and Class

"B" Document:

(vii) If applicable, valid Joint Venture Agreement (JVA) or, in lieu thereof, duly

notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful shall be included in the bid.

(b) Technical Documents –

(i) Bid security as prescribed in **ITB** Clause 18. If the Bidder opts to submit the

bid security in the form of:

(i.1) a bank draft/guarantee or an irrevocable letter of credit issued by a

foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or

(i.2) a surety bond accompanied by a certification coming from an

authorized Insurance Commission that a surety or insurance company is authorized to issue such instrument;

(ii) Project Requirements, which shall include the following:

(ii.1) Organizational chart for the contract to be bid;

(ii.2) List of contractor's personnel (viz, project Manager, Project

Engineers, Materials Engineers, and Foremen), to be assigned to the contract to be bid, with their complete qualification and experience data; and

(ii.3) List of contractor's equipment units, which are owned, leased, and/or

under purchase agreements, supported by certification of availability of equipment from the equipment lessor/vendor for the duration of the project; and

(iii) Sworn statement in accordance with Section 25.2(b)(iv) of the IRR of RA

9184 and using the form prescribed in Section IX.

(iv) Affidavit of Site Inspection

(v) Bid Bulletin/s



Note: Digital copy of eligibility and technical documents must be presented by bidder's representative before the BAC, TWG and other representatives during the opening.

### **13. Documents Comprising the Bid: Financial Component**

13.1. Unless otherwise stated in the **BDS**, the financial component of the bid shall contain the following:

(a) Financial Bid Form in accordance with the form prescribed in Section IX.

Bidding Forms; and

(b) Any other document required in the **BDS**.

13.2. Unless indicated in the **BDS**, all Bids that exceed the ABC shall not be accepted.

### **14. Alternative Bids**

14.1. Alternative Bids shall be rejected. For this purpose, alternative bid is an offer made by a Bidder in addition or as a substitute to its original bid which may be included as part of its original bid or submitted separately therewith for purposes of bidding. A bid with options is considered an alternative bid

regardless of whether said bid proposal is contained in a single envelope or submitted in two (2) or more separate bid envelopes.

14.2. Bidders shall submit offers that comply with the requirements of the Bidding

Documents, including the basic technical design as indicated in the drawings and specifications. Unless there is a value engineering clause in the **BDS**, alternative bids shall not be accepted.

14.3. Each Bidder shall submit only one Bid, either individually or as a partner in a JV. A

Bidder who submits or participates in more than one bid (other than as a subcontractor if a subcontractor is permitted to participate in more than one bid) will cause all the proposals with the Bidder's participation to be disqualified. This shall be without prejudice to any applicable criminal, civil and administrative penalties that may be imposed upon the persons and entities concerned.

## 15. Bid Prices

15.1. The contract shall be for the whole Works, as described in **ITB** Clause 1.1, based on the priced Bill of Quantities submitted by the Bidder.

15.2. The Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Bids not addressing or providing all of the required items in the

Bidding Documents including, where applicable, bill of quantities, shall be considered non-responsive and, thus, automatically disqualified. In this

regard, where a required item is provided, but no price is indicated, the same shall be considered as nonresponsive, 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. Unless otherwise provided in the **BDS**, 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 indicated in the **BDS** and specified in **GCC** Clause 48 and its corresponding **SCC** provision.

## 16. Bid Currencies

16.1. All bid prices shall be quoted in Philippine Pesos unless otherwise provided in the

**BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate prevailing on the day of the Bid opening.

16.2. If so allowed in accordance with **ITB** Clause 16.1, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to

Philippine Pesos at the exchange rate as published in the BSP reference rate bulletin on the day of the bid opening.

16.3. Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.

## 17. Bid Validity

17.1. Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.

17.2. In exceptional circumstances, prior to the expiration of the bid validity period, the

Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security described in **ITB** Clause 18 should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

## 18. Bid Security

18.1. The bid security, issued in favor of the Procuring Entity, in the amount stated in the

**BDS** shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Equal to Percentage of the ABC)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Five percent (5%)
(d) Any combination of the foregoing	Proportionate to share of form with respect to total amount of security.

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

18.2. The bid security should be valid for the period specified in the **BDS**. Any bid not

accompanied by an acceptable bid security shall be rejected by the Procuring Entity as non-responsive.

18.3. No bid securities shall be returned to bidders after the opening of bids and before

contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, Bid Securities shall be returned only after the bidder with the Lowest Calculated Responsive Bid has signed the contract and furnished the Performance Security, but in no case later than the expiration of the Bid Security validity period indicated in **ITB** Clause 18.2.

18.4. Upon signing and execution of the contract, pursuant to **ITB** Clause 31, and the

posting of the performance security, pursuant to **ITB** Clause 32, the successful Bidder's Bid security will be discharged, but in no case later than the Bid security validity period as indicated in **ITB** Clause 18.2.

18.5. The bid security may be forfeited:

(a) if a Bidder:

(i) withdraws its bid during the period of bid validity specified in **ITB**

Clause 17;

(ii) does not accept the correction of errors pursuant to **ITB** Clause

27.3(b);

- (iii) fails to submit the requirements within the prescribed period, or a finding against their veracity, as stated in **ITB** Clause 28.2; or
- (iv) any other reason stated in the **BDS**.

b. if the successful Bidder:

- (i) fails to sign the contract in accordance with **ITB** Clause 31;
- (ii) fails to furnish performance security in accordance with **ITB** Clause 32; or
- (iii) any other reason stated in the **BDS**.

## **19. Format and Signing of Bids**

19.1. Bidders shall submit their bids through their duly authorized representative using

the appropriate forms provided in Section IX. Bidding Forms on or before the deadline specified in the **ITB** Clause 21 in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements under **ITB** Clause 12.1, and the second shall contain the financial component of the bid.

19.2. Forms as mentioned in **ITB** Clause 19.1 must be completed without any alterations

to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.

19.3. The Bidder shall prepare an original of the first and second envelopes as described

in **ITB** Clauses 12 and 13. In addition, the Bidder shall submit copies of the first and second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.

19.4. The bid, except for unamended printed literature, shall be signed, and each and

every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.

19.5. Any interlineations, erasures, or overwriting shall be valid only if they are signed or

initialed by the duly authorized representative/s of the Bidder.

## **20. Sealing and Marking of Bids**

20.1. Unless otherwise indicated in the **BDS**, Bidders shall enclose their original

eligibility and technical documents described in **ITB** Clause 12, in one sealed envelope marked "ORIGINAL - TECHNICAL COMPONENT", and the original of their financial component in another sealed envelope marked "ORIGINAL - FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".

20.2. Each copy of the first and second envelopes shall be similarly sealed duly marking



the inner envelopes as “COPY NO. \_\_\_\_ - TECHNICAL COMPONENT” and “COPY NO. \_\_\_\_ – FINANCIAL COMPONENT” and the outer envelope as “COPY NO. \_\_\_\_”, respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.

20.3. The original and the number of copies of the Bid as indicated in the **BDS** shall be

typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.

20.4. All envelopes shall:

(a) contain the name of the contract to be bid in capital letters;

(b) bear the name and address of the Bidder in capital letters;

(c) be addressed to the Procuring Entity’s BAC identified in **ITB** Clause 10.1;

(d) bear the specific identification of this bidding process indicated in the Invitation to Bid; and

(e) bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of bids, in accordance with **ITB** Clause 21.

20.5. If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

#### **D. Submission and Opening of Bids**

##### **21. Deadline for Submission of Bids**

Bids must be received by the Procuring Entity's BAC at the address and on or before the date and time indicated in the **BDS**.

##### **22. Late Bids**

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

##### **23. Modification and Withdrawal of Bids**

23.1. The Bidder may modify its bid after it has been submitted; provided that the

modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.

23.2. A Bidder may, through a letter of withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the letter of withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids.

23.3. Bids requested to be withdrawn in accordance with **ITB** Clause 23.1 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.

23.4. No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder's bid security, pursuant to **ITB** Clause 18.5, and the imposition of administrative, civil, and criminal sanctions as prescribed by RA 9184 and its IRR.

## **24. Opening and Preliminary Examination of Bids**

24.1. The BAC shall open the first bid envelopes of Bidders in public as specified in the **BDS** to determine each Bidder's compliance with the documents prescribed in **ITB** Clause 12. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to

ascertain if they are all present, using a non-discretionary “pass/fail” criterion. If a bidder submits the required document, it shall be rated “passed” for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as “failed”. Otherwise, the BAC shall rate the said first bid envelope as “passed”.

24.2. 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 those 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 (vi).

24.5. In the case of an eligible foreign Bidder as described in **ITB** Clause 5, the Class

“A” Documents enumerated in **ITB** Clause 12.1(a) may be substituted with the appropriate equivalent documents, if any, issued by the country of the foreign Bidder concerned.

24.6. Each partner of a joint venture agreement shall likewise submit the documents

required in **ITB** Clauses 12.1(a)(i) and 12.1(a)(ii). Submission of documents required under **ITB** Clauses 12.1(a)(iii) to 12.1(a)(vi) by any of the joint venture partners constitutes compliance.

24.7. A Bidder determined as “failed” has three (3) calendar days upon written notice or,

if present at the time of bid opening, upon verbal notification within which to file a request for reconsideration with the BAC: Provided, however, that the request for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the BAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed Bidder signifies his intent to file a request for reconsideration, the BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the request for reconsideration or protest has been resolved.

## **E. Evaluation and Comparison of Bids**

## **25. Process to be Confidential**

25.1. Members of the BAC, including its staff and personnel, as well as its Secretariat

and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise allowed in the **BDS** or in the case of **ITB** Clause 26.

25.2. Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's

decision in respect of Bid evaluation, Bid comparison or contract award will result in the rejection of the Bidder's Bid.

## **26. Clarification of Bids**

To assist in the evaluation, comparison and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered

## **27. Detailed Evaluation and Comparison of Bids**

27.1. The Procuring Entity will undertake the detailed evaluation and comparison of Bids

which have passed the opening and preliminary examination of Bids, pursuant to **ITB** Clause 24, in order to determine the Lowest Calculated Bid.

27.2. In evaluating the Bids to get the Lowest Calculated Bid, the Procuring Entity shall undertake the following:

(a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and

(b) The ranking of the total bid prices as so calculated from the lowest to highest.

The bid with the lowest price shall be identified as the Lowest Calculated Bid.

27.3. The Procuring Entity's BAC shall immediately conduct a detailed evaluation of all

bids rated "passed," using non-discretionary "pass/fail" criterion. 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, omissions, and other

bid modifications, if allowed in the **BDS**, to enable proper comparison of all eligible bids. 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

abovementioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, 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.

27.5. Unless otherwise indicated in the **BDS**, 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) Tax clearance per Executive Order 398, Series of 2005;
- (b) Latest income and business tax returns in the form specified in the **BDS**;
- (c) Certificate of PhilGEPS Registration; and
- (d) Other appropriate licenses and permits required by law and stated in the **BDS**.

Failure of the Bidder declared as LCB to duly submit the requirements under this Clause or a finding against the veracity of such, shall be ground for forfeiture of the bid security and disqualification of the Bidder for award.

28.3. The determination shall be based upon an examination of the documentary evidence

of the Bidder's qualifications submitted pursuant to **ITB** Clauses 12 and 13, as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary "pass/fail" criterion.

28.4. If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the

criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, and recommend to the Head of the Procuring Entity the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower, subject to **ITB** Clause 30.3.

28.5. A negative determination shall result in rejection of the Bidder's Bid, in which

event the Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next

Lowest Calculated Bid, and so on until the Lowest Calculated and Responsive Bid is determined for contract award.

28.6. Within a period not exceeding seven (7) calendar days from the date of receipt of

the recommendation of the BAC, the Head of the Procuring Entity shall approve or disapprove the said recommendation. In the case of government owned and government-owned and/or –controlled corporations (GOCCs) and government financial institutions (GFIs), the period provided herein shall be fifteen (15) calendar days.

## **29. Reservation Clause**

29.1. Notwithstanding the eligibility or post-qualification of a bidder, the Procuring

Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements,

statements or documents, or any changes in the situation of the Bidder which will

affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.

29.2. Based on the following grounds, the Procuring Entity reserves the right to reject any

and all Bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:

(a) if there is prima facie evidence of collusion between appropriate public

officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;

(b) if the Procuring Entity's BAC is found to have failed in following the

prescribed bidding procedures; or

(c) for any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the Government as follows:

(i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity;

(ii) If the project is no longer necessary as determined by the head of the procuring entity; and

(iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

29.3. In addition, the Procuring Entity may likewise declare a failure of bidding when:

(a) No bids are received;

(b) All prospective bidders are declared ineligible;

(c) All bids fail to comply with all the bid requirements or fail post-qualification;

(d) The bidder with the Lowest Calculated Responsive Bid refuses, without justifiable cause to accept the award of contract, and no award is made.

## **F. Award of Contract**

### **30. Contract Award**

30.1. Subject to **ITB** Clause 28, the Procuring Entity shall award the contract to the

Bidder whose Bid has been determined to be the Lowest Calculated and Responsive Bid (LCRB).

30.2. Prior to the expiration of the period of Bid validity, the Procuring Entity shall notify

the successful Bidder in writing that its Bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.

30.3. Notwithstanding the issuance of the Notice of Award, award of contract shall be

subject to the following conditions:

(a) Submission of the following documents within the prescribed period from

receipt by the Bidder of the notice that it has the Lowest Calculated and Responsive Bid:

(i) Valid JVA, if applicable, within ten (10) calendar days;

(ii) Valid PCAB license and registration for the type and cost of the contract to be bid for foreign bidders, within thirty (30) calendar days, if allowed under a Treaty or International or Executive Agreement mentioned in **ITB** Clause 12.1(a)(iv);

(b) Posting of the performance security in accordance with **ITB** Clause 32;

(c) Signing of the contract as provided in **ITB** Clause 31; and

(d) Approval by higher authority, if required.

### **31. Signing of the Contract**

31.1. At the same time as the Procuring Entity notifies the successful Bidder that its Bid

has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which Contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.

31.2. Within 10 calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security, sign and date the contract and return it to the Procuring Entity.

31.3. The Procuring Entity shall enter into contract with the successful Bidder within the same 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 performance security shall be denominated in Philippine Pesos and posted in

favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank	
(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.	Five percent (5%)
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(d) Any combination of the foregoing	Proportionate to share of form with respect to total amount of security

### 32.3. Failure of the successful Bidder to comply with the above-mentioned requirement

shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the Lowest Calculated and Responsive Bid is identified and selected for contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

## 33. Notice to Proceed

33.1. Within three (3) calendar days from the date of approval of the Contract by the

appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Bidder.

33.2. The date of the Bidder's receipt of the Notice to Proceed will be regarded as the

effective date of the Contract, unless otherwise specified in the **BDS**.

## **SECTION III**

### **BID DATA SHEET**

#### **ITB Clause**

1.1 The PROCURING ENTITY is **National Library of the Philippines**

The name of the Contract is **Retrofitting of National Library of the Philippines  
Building (Phase 1)**

2. The Funding Source is:

The Government of the Philippines (GOP) through FY 2012 General Appropriations Act (GAA) in the amount of **PhP28,700,000.00**.

The name of the Project is **Seismic Retrofitting of National Library of the Philippines  
Ground Floor Columns**

5.1 No further instructions.

5.2 Bidding is restricted to eligible bidders as defined in ITB Clause 5.1.

5.4 The Bidder must have completed, within ten (10) years from the submission of bids, a single

contract that is similar to this Project, equivalent to at least fifty percent (50%) of the Approved Budget of the Contract .No further instructions

5.5 No further instructions.

6.3 No further instructions.

7.0 No further instructions.

8.1 No further instructions.

8.2 Not applicable

9.1 The Procuring Entity will hold a pre-bid conference for this Project on **October 11, 2012 at**

**10:00AM** to be held at the **Conference Room, 3<sup>rd</sup> Floor, NLP Building, T.M. Kalaw St., Ermita, Manila** which will be **OPEN ONLY** to those who purchased the bid documents.

10.1 The Procuring Entity's address is:

National Library of the Philippines

T.M. Kalaw St., Ermita, Manila

12.1 The first envelope shall contain the eligibility and technical documents stated in the **ITB** Clause.

12.1 (a)(i) No other acceptable proof of registration is recognized.

12.1 (a)(iii) No further instructions.

12.1 (a)(iv) No further instructions.

13.1 Additional Requirements for the Financial Component:

1. Bill of Quantities

2. Detailed Cost Estimates

3. Cash flow by Quarter and Payment Schedule

13.2 The ABC is **PhP28,700,000.00**. Any bid with a financial component exceeding this amount

shall not be accepted.

14.2 No further instructions.

15.4 Bid Prices shall be fixed. Adjustable price proposals shall be treated as nonresponsive and

shall be rejected.

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.

16.1 The bid prices shall be quoted in Philippine Pesos.

16.3 No further instructions.

17.1 Bids will be valid within a period of **120 calendar days** from the date of opening of bids.

18.1 The bid security shall be in the following amount:

1. **PhP574,000.00** if bid security is in cash, cashier's/manager's check, bank

draft/guarantee or irrevocable letter of credit;

2. **PhP1,435,000.00** if bid security is in Surety Bond; or

3. Any combination of the foregoing proportionate to the share of form with respect to total amount of security.

18.2 The bid security shall be valid within a period of **120 calendar days** from the date of opening of bids.

18.5 (a)(iv) Additional Grounds for Forfeiture of Bid Security:

1. Submission of eligibility requirements containing false information or falsified documents.

2. 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.

3. Allowing the use of one's name, or using the name of another for purposes of public bidding.

4. 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.
  5. Refusal or failure to post the required performance security within the prescribed time.
  6. 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.
  7. Any documented unsolicited attempt by a bidder to unduly influence the outcome of the bidding in his favor.
  8. Failure of the potential joint venture partners to enter into the joint venture after the bid is declared as successful.
  9. 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.
- 18.5 (b)(iii) No further instructions.

20.1 No further instructions.

20.3 Each Bidder shall submit original and two (2) copies of the first and second components of

its bid.

21. The address for submission of bids is at the **Conference Room 3<sup>rd</sup> Floor, NLP Building,**

**T.M. Kalaw St., Ermita, Manila.** The deadline for submission of bids is on **October 23, 2012 at 9.00 a.m.**

24.1 The place of bid opening is at the **Conference Room 3rd Floor, NLP Building, T.M.**

**Kalaw St., Ermita, Manila.**

25.1 No further instructions.

27.3 No further instructions.

27.3 (b) Bid modification is not allowed.

27.5 No further instructions.



28.2 (b) Bidders have option to submit manually filed tax returns or tax returns filed through the

Electronic Filing and Payments System (EFPS).

NOTE: The latest income and business tax returns are those within the last six months preceding the date of bid submission.

28.2 (d) No further instructions.

31.4 Other Contract Documents Required:

1. Contractor's All Risk Insurance (CARI)
2. Construction Schedule and S-Curve
3. Manpower Schedule
4. Construction Methods
5. Equipment Utilization Schedule
6. Construction and Health Program
7. PERT/CPM

32.2 Performance Security

### 32. Performance Security

32.1. To guarantee the faithful performance by the winning Bidder of its obligations

under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.

32.2. The performance security shall be denominated in Philippine Pesos and posted in

favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

<b>Form of Performance Security</b>	<b>Amount of Performance Security (Equal to Percentage of the Total Contract Price)</b>
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank. (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	Five percent (5%)

by a Universal or Commercial Bank, if issued by a foreign bank.	
(c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
(d) Any combination of the foregoing	Proportionate to share of form with respect to total amount of security

### 32.3. Failure of the successful Bidder to comply with the above-mentioned requirement

shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the Lowest Calculated and Responsive Bid is identified and selected for contract award. However if no Bidder passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

## 33. Notice to Proceed

### 33.1. Within three (3) calendar days from the date of approval of the Contract by the

appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Bidder.

33.2. The date of the Bidder's receipt of the Notice to Proceed will be regarded as the effective date of the Contract, unless otherwise specified in the **BDS**.

## SECTION IV

### GENERAL CONDITIONS OF CONTRACT

#### TABLE OF CONTENTS

1. DEFINITIONS .....	3
2. INTERPRETATION.....	5
3. GOVERNING LANGUAGE AND LAW.....	5
4. COMMUNICATIONS.....	6
5. POSSESSION OF SITE.....	6
6. THE CONTRACTOR'S OBLIGATIONS.....	6
7. PERFORMANCE SECURITY .....	7
8. SUBCONTRACTING.....	9
9. LIQUIDATED DAMAGES .....	9
10. SITE INVESTIGATION REPORTS .....	9
11. THE PROCURING ENTITY, LICENSES AND PERMITS.....	9

12. CONTRACTOR'S RISK AND WARRANTY SECURITY.....	10
13. LIABILITY OF THE CONTRACTOR .....	12
14. PROCURING ENTITY'S RISK.....	12
15. INSURANCE.....	13
16. TERMINATION FOR DEFAULT OF CONTRACTOR.....	14
17. TERMINATION FOR DEFAULT OF PROCURING ENTITY.....	15
18. TERMINATION FOR OTHER CAUSES .....	15
19. PROCEDURES FOR TERMINATION OF CONTRACTS .....	17
20. FORCE MAJEURE, RELEASE FROM PERFORMANCE.....	19
21. RESOLUTION OF DISPUTES .....	20
22. SUSPENSION OF LOAN, CREDIT, GRANT, OR APPROPRIATION.....	21
23. PROCURING ENTITY'S REPRESENTATIVE'S DECISIONS.....	21
24. APPROVAL OF DRAWINGS AND TEMPORARY WORKS BY THE PROCURING ENTITY'S REPRESENTATIVE.....	21
25. ACCELERATION AND DELAYS ORDERED BY THE PROCURING ENTITY'S REPRESENTATIVE .....	22
26. EXTENSION OF THE INTENDED COMPLETION DATE .....	22
27. RIGHT TO VARY .....	22
28. CONTRACTORS RIGHT TO CLAIM.....	23
29. DAYWORKS.....	23

30. EARLYWARNING.....	23
31. PROGRAM OFWORK.....	24
32. MANAGEMENT CONFERENCES .....	24
33. BILL OF QUANTITIES .....	25
34. INSTRUCTIONS, INSPECTIONS AND AUDITS .....	25
35. IDENTIFYING DEFECTS.....	26
36. COST OF REPAIRS .....	26
37. CORRECTION OF DEFECTS.....	26
38. UNCORRECTED DEFECTS.....	26
39. ADVANCE PAYMENT.....	27
40. PROGRESS PAYMENTS.....	27
41. PAYMENT CERTIFICATES .....	28
42. RETENTION.....	28
43. VARIATION ORDERS.....	29
44. CONTRACT COMPLETION .....	31
45. SUSPENSION OFWORK .....	31
46. PAYMENT ON TERMINATION.....	32
47. EXTENSION OF CONTRACT TIME .....	33
48. PRICE ADJUSTMENT .....	34
49. COMPLETION.....	34

50. TAKING OVER.....	34
51. OPERATING AND MAINTENANCE MANUALS .....	34

## 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 project 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** mean 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. Unless otherwise specified in the **SCC**, within ten (10) calendar days from receipt of

the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the Contractor shall furnish the performance security in any the forms prescribed in **ITB**Clause 32.2.

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. 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.

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 at the rate per day stated in the **SCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the **SCC**. The Procuring Entity may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, the Procuring Entity shall rescind this Contract, without prejudice to other courses of action and remedies open to it.

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 40.1.

## **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 project 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. 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.

c. 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	Five Percent (5%)

bank, if issued by a foreign bank	
(b) Bank guarantee confirmed by Universal or Commercial bank: provided, however, that the letter of credit shall be confirmed or authenticated by a Universal or Commercial bank, if issued by a foreign bank	Ten Percent (10%)
(c) Surety bond callable upon demand issued by GSIS or any surety or insurance company duly certified by the Insurance Commission	Thirty Percent (30%)

12.7. The warranty security shall be stated in Philippine Pesos and shall remain effective for one year from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity, and returned only after the lapse of said one year period.

12.8. In case of structural defects/failure occurring during the applicable warranty period provided in **GCC** Clause 12.5, the Procuring Entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of the warranty security posted in favor of the Procuring Entity.

### **13. Liability of the Contractor**

Subject to additional provisions, if any, set forth in the **SCC**, the Contractor's liability under this Contract shall be as provided by the laws of the Republic of the Philippines.

#### **14. Procuring Entity's Risk**

14.1. From the Start Date until the Certificate of Final Acceptance has been issued, the following are risks of the Procuring Entity:

(a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to:

(i) any type of use or occupation of the Site authorized by the Procuring Entity after the official acceptance of the works; or

(ii) negligence, breach of statutory duty, or interference with any legal right by the Procuring Entity or by any person employed by or contracted to him except the Contractor.

(b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Procuring Entity or in the Procuring Entity's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.



## **15. Insurance**

15.1. The Contractor shall, under his name and at his own expense, obtain and maintain, for the duration of this Contract, the following insurance coverage:

(a) Contractor's All Risk Insurance;

(b) Transportation to the project Site of Equipment, Machinery, and Supplies owned by the Contractor;

(c) Personal injury or death of Contractor's employees; and

(d) Comprehensive insurance for third party liability to Contractor's direct or indirect act or omission causing damage to third persons.

15.2. The Contractor shall provide evidence to the Procuring Entity's Representative that the insurances required under this Contract have been effected and shall, within a reasonable time, provide copies of the insurance policies to the Procuring Entity's Representative. Such evidence and such policies shall be provided to the Procuring Entity's Representative 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;

d. 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**

17.1. 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

e. 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 and coercive practices as defined in **ITB**

Clause 3.1;

(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 Implementing Unit 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 Implementing Unit, 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) aforementioned, and a statement of the acts that constitute the round(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;

f. 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;

g. The Procuring Entity may, at anytime before receipt of the Bidder's verified

position paper to 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;

h. 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 affectivity 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 constructor 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-A: Provided, further, That, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution. Additional instructions on resolution of disputes, if any, shall be indicated in the **SCC**.

## **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 **SCC** 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's

23.2. The Procuring Entity's Representative may delegate any of his duties and responsibilities to other people, except to the Arbitrator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.

### **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. Unless specified in the **SCC**, 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. Contractors 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; and if allowed, any Compensation Event.

31.5. When the Program of Work is updated, the Contractor shall provide the Procuring Entity's Representative with an updated cash flow forecast. The cash flow forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.

31.6. All Variations shall be included in updated Program of Work produced by the Contractor.

## **32. Management Conferences**

32.1. Either the Procuring Entity's Representative or the Contractor may require the other to attend a Management Conference. The Management Conference shall review the plans for remaining work and deal with matters raised in accordance with the early warning procedure.

32.2. The Procuring Entity's Representative shall record the business of Management Conferences and provide copies of the record to those attending the Conference and to the Procuring Entity. The responsibility of the parties for actions to be taken shall be decided by the PROCURING ENTITY's Representative either at the Management Conference or after the Management Conference and stated in writing to all who attended the Conference.

## **33. 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 begins at Completion Date up to final acceptance by the Procuring Entity's unless otherwise specified in the **SCC**. The Defects Liability Period shall be extended for as long as defects remain to be corrected.

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 there from the amounts for advance payments and retention. The Procuring Entity shall pay the Contractor the amounts certified by the Procuring Entity's Representative within twenty eight (28) days from the date each certificate was issued. Unless otherwise indicated in the **SCC**, no payment of interest for delayed payments and adjustments shall be made by the Procuring Entity.

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 **SCC** Clause 4

42.2. Progress payments are subject to retention of ten percent (10%), unless otherwise specified in the **SCC**, 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 therefore.

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 implementing official 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 implementing official 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

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(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.

b. 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.

c. There is failure on the part of the Procuring Entity to deliver government furnished materials and equipment as stipulated in the contract.

d. 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 unless otherwise specified in the **SCC**.

#### **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**

#### **SCC Clause**

1.16 The Intended Completion Date is **120 calendar days**

1.21 The Procuring Entity is National Library of the Philippines with office at T.M. Kalaw St., Ermita, Manila.

1.22 The **Procuring Entity's Representative** is:

**MS. FE B. BASAGRE**

Acting Chief Administrative Officer

National Library of the Philippines

T.M. Kalaw St., Ermita, Manila

Tel. No. (02) 310-5027; 405-0196

Email: [febasagre@yahoo.com](mailto:febasagre@yahoo.com)

1.23 The Site is located at T. M. Kalaw St., Ermita, Manila and is defined in **drawing No. A-1**.

1.27 The **Start Date is 7 calendar days** upon receipt of the Notice to Proceed (NTP)

1.30 The **Works** consist of supply of all material, labor, equipment and tools necessary to complete the Retrofitting of National Library Building (Phase 1).

5.10 The Procuring Entity shall give possession of all parts of the site to the Contractor from date

of mobilization until turn-over of the project.

6.5 The Contractor shall employ the following **Key Personnel**:

Project Manager

Project Engineer

Foreman

Steel man

Welder

Mason,

Carpenter

Plumber

Electrician

Laborers

7.1 No further instructions.

7.4(c) No further instructions.

8.1 No further instructions.



9.1 The applicable liquidated damages is at least one tenth (1/10) of one percent of the cost of the

unperformed portion for every day of delay. The maximum deduction shall be ten percent

(10%) of the amount of the contract, the Procuring Entity shall rescind the contract, without prejudice to other courses of action and remedies open to it.

13 No additional provision.

12.5 GENERAL conditions OF THE CNTRACT

12.6 GENERAL conditions of THE CONTRACT

21.2 The Arbiter is: Construction Industry Arbitration Commission.

21.3 No further instructions.

26.1 No further instructions.

29.1 No day works rates are applicable to the contract.

31.1 The Contractor shall submit the Program of Work to the Procuring Entity's Representative

within 7 calendar days upon acceptance of Notice to Proceed.

31.3 The period between Program of Work updates is **thirty (30) calendar days** or earlier if necessary. The amount to be withheld for late submission of an updated Program of Work is **PhP10,000.00**.

34.3 The Funding Source is the Government of the Philippines.

37.1 No further instructions.

39.1 The amount of the advance payment is equivalent to 15% of the total contract price.

40.1 No further instructions.

40.3 No further instructions.

42.2 No further instructions.

48 No further instructions.

51.1 The date by which operating and maintenance manuals are required is upon final inspection.

The date by which “as built” drawings are required is upon submission of final billing.

51.2 The amount to be withheld for failing to produce “as built” drawings and/or operating and

maintenance manuals by the date required is Ten Thousand Pesos (P10,000.00).

## **SECTION VI**

### **TECHNICAL SPECIFICATIONS**

#### **TABLE OF CONTENTS**

##### **SECTION – 1 GENERAL REQUIREMENTS**

1.01 SCOPE OF WORK	1
1.02 MOBILIZATION/DEMobilIZATION PROGRESS PHOTOGRAPHS	1.03  1
1.04 TESTING	2
1.05 SHOP DRAWINGS, AS-BUILT DRAWINGS, PRINTING	2

##### **SECTION – 2 SITEWORKS**

2.01 SCOPE	3
2.02 WORK REQUEST	3
2.03 ENGINEER’S SITE INSTRUCTION	3

2.04 SAFETY	3
SECTION – 3 CONCRETE WORKS	
3.01 SCOPE	5
3.02 MATERIALS	5
3.03 TRIAL BATCH FOR CONCRETE	5
3.04 CONCRTE PROPORTION AND CONSISTENCY	5
3.05 MIXING OF CONCRETE	5
3.06 JOINTS	6
3.07 FORMS AND FALSEWORK	6
3.08 PLACING REINFORCEMENT	7
3.09 PLACING CONCRETE	7
3.10 COMPACTION	8
3.11 BONDING	9
3.12 SLABS ON GRADE	9
3.13 FINISHES OF CONCRETE	9
3.14 CURING	10
3.15 FIELD TESTS	10
SECTION – 4 PAINTING WORKS	
4.01 GENERAL	13
4.02 SCOPE	13
4.03 RIGHT OF REJECTION	13

4.04 PROTECTION OF THE WORK	13
4.05 WORKMANSHIP	14
4.06 STORAGE OF MATERIALS	14
4.07 PREPARATION OF PAINT	14
4.08 CLEAN-UP	14
4.09 MATERIALS	15
4.10 PREPARATION OF SURFACES	15
4.11 APPLICATION OF PAINT	15
4.12 PAINTING SYSTEMS	16

## **SECTION – 1**

### **GENERAL REQUIREMENTS**

#### **1.01 SCOPE OF WORK**

This section includes mobilization/demobilization, progress photographs, testing and preparation of Shop Drawings derived from the joint measurement (Engineer and Contractor) for each item of work.

Approval of Shop Drawings and Work Request shall be complied prior to the execution of each item of work.

## **1.02. MOBILIZATION/DEMOBILIZATION**

The Contractor shall mobilize and put into work all personnel, temporary facilities and equipment required to undertake the Contract.

Mobilization shall also include procurement of construction materials needed for the completion of the project.

Mobilization shall include a sufficient supply of spares for equipment to be utilized. Breakdowns are to be repaired at site in the most expeditious possible method at no cost to the Owner. In the event that repair is already beyond the capability of personnel or tools at site to the effect that the said repair will be completed in considerable time, such construction equipment shall be removed from the site and a similar capacity shall be provided by the Contractor at no cost and/or additional mobilization cost to the Owner or extension of contract time.

Demobilization shall include the removal of all temporary facilities and equipment from the site and the cleaning/clearing the work area and removing unnecessary materials/debris as provided in the Contract.

Demobilization shall include legal removal of all supplementary markers furnished and installed by the Contractor, provided the Owner has not taken the option to retain such

markers.

### **1.03 PROGRESS PHOTOGRAPHS**

Aside from Project Diary, (weather, manpower, daily equipment utilization), the Contractor shall record the construction activities by photographs: taken before, during and after

sequences. When directed by the Engineer or under the following occasions or events:

- a. When portion of the works is difficult or impossible to inspect after a particular activity or operation or where a portion will be covered by backfill or filling materials or concrete materials after completion and acceptance of a work section by the Engineer.
  
- b. When a special or unusual features of the work or latent conditions on the site are present.

The number of photographs shall not exceed 5 photograph of on-going activity per work item supported by actual receipts billed by the Contractor every end of the month and included with the Monthly Progress Report. The size of the printed copies shall be 9 cm by 12 cm.

When submitting such photos the Contractor is required to observe that:

- a. An indicator such as scale, pole or similar item shall be placed thereon to signify or illustrate the relative dimension of the picture.
  
- b. Each picture shall be captioned and identified as to date, location, description of the work in progress or completed, operation or activity or presence of unusual features.
  
- c. Each picture shall be properly identified.

#### **1.04 TESTING**

Testing laboratory is not required from the Contractor, however, all required testing of materials shall be conducted at accredited private or Government laboratory that the Contractor may avail. This is subject to the approval of the Engineer.

All laboratory testing expenses shall be shouldered by the Contractor.

Payment for this item shall be considered included in the contract unit price of the items of work.

#### **1.05 SHOP DRAWINGS, AS-BUILT DRAWINGS, PRINTING**

This item shall be prepared by the Contractor and the payment, shall be considered included in the contract unit price for all items of work.



## **SECTION – 2**

### **SITWORKS**

#### **2.01 SCOPE**

The Contractor shall furnish all labor, materials, equipment, and facilities to make a safe working area during the entire duration of the contract. This is not a pay item.

To avoid delay, appropriate working relationship between the Engineer and the Contractor shall be established. Schedule coordination meeting shall be held regularly at work site. The Contractor shall possess the working site and may put up boundaries upon the approval of the Engineer.

The Engineer or his representatives shall have at all times a free access of the working area, including inspection of construction materials in the Contractor's stockroom.

#### **2.02 WORK REQUEST**

This shall be accomplished by the Contractor 48 hours prior to the actual start of the work item.

## **2.03 ENGINEER'S SITE INSTRUCTION**

Verbally or in written, this is an official communication from Engineer address to Contractor to comply. Not later than 24 hours a formal confirmation letter regarding site instruction shall be issued by the Engineer.

## **2.04 SAFETY**

Safety First, Hard Hat Area, the Contractor shall be held sole responsible for the safety of all personnel in the working area.

# **SECTION – 3**

## **CONCRETE WORKS**

### **3.01 SCOPE OF WORK**

The work shall include all labor, materials, equipment, and other facilities for the satisfactory performance of all works necessary to complete all concrete and reinforced concreted work shown on the Drawing and specified herein.

### **3.02 MATERIALS**

a. Cement. Cement used shall be Type I Portland Cement conforming to the requirements

of the latest revision of ASTM C 150 "Standard Specifications for Portland Cement".

b. Coarse Aggregates. Coarse Aggregates shall be washed, well graded, hard pieces of

gravel, crushed gravel, rock or other approved inert materials of similar characteristics, or combination thereof, having hard, strong, durable pieces and free from any adherent coatings. It shall conform to the requirements of ASTM C 33 "Standard Specification for Concrete Aggregates".

c. Fine Aggregates. Fine Aggregates shall be natural sand, stone screenings or other inert

materials with similar characteristics, or any combination thereof, having clean, hard, strong and durable particles, uncoated grains and free from injurious amount of dust, lumps of clay, shale, alkali, and organic matter approved by the Engineer. It shall conform to the requirements of ASTM C33 "Standard Specifications for Concrete Aggregates". Beach Sand shall not be used unless approved by the Engineer. Fine aggregates from different sources of supply shall not be mixed or stored in the same pile nor used alternately in the same class of concrete without the approval of the Engineer.

d. Admixtures. Air-entraining admixtures shall conform to the requirements of AASHTO

M154. Chemical admixtures, if specified or permitted, shall conform to the requirements of AASHTO M194. Unless otherwise required by field conditions admixtures may be used subject to the expressed approval of the Engineer. The cost thereof shall be considered as already included in the unit cost bid of the Contractor for the concrete.

e. Water. Water used in mixing, curing and other designated application shall be

reasonably clean and free of oil, salt, acid, alkali or other substance, which would adversely affect the concrete. Water will be tested in accordance with, and shall meet the suggested requirements of AASHTO T26.

f. Reinforcing Bars. It shall be standard commercial deformed steel bars and must

conform to the requirements of ASTM A 615, grade 60 and/or AASHTO M42, M31 and M53.

g. Tie Wire. It shall be commercial G.I. wires, gauge 16 and must be in accordance with

ASTM A 615 and/or AASHTO M31 and M42.

h. Forms. It shall be of well-seasoned, quality lumber and well-graded plywood. All

forms shall be straight, free from warps and of adequate strength to resist distortion. Formwork shall be coated with form oil of approved make.

i. Storage of Materials. Cement shall be stored on weatherproof building or watertight

shed, and on platform off ground. The Contractor shall handle and store fine and coarse aggregates separately in a manner to provide good drainage, and to prevent segregation or inclusion of foreign materials. All reinforcing bars shall be protected from mechanical injury and surface deterioration caused by exposure to conditions producing rust until used.

### **3.03 TRIAL BATCH FOR CONCRETE**

Thirty (30) calendar days before the start of concreting works, the Contractor shall submit design mixes and the corresponding test result made on sample thereof. Sampling and testing shall be in accordance with the ASTM Standard procedures for sampling and testing, for the particular design strength(s) required.

The particulars of the mix such as the slump and the proportionate weights of cement, saturated surface dry aggregates and water used shall be stated. Test results shall show 28-day strength(s) fifteen (15) percent higher than the ultimate strength(s) required.

### **3.04 CONCRETE PROPORTION AND CONSISTENCY**

Concrete proportion should produce mix consistencies that will work readily into angles and corners of the forms and around reinforcements irrespective of the method of placing employed, without permitting the materials to segregate or excess water to collect on the surface of the concrete and with separated individual particles of aggregates showing coating of mortar with proportionate amount of sand. The total aggregate in the proportion used shall be such that when sieved, the weight passing the No. 4 standard sieve shall be thirty percent (30%) of the total.

The methods used for measuring materials going into the concrete mix shall permit easy checking and control of proportions at any time during the work.

### **3.05 MIXING OF CONCRETE**

All concrete used shall be machine-mixed at the site or at the plant. Each batch shall be mixed at the mixer's design speed, for at least 1-1/2 minutes after all concrete materials are simultaneously placed in the mixer. The ideal rotation speed of the mixer shall be between 14 and 20 rpm.

All mix contents of the mixer shall be thoroughly removed before any succeeding batch is placed.

The materials for the first batch shall contain sufficiently excess cement, sand and water to coat the inside walls of the mixer without reducing the required mortar content of the mix.

The mixer shall be provided with devices for accurately measuring and controlling the amount of water used in each batch and for automatically recording the number of revolutions of the mixer.

Hand mixing of concrete will only be allowed in case of mixer breakdown, in which case it shall be stopped as soon as pouring for the particular section is completed, or at a construction joint as directed by the Engineer.

Re-tampering or remixing of partially hardened concrete with the addition of water will not be permitted.

Inserts, sleeves, anchors, bolts and all other materials in connection with concrete construction shall be placed and secured in position before concrete is placed.

### **3.06 JOINTS**

No reinforcement, corner protection angles or other fixed metal items shall be run continuous through joints containing expansion-joint filler, through crack-control joints in slabs on grade and vertical surfaces.

**Joints with Joint Sealant:** At expansion joints in concrete slabs to be exposed, and at other joints indicated to receive joint sealant, pre-molded expansion joint filler strips shall be installed at the proper level below the elevation with a slightly tamped, dressed and wood strip temporarily secured to the top thereof to form a groove, when surface dry, shall be cleaned of foreign matter, loosed particles, and concrete protrusions, there filled approximately flush with joint sealant so as to be slightly concave after drying.

**Finish of concrete at joints:** Edges of exposed concrete slabs along expansion joints shall be nearly finished with a slightly rounded edging tools.

**Construction Joints:** Unless otherwise specified herein, all construction joints shall be subject to the approval of the Owner. Concrete shall be placed continuously so that the unit will be monolithic in construction. Fresh concrete may be placed against adjoining units, provided the set concrete is sufficiently hard not to be injured thereby.

Joints not indicated shall be made and located in a manner not to impair strength and appearance of the structure.

Placement of concrete shall be at such rate that surfaces of concrete not carried to joint levels will not have attained initial set before additional concrete is placed thereon. Lifts shall terminate at such levels as indicated or as to conform to structural requirements as directed. If horizontal construction joints are required, a strip of 25 mm square-edge lumber, leveled to facilitate removal shall be taken to the inside of the forms at the construction joints. Concrete shall be placed to a point 25 mm above the underside of the strip. The strip

shall be removed 1 hour after the concrete has been placed, any irregularities in the joint lines shall be leveled off with a wood float, and all laitance removed. Prior to placing additional concrete, horizontal constructed joints shall be prepared as specified in "Bonding".

### **3.07 FORMS AND FALSEWORK**

All forms and false work to be used in the work must be designed, and constructed by the Contractor for rigidity and adequacy for carrying the loads of the green concrete and/or additional superimposed construction loads. The Authority may from time to time verify the adequacy and safety of such temporary works and may require the Contractor to submit detailed designed drawings of forms and false works proposed to be used.

Approval of such drawings or design of forms, however, shall not relieve the Contractor of his liability on resulting imperfections or damages to the finished concrete, or other damages which may directly result there from.

Forms may be re-used but shall be scrapped by a wire brush of all clinging mortar. Bulges should be planed and realignment prior to its use.

Prior to placing concrete form surfaces should be oiled for easy form removal. However, the oil coating should not be so thick as to stain and soften the concrete surface. Oil coatings should be applied before rebars are in place.

### **3.08 PLACING REINFORCEMENT**



Metal reinforcement shall be placed as accurately detailed on drawings and properly secured by the approved means.

All bars shall be cold bent unless approved otherwise by the Engineer. Minimum distance between parallel bars shall be one and one half (1 1/2) times the diameter for round bars and twice the side dimension for square bars. The clear distance between bars shall not be less than 2.54 cm. (1 in.) nor less than one and one third (1 1/3) times the maximum size of the coarse aggregate, whichever is bigger.

All reinforcing steel shall be cleaned of all rust or scale and deleterious materials which tend to destroy the bond between the concrete and the steel.

Generally, splice/s of reinforcement at points of maximum stress especially in slabs, beams and girders shall be avoided. Such splice/s may however be approved by the Engineer in writing provided the lap if bonded or butt welded is sufficient to transfer tensile stress between bars by at least 125% of the specified yield strength of the reinforcing bar. For adjacent bars splices shall be staggered.

### **3.09 PLACING CONCRETE**

Concrete shall be handled from mixer to transport to place of final deposit in a continuous manner, as rapidly as practicable, and without segregation or loss of ingredient until the approved unit of work is completed. Placing will not be permitted when the sun, heat wind or, limitations of facilities furnished by the Contractor prevent proper finishing and curing of the concrete. Concrete shall be placed in the forms, as closed as possible in the final position, in uniform approximately horizontal layers not over 300 mm deep.

Forms splashed with concrete and reinforcement splashed with concrete or form coating shall be cleaned in advance of placing subsequent lifts. Concrete shall not be allowed to drop freely more than 10 meters in unexposed work nor more than 1 meter in exposed work; where greater drops are required, tremies or other approved means shall be employed. The discharge of the tremies shall be controlled so that the concrete may be effectively compacted into horizontal layers not more than 300 mm thick, and the spacing of the tremies shall be such that segregation does not occur. Concrete to receive other construction shall be screeded to the proper level to avoid excessive skimming or grouting. Conduits and pipes shall not be embedded in concrete unless specifically indicated or as directed by the Owner.

**Time Interval Between Mixing and Placing:** Concrete mixed in stationary mixers and transported by non-agitating equipment shall be placed in the forms within 45 minutes from the time ingredients are charged into the mixing drum. Concrete transported in truck mixers or truck agitators shall be delivered to the site of work discharge in the forms within 45 minutes from the time that the ingredients are discharge into the mixing drum.

Concrete shall be placed in the forms within 45 minutes after discharge from the mixer at the jobsite.

**Earth-foundation placement:** Leveling concrete for concrete foundations, exterior slabs and exterior foundations receiving equipment or machinery shall be placed upon undisturbed surfaces. The surfaces shall be clean and free from mud and water. The concrete foundations may be placed over the leveling concrete surfaces.

**Conveying Concrete by Chute, Conveyor or Pump:** Concrete may be conveyed by chute, conveyor, or pump if approved in writing. In requesting approval, the contractor shall submit his entire plan of operation from time of discharge of concrete from the mixer to final placement in the forms, and the steps to be taken to prevent the formation of cold joints, in case the transporting of concrete by chute, conveyor or pump is disrupted.

Conveyor and pump shall be capable of expeditiously placing concrete at the rate most advantageous to good workmanship. Approval will not be given for chutes or conveyors requiring changes in the concrete materials or design mix for efficient operation.

a. Chutes and Conveyors: Chutes shall be of steel or steel line wood, rounded in cross

section rigid in construction, and protected from overflow. Conveyors shall be designed and operated and chute sections shall be set, to assure a uniform flow of concrete from mixer to final place of deposit without segregation of ingredients loss of mortar, or change in slump. The discharge portion of each chute or conveyor shall be provided with a device to prevent segregation. The chute and conveyor shall be thoroughly cleaned before and after each run. Waste material and flushing water shall be discharge outside the forms. When using tilted chutes, the inclination should not be flatter than one (1) vertical and (2) horizontal. From the outlet/mouth of the chute to the concrete surface, the maximum allowable height shall be 1.50 meters.

b. Pumps shall be operated and maintained so that a continuous stream of concrete is

delivered into the forms without air pocket, segregation of change in slump. When pumping is completed, concrete remaining in the pipeline shall be ejected, wasted without contamination of concrete already placed.

After each operation, equipment shall be thoroughly cleaned and the flushing water shall be splashed outside the forms.

Placing concrete reinforcement: Where congestion of the steel or other conditions will make placing or compaction of concrete difficult, a layer of mortar shall be first deposited in forms to a depth of approximately 25 cm. Mortar proportions shall be the same as the concrete minus the coarse aggregate.

### **3.10 COMPACTION**

Immediately after placing, each layer of concrete shall be compacted by internal concrete vibrators supplemented by handspading, rodding, and tamping. Tapping or other external vibration of forms will not be permitted unless specifically approved by the Owner.

Vibrators shall not be used to transport concrete inside forms. Internal vibrators submerged in concrete shall maintain a speed of not less than 7000 impulses per minute. The vibrating equipment shall at all times be adequate in number of units and power to properly consolidate all concrete. Spare units shall be on hand as necessary to insure such adequacy. Duration of vibrating equipment shall be limited to time necessary to produce satisfactory consolidation without causing objectionable segregation. The vibrators shall not be inserted into lower courses that have begun to set.

Vibrators shall be applied at uniformity spaced points not further apart than the visible effectiveness of the machine.

### **3.11 BONDING**

Bonding/depositing new concrete on or against concrete that has set. The surfaces of the set concrete shall be thoroughly cleaned so as to expose the coarse aggregate and be free

of laitance, coatings, foreign matter and loose particles. Forms shall be retightened. The cleaned surfaces shall be moistened, but shall be without free flowing water when concrete is placed.

### **3.12 SLABS ON GRADE**

Concrete shall be compacted, screeded to grade, and prepared for the specified finish. Concrete shall be placed continuously so that each unit of operation will be monolithic in construction. Concrete shall be placed in alternate checkboard pattern terminating at crack-control joints or construction joints or may be placed in alternative paving lanes as limited by expansion, and contraction joints. Crack-control joints shall be expansion, contraction, or construction joints. Joints not shown shall be lifted at column centerlines and at intermediate intervals so that such panel shall not be more than 55 sqm in area.

Panels shall be approximately square with dimension of one side not more than 7.5 meters. Forms shall remain in place for at least 12 hours after complete placement. Construction joints may be formed by the insertion of hard-pressed fiberboard strips inserted in the plastic concrete or may be cut with an approved concrete sawing machine after the concrete has set. Unless otherwise indicated or directed, the joints shall be 3 mm wide and depth equal to approximately 1/4 of the slab thickness of the maximum size of the coarse aggregate whichever is greater.

Sampling: Concrete joints, where sawed or formed, shall be filled with joints sealants except where a floor covering is required.

### **3.13 FINISHES OF CONCRETE**

Within 12 hours after forms are removed, surface defects should be remedied as specified herein. Honeycomb, aggregate, pockets, voids over 12 mm in diameter, and holes left by the rods or bolts shall be cut out to solid concrete, reamed, thoroughly wetted, brush coated with neat cement grout and filled with mortar. Mortar shall be a stiff mix of 1 part Portland cement to not more than 2 parts fine aggregates passing the no. 16 mesh sieve, and minimum amount of water using Portland cement for all or part of the cement so that when dry, the color of the mortar shall be thoroughly compacted in place.

Holes passing entirely through walls shall be completely filled from the inside face by forcing mortar through the wall and shall be packed full. Patchwork shall be finished to match adjoining surfaces in texture and color. Patch works shall be damp cured for 72 hours. Ambient temperature shall not be less than 10 degrees C. Dusting of finish surfaces with dry material or adding water to concrete surfaces will not be permitted. Protruding portions of bar supports shall be ground flush with concrete surfaces that will be exposed, painted, or plastered directly.

Smooth Finish: After the above operation has been completed, smooth finish shall be given to interior and exterior concrete surfaces that are to be painted or exposed to view.

Smooth finished shall consist of thoroughly wetting and then brush-coating the surfaces with cement grout composed by volume of 1 part fine aggregate passing the no. 30 m mesh sieve and mix with water to the consistency of thick mixes, so that the final color of grout when dry, will be approximately the same as the color of the surrounding concrete.

Grout shall be cork or wood-floated to fill all pits and air bubbles; visible grout film. The grout shall be kept damp by means of fog spray during the setting period. The finish of any area shall be completed in the same day and the limits of a finished area shall be made at natural breaks in the finished surface.

Rough Slab Finish: Slabs to receive full and mortar setting beds shall be screeded with straightedges to bring the surface to the required finish plane with no aggregate visible.

Broom Finish shall be given to exterior surfaces except concrete stairs treads, entrances, and landings for buildings. The concrete shall be screeded and floated to the required finish level with no coarse aggregate visible. After the surface moisture has disappeared and laitance has been removed, surfaces shall be still troweled to an even, smooth finish.

The troweled surfaces shall be broomed with a fiber bristled brush in a direction transverse to that of the main traffic.

### **3.14 CURING**

Concrete shall be protected against moisture loss, rapid temperature change, mechanical injury from rain or flowing water, for a minimum period of 7 days.

Concrete shall be maintained in a moist condition at temperature above 10 degrees C throughout the specified curing period and until remedied work started. Curing activities shall be started as soon as free water has disappeared from the surface of the concrete after placing and finishing.

Form under surface shall be moist cured with forms in place for the full curing period or if forms are removed prior to the end of the curing period by other approved means. Curing shall be accomplished by any of the following methods of combination thereof, as approved.

Water: Water used in curing shall be reasonably cleaned and free of oil, salt, acid, alkali, or other substances injurious to the concrete. Drinking water may be used for curing test.

Moist Curing: Uniformed surfaces shall be covered with burlap or mats, wetted before placing and over-lap at least 150 mm. Burlap or mats shall be kept continually wet and in intimate contact with the surface. If the forms are removed before the end of the curing period, curing shall be continued on uniformed surfaces, using suitable materials.

### **3.15 FIELD TESTS**

Field tests as may be deemed necessary to check on the quantity of the materials and mixtures and the manner of construction employed shall be conducted by the Project Engineer assigned to the project. And when such tests result to values less than that tolerated by standards set in applicable provisions of the ASTM Specifications referred to herein, or contrary to accepted good engineering practice, the Contractor shall comply to any instructions given by the project Engineer to upgrade the materials used and method of construction employed.

## **SECTION – 4**

### **PAINTING WORKS**

#### **4.01 GENERAL**

The work shall include all labor, materials, equipment, plant and other facilities and the satisfactory performance of all works necessary to complete all field painting and as



specified herein. All paints and coatings shall be applied by painting subcontractors and workmen approved by the Engineer.

#### **4.02 SCOPE**

The following surfaces to be painted except where otherwise specified or shown:

- a. Above ground piping and other metal surfaces.
- b. All exposed concrete.
- c. All structural and miscellaneous metal.
- d. All equipment furnished without factory finished surfaces.
- e. All exposed steel mullions, tubular frames, door frames, steel sash, and metal windows.
- f. All sheet metal and ferrous metal trim.
- g. Interior and exterior surfaces of the building including all concrete block masonry.

The following surfaces are not to be painted:

- a. Ferrous metals having approved plating or factory paint finishes.
  
- b. Non-ferrous metals, unless otherwise noted or indicated; galvanized metal shall not be considered a non-ferrous metal.
  
- c. Equipment with factory finished surfaces unless otherwise noted.

No concrete, wood, metal or any other surface requiring protection shall be left unpainted even though not specifically defined herein.

#### **4.03 RIGHT OF REJECTION**

Exterior painting or interior finishing shall be done under conditions which shall not jeopardize the appearance or quality of the painting or finishing in any way. The Engineer shall have the right to reject all material or work that is unsatisfactory, and require the replacement of either or both at the expense of the Contractor.

#### **4.04 PROTECTION OF THE WORK**

The Contractor shall endeavor to protect the work of others during the time painting work is in progress. The Contractor shall be responsible for any and all damage to any other work in the course of his painting job.

Protective coverings shall be used to protect floors, fixtures, and equipment while painting. Care shall be exercised to prevent paint being spattered unto surfaces which are not to be painted.

#### **4.05 WORKMANSHIP**

All painting work shall be first class and in accordance with the best standard practices of the trade.

The Contractor shall examine carefully all surfaces to be painted and before beginning any of his work shall make sure that the work of other trades has been installed in a workman like condition ready to receive paint. Metal surfaces shall be clean, dry and free from mill scale, rust, grease, oil or any other substance which could affect the quality of the painting.

Paint shall be applied at proper consistency and each coat shall be brushed evenly free of brush marks, sags, and runs. Care shall be exercised to avoid lapping of paint on glass or hardwares. Paint shall be sharply applied to required lines. Finished paint surfaces shall be free from defects or blemishes. Surfaces from which such paint cannot be removed satisfactorily shall be painted or repainted, as required to produce a finish satisfactory to the Engineer.

Succeeding paint coatings shall be applied only when the previous coat is hard and dry. All painting materials shall be used in strict accordance with manufacturer's directions, spread or flowed on smoothly with proper film thickness and without runs, sags, skips or other defects.

#### **4.06 STORAGE OF MATERIALS**

All painting materials and equipment not for immediate use shall be stored in a room approved by the Engineer for that purpose. The receiving, opening and mixing of all paint materials shall be done in this room.

Necessary precautions shall be taken to prevent fire. Rags, waste, and other materials, soiled with paint shall be removed from the premises at the end of each day's work, or stored in metal containers with metal covers.

#### **4.07 PREPARATION OF PAINT**

Paint containers shall be delivered to the job site in manufacturer's unopened containers and shall be opened only when required for use. Paint shall be mixed only in the designated room or space in the presence of the Engineer or his representative. Paint shall be thoroughly stirred or agitated to uniformly smooth consistency suitable for proper application. Unless otherwise specified or approved, no materials shall be reduced, changed, or used except in accordance with manufacturer's label or tag on container.

In all cases, paint shall be prepared and handled in a manner to prevent deterioration and inclusion of foreign matter.

#### **4.08 CLEAN-UP**

Upon completion of his work, the Contractor shall remove all surplus materials. All paint spills shall be removed and the entire premises shall be cleaned of all rubbish, and debris, caused by his work. He shall present the work clean and free from blemishes so that it is

acceptable in every way. All glass, fixtures and floors shall be cleaned of paint spots and polished, and the job made for occupancy by the owner.

#### **4.09 MATERIALS**

- a. **Materials** - The Contractor may substitute other paint materials for those specified in

Section 5.12 provided he first receives written approval from the Engineer stating that said proposed substituted materials are equal to that specified and are approved for use. The painting material shall be delivered to job site in original containers properly labeled without evidence of tampering, substitution of contents, or of deterioration. A complete list of materials proposed for use shall be submitted for the Engineer's approval.

- b. **Colors and Samples** - All finish colors shall be as selected by the Owner. In multi-

coat work using color pigmented paints, each coat shall have sufficient variation of color to easily distinguish it from preceding coat. Using specified or approved materials, 3 sample panels of each finish, including all coats thereof shall be prepared and submitted for the Owner's approval. Completion work shall match approved colors and samples.

#### **4.10 PREPARATION OF SURFACES**

- a. **General** - Except as otherwise specified, surfaces to be painted shall be clean, smooth

and dry. The Contractor shall report to the Engineer in writing any surface, which cannot be properly prepared for painting. If work is commenced before defects have been reported and corrected, any resulting unsatisfactory finish shall be rectified at no cost to the DPWH.

**b. Concrete and Masonry** - All concrete and masonry surfaces shall be cured thirty days

prior to painting. Dirt, dust, oil, grease, efflorescence, loose cement, chalk and other deleterious matter shall be removed and surface roughened when necessary to insure good paint adhesion. The method of surface preparation shall be left to the discretion of the Contractor, but results obtained shall be satisfactory to the Engineer. Before application of resin emulsion paint, surfaces shall be prepared in accordance with manufacturer's directions. Before application of oil base or latex paints, surfaces shall be tested for presence of alkali; if alkali is present, neutralized as recommended by the manufacturer of the paint materials to be applied.

**c. Plaster** - Dirt, dust, loose plaster and other deleterious matter, which would prevent

good paint adhesion shall be removed. All holes, cracks and depression shall be neatly filled with patching plaster, mixed and applied to match existing plaster. Patches shall be sanded flush and smooth and properly sealed before applying prime coat. After priming surfaces, suction spots shall be touched up with additional prime coat material until surfaces evidence a uniform coating. Enamel undercoats on smooth plaster shall be sandpapered by hand (with No. 00 sandpaper) and dusted clean before applying succeeding coat.

#### **4.11 APPLICATION OF PAINT**

a. **General** - All painting and finishing shall be performed by skilled craftsmen. Each

coat of paint shall be applied with proper consistency, evenly, free of laps, sags and runs and cut sharply to required lines. Paint shall be applied only under dry and dust free conditions that will insure properly finished surfaces, free of defects and blemishes unless otherwise directed by the Engineer. Paint shall not be applied when temperature is likely to be above 90o F.

Sufficient time shall be allowed between application of coats to insure proper drying of the preceding coat. All primer and intermediate coats shall be unscarred and completely integral at time of application of each succeeding coat. The Engineer shall be notified when each coat has been applied and is ready for inspection; until coat is inspected and approved by the Engineer, no succeeding coats shall be applied. Whenever two coats of a dark colored paint are specified the first coat shall contain sufficient powdered aluminum to act as an indicator for proper coverage when applying the second coat.

**b. Method of Application** - Paint should be applied by brush, spray, or other application method approved by the Engineer.

**c. Priming and Back Painting**

1. Priming - Before installation, all surfaces of millwork which are to be painted

shall be primed giving particular attention to sealing of cross-grained surfaces. In all cases, all work shall be primed as soon as possible after delivery to buildings, before or after installation, as required, or in case prefabricated items, at fabricator's shop or mill before shipment, if practicable. Except as otherwise specified, primings shall consist of first coat herein after specified under "Finishes".

2. Back-Painting - Woodwork, millwork and casework to be installed against

concrete, masonry or plaster shall be back painted with one coat of exterior oil paint.

**4.12 PAINTING SYSTEMS**





2. On Plaster

First Coat: Pigmented sealer

Second Coat: Enamel undercoater	B701	103
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Third Coat: Interior flat enamel	B701	22
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## **SECTION VIII**

### **BILL OF QUANTITIES**

Part I - Preamble to Bill of Quantities

Part II - Bill of Quantities

Part III - Detailed Cost Breakdown

Part IV - Cash Flow and Payments Schedule

#### **Part I PREAMBLE TO BILL OF QUANTITIES**

##### **1. GENERAL CONDITIONS**

1.1 The Bid Documents including Drawings, Technical Specifications, Instruction to

Bidders, Form of Contract Agreement, General and Supplemental Conditions,

Addenda/Bid Bulletins are vital components of this Bid Proposal Book, therefore,

these documents shall be the basis in accomplishing and furnishing the required information for the Bid.

1.2 The rates and prices indicated by the Contractor shall include and shall be deemed to

include the following works, duties, liabilities and expenses of the Contract whether they are separately itemized or specifically referred to in the Bill of Quantities or not, that is to say:

- a) All the liabilities, obligations, contingencies and risks imposed by each and every one of the Contract Documents referred to in Paragraph 1.1 hereof.
  
- b) Strict compliance with each and every provision of the Specifications, general directions and descriptions of work and materials not necessarily repeated in the Bid Price.
  
- c) The cost and expenses of all works and services and everything necessary for the execution and completion of the Works.

1.3 Without affecting the generality of the foregoing provisions, the rates and prices

entered by the Contractor in the Bid Proposal shall include the cost and expenses of the following:

- a) The provision, storage, transportation, use and maintenance of all materials, plant, equipment and tools.
  
- b) Any fee or financial arrangement to be provided to landowner regarding the use of land and access with respect to any source of materials, use of equipment and stockpile.
  
- c) The provision and maintenance of all staff and labor and their accommodation, transportation, supply and consumable, fuel, water, electricity, telephones and other requirements.
  
- d) Inspection and supervision.
  
- e) The provision, erection and removal of all Contractor's equipment, offices, yards and stores including fencing and all site restrictions.
  
- f) Overhead cost and profits.

1.4 The quantities of the pay items in the Bill of Quantities shall be calculated and verified by the Bidder and in no case shall such quantities be considered to limit or extend the amount of works and materials to be supplied by the Contractor. The unit price is a fixed price not subject to escalation or adjustment pursuant to IRR of R.A. 9184.

1.5 The rate or price should be indicated against each pay items in the Bill of Quantities and shall be supported by corresponding detailed cost breakdown and shall be submitted together with the Bid Proposal.

1.6 The quantities of each and every pay item in the Bill of Quantities executed in accordance with the Contract shall be measured net in the units of the pay items relating to such quantities. Works in excess of that specified or shown on the Drawings or ordered by the Engineer will not be paid for.

1.7 The basis of payment will be the actual quantities of works ordered and carried out, as approved by the Engineer and valued at rates and prices on the Bill of Quantities.

1.8 Unless otherwise stated in the Contract, payment for lump sum basis as entered in the Bill of Quantities will be made by installments in the proportion by weight with value of the measured works executed against the total value of works set out in the Bid.

1.9 If there is a discrepancy between the rate and the total price entered for any item in the Bill of Quantities, the rate will be taken as correct.

1.10 The following abbreviations are used in the Bill of Quantities:

cu m : cubic meter  
sq m : square meter  
lin m : linear meter  
m : meter  
kg : kilogram  
ea : each  
LS : lump sum  
pc : piece

Part II - Bill of Quantities (Refer to the Bid Form in Section IX)

Part III - Detailed Cost Breakdown (Refer to the Bid Form in Section IX)

Part IV Cash Flow and Payments Schedule (Refer to the Bid Form in Section IX)

## **SECTION IX**

### **BID FORM**

Date: \_\_\_\_\_

To: National Library of the Philippines

T.M. Kalaw St., Ermita, Manila

We, the undersigned, declare that:

a. We have examined and have no reservation to the Bidding Documents,

including Addenda, for the Contract [insert name of contract];

b. We offer to execute the Works for this Contract in accordance with the Bid

and Bid Data Sheet, General and Special Conditions of Contract  
accompanying this Bid;

The total price of our Bid, inclusive of taxes is: [insert information];

c. Our Bid shall be valid for a period of \_\_\_\_\_ 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. 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;

f. Our firm, its affiliates or subsidiaries, has not been declared ineligible by the

Funding Source;

g. 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

h. 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: \_\_\_\_\_

**MUST BE NOTARIZED**

**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 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

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Binding Signature of Contractor

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[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.

**A F F I D A V I T**

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].

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

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Bidder's Representative/Authorized Signatory