

# ***Section VI. Terms of Reference***

## **I. BACKGROUND/RATIONALE**

Republic Act No. 12116 (Fiscal Year 2025 General Appropriations Act) provides a total budget for the construction of buildings of the following four PSOs as above-mentioned in the amount of TWO HUNDRED FORTY-NINE MILLION SIX HUNDRED FIFTY THOUSAND PESOS (PhP 249,650,000.00), to wit:

1. Apayao - PhP 56,450,000.00
2. Cagayan - PhP 63,200,000.00
3. Ilocos Sur - PhP 90,000,000.00
4. Samar - PhP 40,000,000.00

Preparatory activities were done by the respective Field Offices concerned for the implementation of these infrastructure projects such as, among others, consultations with other agencies and offices that have implemented similar projects and with the construction arm of the government, the Department of Public Works and Highways. After careful consideration of all the facts gathered, the implementation of the Design and Build scheme as provided in Annex “G” of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184 through the public bidding process for procuring infrastructure projects for these PSOs was approved by the Head of Procuring Entity (HoPE).

RA No. 9184 allows a PE to outsource the services of a consultant for government projects requiring expertise beyond its capability, assisting them directly in managing their procurement functions.

## **II.OBJECTIVES**

1. To hire a highly competent consultant for the CMS of Infrastructure Projects of the PSOs in Apayao, Cagayan, Ilocos Sur and Samar.
2. To have a uniform branding in the design and construction of the buildings of the four (4) PSOs.

## **III. BASIC INFORMATION**

The PSA will be procuring a centralized consultancy services for the CMS of the four (4) PSO buildings with an estimated total floor area (FA) of 5,980 square meters (sqm) under a Design and Build Scheme. These buildings are to be located in the following locations:

- Brgy. San Gregorio, Municipality of Luna, Apayao Province (FA: 1,395 sqm)
- San Gabriel Village, Tuguegarao City, Cagayan Province (FA: 1,344 sqm)
- Poblacion East, Municipality of San Ildefonso, Province of Ilocos Sur (FA: 2,261 sqm), and
- Brgy. Payao, Catbalogan City, Province of Samar (FA: 980 sqm)

#### **IV. SCOPE OF SERVICES**

The CMS Consultants' scope of services shall include, but is not limited to, the following:

- 1. Project Oversight and Performance Monitoring**
  - a. Define project objectives, key performance indicators (KPIs), and execution strategies.
  - b. Establish performance specifications and quality benchmarks.
  - c. Monitor compliance with project timelines and deliverables.
- 2. Engineering Review and Compliance Assessment**
  - a. Evaluate detailed engineering surveys, designs, and cost estimates to ensure alignment with industry standards, regulatory requirements, and project specifications.
  - b. Recommend necessary revisions or enhancements to optimize cost efficiency and technical feasibility of the Design and Build Infrastructure projects.
- 3. Procurement Documentation and Bid Management**
  - a. Assist in preparation of bid documents, including technical specifications, contract terms, and procurement guidelines for the Design and Build Contractors.
  - b. Ensure compliance with legal and regulatory requirements for bid invitations.
- 4. Bid Evaluation and Contract Awarding**
  - a. Assist in the preparation of bidding process, including securing, tabulating, and analyzing bid submissions.
  - b. Assist in the objective assessment and recommendations for contract award, ensuring the selection of the most qualified contractors.
- 5. Contract Preparation and Administration**
  - a. Assist in the drafting and finalization of formal contract agreements, incorporating project scope, responsibilities, timelines, and deliverables.
  - b. Ensure contract terms align with procurement regulations safety measures and industry best practices.
- 6. Construction Monitoring and Quality Assurance**
  - a. Conduct weekly site inspections to assess construction progress, workmanship, and material quality.
  - b. Identify deviations from approved plans and recommend corrective actions.
- 7. Performance Testing and Commissioning Supervision**
  - a. Oversee performance tests, start-up procedures, and commissioning activities.
  - b. Document and report on test results, ensuring compliance with operational and safety standards.
- 8. Work Accomplishment Verification and Project Completion Approval**
  - a. Assess and verify contractor-submitted statements of work accomplished.
  - b. Recommend approval of project completion certificates based on contract compliance.
- 9. Financial Review and Billing Approval**
  - a. Review and validate contractors' progress billings and final invoices.
  - b. Recommend approval of payments based on verified work accomplishments and contractual terms.
- 10. Final Inspection and Contractor Performance Evaluation**
  - a. Conduct a comprehensive final inspection of the completed project.

- b. Assist and coordinate the assessment of the contractor's performance using the NEDA-Approved Constructors Performance Evaluation System (CPES) Guidelines, and the implementation of corrective actions as necessary.

## V. DELIVERABLES AND TIMELINE

STAGE	ACTIVITY	TIMELINE
Pre-procurement activities	<ul style="list-style-type: none"> <li>- Ocular inspection and site survey of proposed project site</li> <li>- Define project objectives, key performance indicators (KPIs), and execution strategies.</li> <li>- Establish performance specifications and quality benchmarks.</li> <li>- Review and evaluation of other documents and/or related activities.</li> </ul>	Within 14 calendar days upon issuance of Notice to Proceed (NTP)
Procurement/ Bidding activities for the Design and Build of PSO Building	<ul style="list-style-type: none"> <li>- Formulation of Bidding Documents for the Design and Build of PSO Building</li> <li>- Assist in the Conduct of Bidding Process</li> <li>- Assist in the Evaluation of Bids</li> <li>- Assist in the finalization of Contract and Awarding to winning Bidder</li> <li>- Review and evaluation of other documents and/or related activities.</li> </ul>	Within 60 calendar days upon issuance of NTP
Mobilization/ Pre-Construction Phase	<ul style="list-style-type: none"> <li>- Review of plans, constructability analysis, scheduling, permits, stakeholder coordination.</li> <li>- Assist in the application of Building Permit and applicable certificates, permits and other requirements.</li> <li>- Deployment of personnel, procurement of equipment, setup of field office, initial coordination meetings</li> <li>- Supervision of Land clearing, earthworks, utility setup, temporary facilities, site safety measures</li> <li>- Review, comment and recommend on the Detailed Architectural and Engineering Design including the Bill of Quantities, Cost Estimates, and other documents related to the implementation of the project in view of finalizing the as-stake quantities.</li> <li>- Review and evaluation of other documents and/or related activities.</li> </ul>	Within 30 calendar days upon issuance of Contractors NTP
Design and Build (Construction Phase)	<ul style="list-style-type: none"> <li>- Monitor compliance with project timelines and deliverables.</li> <li>- Provide periodic project accomplishment report thru conduct of technical and management meetings</li> </ul>	Within 300 calendar days upon issuance of Contractors NTP

	<ul style="list-style-type: none"> <li>- Conduct weekly site inspections to assess construction progress, workmanship, and material quality.</li> <li>- Identify deviations from approved plans and recommend corrective actions.</li> <li>- Oversee performance tests, start-up procedures, and commissioning activities.</li> <li>- Document and report on test results, ensuring compliance with operational and safety standards.</li> <li>- Assess and verify contractor-submitted statements of work accomplished.</li> <li>- Recommend approval of project completion certificates based on contract compliance.</li> <li>- Review and validate contractors' progress billings and final invoices.</li> <li>- Recommend approval of payments based on verified work accomplishments and contractual terms.</li> <li>- Review, evaluate, and recommend approval or denial of possible request for variation orders, time extension, or time suspensions.</li> <li>- Assistance in application and implementation of CPES, as necessary</li> <li>- Review and evaluation of other documents and/or related activities.</li> </ul>	
Post-Construction Phase	<ul style="list-style-type: none"> <li>- Final inspection and rectification of punchlist, as-built documentation</li> <li>- Testing and commissioning, Knowledge transfer</li> <li>- Assistance in application of Occupancy Permit</li> <li>- Review and evaluation of other documents and/or related activities.</li> </ul>	Within 340 calendar days upon issuance of Contractors NTP
Project Completion and Turnover	<ul style="list-style-type: none"> <li>- Issuance of Certificate of Completion</li> <li>- Assistance in application and implementation of CPES, as necessary</li> <li>- Monitoring of Warranty until the lapse of Defects and Liability Period</li> <li>- Review and evaluation of other documents and/or related activities.</li> </ul>	Within 365 calendar days upon issuance of Contractors NTP

## VI. STANDARD OF SERVICES

The consultant shall undertake the consultancy services by utilizing its technical knowledge and best-accepted professional standards. The consultant shall carry out the services based on laws that govern the Project. Further, the consultant shall provide an adequate number of personnel of known qualifications and experience.

## VII. DURATION OF THE CONTRACT

The duration of the contract shall be twelve months (365 Calendar Days) from the date of issuance of Notice to Proceed or until project completion.

## VIII. CONSULTANCY SERVICE REQUIREMENTS

A local consultancy firm with experience in Project Management/Construction Management and Supervision Services with the following minimum qualifications:

1. Must be operational and engaged as a Project Management and/or Construction Management services consultancy firm for at least ten (10) years;
2. Must have satisfactorily completed a contract for a similar project with magnitude and complexity at least equivalent to the half of the ABC for the proposed project, and
3. The consultant must likewise pass eligibility requirements under Section 24 of Republic Act 9184, otherwise known as the Government Procurement Reform Act.

## IX. PERSONNEL QUALIFICATION REQUIREMENTS

As a minimum requirement, the Consultant shall provide licensed and professional personnel adequate technical experience in Construction Management and Supervision services

<b>Key Personnel</b>	<b>Required Profession</b> (with VALID PRC ID and applicable Certification)	<b>Minimum Required Relevant Experience</b> (reckoned from the date of professional registration)
<b>One (1) Overall Project Head assigned to oversee all project sites</b>	Licensed Construction Professional with Valid PRC ID - Preferably with Valid Certification from Accredited Professional Organization (APO)	8 years' experience as Construction Manager / Project manager (vertical)  Training on Designs for Vertical Structure/Multi-story Building
<b>One (1) Secretariat assigned to consolidate documents for all project sites</b>	Bachelor's Degree	3 years' experience as Secretariat/ Administrative Works
<b>Four (4) Project-In-Charge (PIC) (One per project site)</b>	Licensed Construction Professional with Valid PRC ID	5 years' experience in construction projects

In the execution of the consultancy services, multitasking by or nomination of key personnel to more than one of the above-stated fields or professions is prohibited. Failure to meet this requirement shall be ground for disqualification. The consultant may provide additional personnel as may be required and pertinent to the accomplishment of the project in its entirety (Architectural, Structural, Electrical, Plumbing, Sanitary, Auxiliary, and other related trades) at no additional cost to the Procuring Entity.

Except as otherwise agreed upon by the Procuring Entity, the personnel for the project shall consist of those indicated in the Work Plan and List of Key Personnel submitted and no changes shall be made in the key staff. In the event any employee resigns, is discharged or withdrawn, the Consultant shall provide suitable personnel of equivalent or better qualification acceptable to the Procuring Entity.

## **X. ESTIMATED BUDGET FOR THE CONTRACT**

For and in consideration of the faithful, satisfactory and full performance of all the works and requirements, the PE agrees to pay the Designer-Builder an amount not exceeding the Approved Budget for the Contract (ABC) of ***Twelve Million, Four Hundred Eighty-Two Thousand and Five Hundred Pesos (PhP 12,482,500.00)*** after observance of the required procedures in compliance with the Government Procurement Reform Act (Republic Act No. 9184) and Government Accounting and Auditing Manual.

## **XI. TERMS OF PAYMENT**

A lumpsum advance payment not to exceed fifteen percent (15%) of the Contract Price in Philippine peso shall be made upon the submission of a written request by the Consultant to cover the cost of mobilization. The advance payment shall be set off by the procuring Entity in equal installments against the statements for the progress billings of the Services until the advance payment has been fully set off.

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 duly licensed surety or insurance company and confirmed by the procuring Entity.

The payment scheme below shall be observed in the processing of payment.

Item No.	Milestone	Cumulative Percentage Accomplishment	Percentage of Contract Price
1	Conduct of Pre-Procurement Activities for the Construction of the Building up to issuance of NTP to winning design/build contractor	30%	30%
2	Up to 50% of Project Completion for all project sites	60%	30%

3	Substantial (95%) Project Completion for all project sites including stamp-received application of Occupancy Permit	90%	30%
4	Issuance of Certificate of Completion to Design-Build Contractor including Occupancy Permit and CPES Evaluation as necessary	100%	10%
TOTAL			100%

All payments will be subject to the usual government accounting and auditing rules and regulations. The consultant is expected to be familiar with the Government Accounting and Auditing Manual (GAAM).

## **XII. RESPONSIBILITIES OF THE CONSULTANT**

- 1) The consultant shall undertake all works necessary to ensure the completion and turnover of the respective PSO Buildings.
- 2) Consult and verify with the PSA to ascertain the requirements of the proposed project;
- 3) All documents, drawings, maps, survey reports and other forms relevant to the study shall become the property of the Government and shall not be used or reproduced without the expressed consent of PSA; and
- 4) Conduct studies and activities required for the conduct of CPES and all other reports and documents in compliance with the provisions of relevant laws, ordinances, codes, and rules and regulations.

## **XIII. RESPONSIBILITIES OF THE PROCURING ENTITY**

The Procuring Entity shall:

- 1) Provide full information as to the requirements of the project;
- 2) Designate representative/s authorized to represent the procuring Entity, if the need arises; and
- 3) Evaluate documents submitted by the Consultant and render decisions to avoid delay in the progress of the Consultants work.

## **XIV. ASSIGNMENT and/SUBCONTRACTING**

Except with prior written approval of the Procuring Entity, the Consultant shall not assign nor sub-contract any part of the consultancy services.

## **XV. INDEPENDENT CONTRACTOR**

Nothing contained herein shall be construed as establishing or creating an employer-employee or principal-agent relationship, it being understood that the position of the Procuring Entity and Consultant is that of an independent contractor.

## **XVI. INDEMNIFICATION**

The consultant shall hold the Procuring Entity free and harmless from all claims, liabilities, suits and actions, demands, or damages arising from death, loss, or injuries to persons, entities, or properties, in relation to the delivery of consultancy services. In addition, the Consultant agrees to protect and defend, at its own expense, the Procuring Entity against claims and liabilities arising from acts or omissions committed by the consultant or its staff in the performance of the services including the use of copyrighted materials, patented inventions, articles or appliances, and indemnify the Procuring Entity for any damages or liabilities that the Procuring Entity may be compelled to assume arising from said acts or omissions.

## **XVII. CHANGES**

The Procuring Entity may at any time, by written notice to the consultant, issue additional instructions, changes, or alterations to the work with no additional cost.