

TERMS OF REFERENCE

Section 1

1. THE PROJECT

“PROPOSED ORGANIC AGRICULTURE RESEARCH AND DEVELOPMENT FACILITY” at Abucay Campus is proposed to be constructed in August 1, 2019.

The University has solicited the expertise of Abucay Campus to insure that the CHED requirements, quality and standards for academic and laboratory rooms, and other portions that will comprise the building, will be considered in the design and construction.

1.1 Lot Area and Building areas:

The project is to be built on a **459.00 square meter** lot inside the BPSU Abucay Campus, with a **building footprint of 358.00 square meter** and **total gross floor area of 358.00 square meters**.

1.2 Project Coverage

“PROPOSED ORGANIC AGRICULTURE RESEARCH AND DEVELOPMENT FACILITY”
(SEE PLANS)

- A. SITE CLEARING WORKS
- B. CONCRETE AND MASONRY WORKS
- C. DOORS AND WINDOWS
- D. ROOFING WORKS
- E. ELECTRICAL WORKS
- F. PLUMBING WORKS
- G. FUNITURE AND FIXTURES

1.3 Project Cost Estimates

The PROPOSED ORGANIC AGRICULTURE RESEARCH AND DEVELOPMENT FACILITY is projected to cost ***Five Million Five Hundred Fifty-three Thousand Six Hundred Seventy Four 01/100 Pesos (₱5,553,674.01)***.

SCOPE OF WORKS

1. The project covers the **“PROPOSED ORGANIC AGRICULTURE RESEARCH AND DEVELOPMENT FACILITY”** With respect to the construction of the buildings and other structures, shall conform to the standard set by:
 - National Building Code of the Philippines
 - National Structural Code of the Philippines
 - Fire Code of the Philippines
 - BP 344(Accessibility Law)
 - National Electrical Code
 - National Plumbing Code
2. Technical Reports on structural, mechanical, electrical, plumbing and sanitary shall be required before turnover of the project.
3. A complete set as built plans of architectural, all engineering and structural plans/drawings at appropriate scales indicating all details necessary shall be furnished by the bidder as required in the Bidding Documents.
4. The winning bidder shall enter into contract with the Bataan Peninsula State University that shall be in the nature of **“PROPOSED ORGANIC AGRICULTURE RESEARCH AND DEVELOPMENT FACILITY”**
5. The winning bidder shall process the *application of building and other permits (including occupancy permit)* then proceed with the construction after the completion of the clearing /demolition works.
6. Upon Project Completion and Final Acceptance in accordance with the terms and conditions set forth herein, the bidder shall turnover the completed project to the Bataan Peninsula State University for proper disposition.

The Bidder, by submitting his proposal, represents that:

1. He has thoroughly read/examined carefully and understand fully all the bid documents, and his proposal will be in accordance therewith.
2. His proposal is based upon the conditions and requirements of the bid documents without exemption.
3. He has visited and inspected the Site of Works and its surroundings and satisfied himself as to all matters pertaining to the project, including the location and the condition of the terrain, geological condition at site, transportation and communication facilities, the requirement and availability of materials, labor, water, electric power and roads, the location and extent of aggregate sources, and other factors that may

affect the cost, duration and execution of the work and that he has determined the general characteristics of the project and the conditions indicated above.

4. He has acquainted and familiarized himself with all the conditions, local or otherwise, affecting the carrying out of the contract work and has arrived at an estimate of the facilities available and the facilities needed for the project.
5. He is aware that the Bataan Peninsula State University shall not assume any responsibility regarding erroneous interpretations out of any data furnished by the Procuring Entity.
6. He has familiarized himself with all laws, decrees, regulations of the Philippines and the Bataan Peninsula State University, which may affect or apply to the operations and activities of the contractors.
7. He is aware that the construction period of the project shall be **One Hundred and Fifty (150) days**.

PROJECT COST ESTIMATES INCLUDING THE QUANTITIES AND COST CALCULATIONS

The bidders shall submit the quantities and cost of the different types of works to be carried out. In particular, the quantities and cost of each work item shall be calculated and a bill of quantities shall be prepared.

The bidders shall draw up a unit price analysis for each of the main pay work items. The unit price of each of the main work pay items shall include:

DIRECT COST

1. Cost of Materials to be used in doing the work item called for, which shall include the following:

- a) Cost at source, including processing, crushing, stockpiling, loading, royalties, local taxes, construction and or maintenance of haul roads, etc.
- b) Expenses for hauling to project site
 - a) Handling Expenses
 - d) Storage
 - e) Allowance for waste and/or losses

2. Cost of Labor

- a) Salaries and wages in accordance with the Department of Labor and Employment.
- b) Fringe benefits, such as vacation and sick leaves, benefits under the Workmen's Compensation Act, SSS contribution, allowances, and 13th month pay, bonuses, etc.
- c) All construction quantities shall be completed to a reasonable accuracy of unit prices and shall be based on reasonable approved current prices as projected over the proposed construction period.

3. Equipment Cost

- a) Rental of equipment shall be in accordance with the prevailing "*Associated Corporation Equipment Lessor Inc.*" (ACEL) rates as accredited by the DPWH. Other equipment which is not indicated in the ACEL booklet shall be taken from the rental rates prepared by the Bureau of Equipment. For simplicity of computation, the use of operated rental rates mentioned in the ACEL booklet is preferred rather than the bare rental rates, because it already includes the operator's wages, fringe benefits, fuel, oil, lubricant and equipment maintenance.
- b) Mobilization and demobilization of equipment shall be computed on a case to case basis, considering the equipment requirement on the project stipulated in the proposal and contract document, but in no case exceeding 1% of the total civil work item.

INDIRECT COST

1. Overhead Expenses – Usually 6 to 7 % of the direct cost, which includes:

- a) Engineering and Administrative Supervision
- b) Transportation allowances
- c) Office expenses
- d) Financing cost
 - Premium on Bid Security
 - Premium on Performance Security

- Premium/charges/fees on credit lines
- Cost of money necessary to finance project
- Premium warranties

2. Contingencies – usually 3-5% of the direct cost
3. Miscellaneous Expenses – usually 1% of the direct cost, these includes laboratory test

C.2.4 Contractor’s Profit Margin – see tabulation below:

ESTIMATED DIRECT COST (EDC)	PROJECT COST % FOR OCM AND PROFIT(% OF EDC)		% COST FOR MOB/DEMOB.	TOTAL MAXIMUM INDIRECT COST FOR OCM, PROFIT AND MOB/DEMOB
	OCM	PROFIT		
P20M To P50M	10 %	10%	1%	21%
Above 50%	10%	9%	1%	20%

TAXES = 2% Withholding Tax + 5% VAT

CARI = 1.5% of Direct Cost

CONTRACT DOCUMENTATION PHASE

The Contract Documentation phase shall be governed by the revised Implementing Rules and Regulations (IRR) of RA 9184, otherwise known as “Government Procurement Reform Act”

TERMS OF PAYMENT

1. The winning bidder, after the issuance of the Notice to Proceed, and after submission of a written request, may avail of an advanced payment, equal to fifteen percent (15%) of the contract price. The winning bidder in availing of the advance payment must also submit to the Procuring entity, an irrevocable letter of credit from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued from a surety or insurance company duly licensed by the Insurance Commission. The letter of credit, bank guarantee or surety bond must be equal in value to the advance payment.

The Procuring entity, shall recover from the winning bidder the advance payment by deducting a commensurate amount from the progress payments to the winning bidder/contractor until the advance is fully liquidated within the duration of the contract, and before full payment is made to the contractor.

The contractor shall reduce his standby letter of credit or guarantee/surety instruments by the amounts recovered to liquidate the advance payment.

2. The first progress payment shall be paid by the Procuring entity to the winning bidder/contractor after a minimum of ten percent (10%) of the work had been accomplished. Thereafter, succeeding payments will be based on the submission of the contractor of a Progress Billing or a request for payment for work accomplished. Such request for payment, including the Statement of Work Accomplished by the contractor must be verified and approved by the TWG, and/or his/her representative.
3. The Procuring entity, shall withheld/retain ten percent (10%) of the progress payments, before deductions are made, to cover uncorrected discovered defects and third party liabilities. It shall be collected from all progress payments until works equivalent to fifty percent (50%) of the value of works, as determined by the Procuring entity or its representative, is accomplished. If, after fifty percent (50%) completion, as determined by the Procuring entity or its representative, the works are done satisfactorily and on schedule, no additional retentions shall be made. The total amounts withheld from the progress payments shall be released after final acceptance of the works contracted.

The Procuring entity, upon the request of the contractor, may accept irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand as substitutes for the retention being withheld from the progress payments. These financial instruments must be of amounts equivalent to the retention amounts being substituted and must be valid for a duration as determined by the Procuring entity.

4. The Contractor may request for final payment when ninety percent (90%) of the works has been completed. The final payment will be made upon 100 percent (100%) completion of the works contracted. A Guarantee Bond equal to ten percent (10%) of the contract price and valid for one (1) year shall be posted by the contractor after final payment to cover defects during the one-year defects liability period.
5. The Procuring entity shall issue a Certificate of Substantial Completion upon ninety five percent completion (95%) of the works contacted and no liquidated damages for delay shall accrue after such, afterwards, 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.

CONSTRUCTION PHASE

1. Permits and Clearances

The Procuring entity shall defray all expenses necessary and incidental to the Project and to secure the necessary permits and clearances. The Contractor shall upon authorization of the Procuring entity, make representations with the government agencies concerned to expedite the release of the same.

2. Temporary Structures and Facilities

The Contractor shall provide and maintain the following:

- Temporary office and/or quarters for the contractor's project team personnel with water, light, and toilet facilities.
- Temporary bunk houses/quarters for the contractor's workforce complete with toilet and bath facilities

3. Mobilization

The Contractor shall mobilize all the required project team personnel, equipment, tools, and manpower with the required skills and sufficient number as may be necessary for the efficient undertaking of the project.

4. Construction Proper

The Contractor shall execute all the works under the contract in strict compliance with the standard engineering methodology and procedures and shall be responsible for maintaining safety, cleanliness and orderliness in the project area throughout the duration of the contract.

5. Electrification and Water Connection

The Contractor shall be responsible for securing permit for electrical and water connection and the payment of electric bill and water bill used during the execution of the works.

6. Material Testing

All material testing and other testing required by the BPSU TWG Inspectorate Team shall be conducted at the DPWH accredited testing laboratories.

7. As-built Plans and Operating Manuals

The Contractor shall prepare and submit the as-built plans duly signed and sealed by all concerned parties involved in the construction in the same sheet size and scale as the original drawings in one (1) white/blue print copy and one (1) reproducible copy upon final billing of the project, and OPERATING MANUALS and warranties FOR EQUIPMENTS AND APPLIANCES.

Section 2

Bidding Mechanics and Implementation Phase

Bidding Mechanics and the Implementation Phase shall be govern by the revised Implementing Rules and Regulations of RA 9184 otherwise known as the *"Government Procurement Reform Act"*

(END OF SECTION)

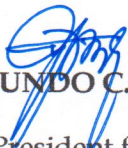
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