



REPUBLIC OF THE PHILIPPINES  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
GENERAL SOLANO ST., SAN MIGUEL, MANILA

**BIDS AND AWARDS COMMITTEE**

**Resolution No. 2018- 68**

**WHEREAS**, the Department of Budget and Management-Bids and Awards Committee (DBM-BAC) conducted a public bidding for the Project, "Outsourcing of Multi-Skilled Workers," with an Approved Budget for the Contract of P5,376,250.00 for eleven (11) months;

**WHEREAS**, on October 9, 2018, an Invitation to Bid was posted on the Philippine Government Electronic Procurement System website, the DBM website, and all DBM bulletin boards;

**WHEREAS**, two (2) prospective bidders, namely: (i) Tork Philippines Inc.; and (ii) DBP Service Corporation, responded to the said Invitation and attended the Pre-bid Conference on October 16, 2018;

**WHEREAS**, Supplemental/Bid Bulletin No. 1 was issued on October 23, 2018 to clarify, modify or amend items in the Bidding Documents;

**WHEREAS**, during the submission and opening of bids on October 30, 2018, only DBP Service Corporation submitted a bid;

**WHEREAS**, after preliminary examination of the bid, the BAC, using non-discretionary "pass/fail" criteria, determined the submission of DBP Service Corporation as "passed" for complying with all the eligibility and technical requirements as stated in the Bidding Documents;


**WHEREAS**, after evaluation of the financial proposal, the BAC declared the submission of DBP Service Corporation as the Single Calculated Bid in the amount of P5,322,780.65;

**WHEREAS**, after careful evaluation, validation and verification of the eligibility, technical and financial proposals of the bid, the BAC found that the submission of DBP Service Corporation passed all the criteria for post-qualification; thus, it was declared as the Single Calculated and Responsive Bid in the amount of P5,322,780.65.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the BAC **RESOLVED**, as it hereby **RESOLVED**, to recommend to the Secretary of Budget and Management that the contract for the Project, "Outsourcing of Multi-Skilled Workers," be awarded to DBP Service Corporation, in accordance with Republic Act No. 9184 and its 2016 Revised Implementing Rules and Regulations.

**ADOPTED**, this 6<sup>th</sup> day of November 2018 at the Department of Budget and Management, General Solano St., San Miguel, Manila.

  
**THEA MARIE CORINNE F. PALARCA**  
*End-user Representative*

  
**VIRGILIO A. UMPACAN, JR.**  
*B.U.D.G.E.T. Representative*

not present  
**EDEN D. PANGILINAN**  
*Member*

not present  
**YOLANDA R. REYES**  
*Member*

  
**ROSEMARIE D. PAGALA**  
*Alternate Member*

not present  
**RYAN S. LITA**  
*Vice Chairperson*

  
**CLARITO ALEJANDRO D. MAGSINO**  
*Chairperson*

☒ Approved  
☐ Disapproved

  
**BENJAMIN E. DIOKNO**  
*Secretary, DBM*

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

Department of Budget  
and Management



0SEC-2018-03772



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**BIDS AND AWARDS COMMITTEE**

**NOTICE OF AWARD**

November 6, 2018

**MR. GERRY A.C. ARELLANO**

*Vice President*

DBP Service Corporation

2F Executive Bldg. Center

Sen. Gil Puyat corner Makati Avenue

Makati City

Dear **Mr. Arellano:**

We are pleased to inform you that the contract for the Project, "Outsourcing of Multi-Skilled Workers," is hereby awarded to DBP Service Corporation in the amount of P5,322,780.65.

In this regard, you are hereby required to post a performance security in the amount and form stated in Section 39 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 prior to the signing of the contract.

Very truly yours,

  
**BENJAMIN E. DIOKNO**

*Secretary*





REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**BIDS AND AWARDS COMMITTEE**

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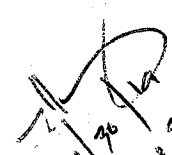
In this regard, you are hereby required to post a performance security in the amount and form stated in Section 39 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 prior to the signing of the contract.

Very truly yours,

  
**BENJAMIN E. DIOKNO**

*Secretary*



  
01/26/18  
L 30

BAC

**CONTRACT No. 2019-01**  
**OUTSOURCING OF MULTI-SKILLED WORKERS**

This CONTRACT made and entered into by and between the following:

**DEPARTMENT OF BUDGET AND MANAGEMENT**, a government agency created by virtue of the laws of the Republic of the Philippines, with principal office address at General Solano St., San Miguel, Manila, represented herein by its Secretary, **BENJAMIN E. DIOKNO**, hereinafter called the "**DBM**";

- and -

**DBP SERVICE CORPORATION**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at 2F, Executive Bldg. Center, Gil Puyat Avenue corner Makati Avenue, Makati City, represented by **GERRY A.C. ARELLANO**, hereinafter referred to as the "**SUPPLIER**";

WITNESSETH:

✓  
✓  
✓  
**WHEREAS**, the DBM conducted a public bidding for the Project, "Outsourcing of Multi-skilled Workers," and the bid of the Supplier is in the amount of Five Million Three Hundred Twenty Two Thousand Seven Hundred Eighty Pesos and 65/100 (P5,322,780.65), hereinafter called the "Contract Price";

**WHEREAS**, the Notice of Award was issued to the Supplier last January 30, 2019, and the Supplier posted its performance security on February 8, 2019;

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the parties hereby mutually stipulate and agree as follows:

1. In this Contract, words and expressions shall have the same meanings as are respectively assigned to them in the General and Special Conditions of Contract referred to in Annex D and E, respectively.
2. The following documents shall form and be read and construed as part of this Contract:

Annex A	-	Bid Form
B	-	Schedule of Requirements
C	-	Technical Specifications
D	-	General Conditions of Contract
E	-	Special Conditions of Contract
F	-	Notice of Award
G	-	Performance Security

3. In consideration of the payments to be made by the DBM to the Supplier, the Supplier hereby covenants with the DBM to provide the Goods and Services and to remedy defects therein in conformity with the provisions of the Contract.
4. The DBM hereby covenants to pay the Supplier, in consideration of the provision of the Goods and Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the time and in the manner prescribed by the Contract.

**IN WITNESS WHEREOF**, the parties hereto have signed this Contract on this \_\_\_\_ day of \_\_\_\_\_, 2019 at General Solano St., San Miguel, Manila, Philippines.

DEPARTMENT OF BUDGET  
AND MANAGEMENT

by:

  
**BENJAMIN E. DIOKNO**  
*Secretary*


DBP SERVICE CORPORATION

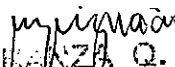
by:

  
**GERRY A.C. ARELLANO**  
*Vice President*

SIGNED IN THE PRESENCE OF

  
**THEA MARIE CORINNE F. PALARCA**  
*Director IV*  
Administrative Service



File Available  
  
**ESPERANZA Q. IGNACIO**  
Chief Accountant

QRS# 021011012019-02-108  
2/1/2019

## ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )  
CITY OF MANILA ) S.S.

**BEFORE ME**, a Notary Public for and in the City of **MANILA**, Philippines, on this **FEB 26 2019** day of \_\_\_\_\_, 2019 personally appeared the following:

NAME	VALID ID	VALID UNTIL
<b>BENJAMIN E. DIOKNO</b>	DBM ID No. 0005	
<b>GERRY A.C. ARELLANO</b>	SSS 83-0393818-0	

known to me to be the same persons who executed the foregoing Contract and who acknowledged to me that the same is their free and voluntary act and deed and of the entities they respectively represent.

This CONTRACT for the Outsourcing of Multi-skilled Workers was signed by the parties, and their material witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL this \_\_\_\_\_ day of **FEB 26 2019**, 2019.

Doc. No. 131;  
Page No. 27;  
Book No. XXV;  
Series of 2019.

**ATTY. GARY CAMITAN AURE**

NOTARY PUBLIC, ROLL NO. 60777

PTR No. 8028871 Issued on Dec. 27, 2018 Until Dec. 31, 2019 Manila

ISP Lifetime No. 014599 Issued on Feb. 2, 2016

Commission No. 2018-072 Issued on Feb. 28, 2018 Until Dec. 31, 2019 Manila

MCLE No. VI-0006795 Issued on Feb. 20, 2018 at Pasig City Valid Until April 14, 2022

Office Address: Room 306 3F NFWC Bldg. Escoda Corner San Marcelino St. Ermita Manila

TIN No. 719-833-727-000



# DBP SERVICE CORPORATION



## Bid Form

Date: October 29, 2018  
Invitation to Bid No. DBM-2019-01

### DEPARTMENT OF BUDGET AND MANAGEMENT

DBM Bldg. III, General Solano St.  
San Miguel, Manila

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin Numbers (1), the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply/deliver/perform **Outsourcing of Multi-Skilled Workers** in conformity with the said Bidding Documents for the sum of **Five Million Three Hundred Twenty Two Thousand Seven Hundred Eighty Pesos and Sixty Five Centavos (P5,322,780.65)** or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts, and within the times specified in the Bidding Documents.

We agree to abide by this Bid for the Bid Validity Period specified in **BDS** provision for ITB Clause 18.2 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the Lowest Calculated Bid or any Bid you may receive.

We certify/confirm that we comply with the eligibility requirements as per ITB Clause 5 of the Bidding Documents.

We likewise certify/confirm that the undersigned, **GERRY A.C. ARELLANO** is granted full power and authority by the **DBP SERVICE CORPORATION**, to participate, submit the bid, and to sign and execute the ensuing contract on the latter's behalf for **Outsourcing of Multi-Skilled Workers** of the **Department of Budget and Management**.

We acknowledge that failure to sign each and every page of this Bid Form, including the attached Schedule of Prices, shall be a ground for the rejection of our bid.

2nd Floor Executive Building Centre,  
Sen. Gil Puyat Ave. corner  
Makati Avenue,  
Makati City  
Philippines 1200

Tel Nos : (63) (02) 895-1393 • (63) (02) 895-5048  
(63) (02) 895-1485 • (63) (02) 895-1495  
Fax Nos : (63) (02) 897-8950 • (63) (02) 895-4750  
E-mail : marketing@dbpsc.com.ph  
Website : www.dbpsc.com.ph





# DBP SERVICE CORPORATION



## Schedule of Prices

Description	Quantity	Unit Cost	Total Cost Incl of VAT
Ten (10) Multi-Skilled Workers			
Carpenters	2	27,861.09	612,943.98
Welders	2	27,861.09	612,943.98
Plumbers	2	27,861.09	612,943.98
Electricians	2	27,861.09	612,943.98
Aircon Technician	2	27,861.09	612,943.98
Facilities Maintenance Engineer	1	67,024.33	737,267.63
Rental of tools, supplies, equipment and instruments	1 lot	138,253.92	1,520,793.12
<b>TOTAL COST FOR ELEVEN (11) MONTHS</b>			<b>₱ 5,322,780.65</b>

**GERRY A.C. ARELLANO**  
Vice President



# DBP SERVICE CORPORATION



## DEPARTMENT OF BUDGET AND MANAGEMENT

Billing Rate per Month

(Monday - Saturday/ 6 days a week)

<b>EMPLOYEE RATE PER DAY ("W")</b>	
<b>COLA PER DAY ("C")</b>	
<b>AMOUNT PAYABLE TO THE EMPLOYEE</b>	
	Basic Pay
	Cost of Living Allowance (COLA)
	Incentive Leave Benefits
	13th Month Pay
<b>SUB-TOTAL</b>	
<b>AMOUNT PAYABLE TO THE GOVERNMENT</b>	
	Pag-IBIG Contribution (2% or max 100.00)
	SSS Contribution (per Circular 2013-10)
	PHIC Premium (per Circular No. 17-0024)
	ECC
<b>SUB-TOTAL</b>	
<b>TOTAL PAID TO CONTRACTUAL &amp; GOVT.</b>	
	Administrative Cost
<b>TOTAL</b>	
	ADD: Value-Added-Tax (12%)
<b>TOTAL BILL PER MONTH</b>	

NO. OF PERSONNEL

TOTAL PER MONTH

Rental of Tools, Supplies & Equipment

**TOTAL COST PER MONTH**

**TOTAL CONTRACT PRICE FOR ELEVEN (11) MONTHS**

**GRAND TOTAL**

  
GERRY A.C. ARELLANO

Vice President

DBP SERVICE CORPORATION

Skilled Workers	Facilities Maintenance Engineer
6 days a week	6 days a week
₱ 700.00	₱ 1,750.00
-	-
18,258.33	45,645.83
-	-
291.67	729.17
1,521.53	3,803.82
20,071.53	50,178.82
100.00	100.00
1,178.70	1,178.70
251.05	550.00
30.00	30.00
1,559.75	1,858.70
21,631.28	52,037.52
3,244.69	7,805.63
24,875.97	59,843.15
2,985.12	7,181.18
27,861.09	67,024.33
10	1
278,610.90	67,024.33
138,253.92	
416,864.82	67,024.33
₱ 4,585,513.02	₱ 737,267.63
<b>₱5,322,780.65</b>	

2nd Floor Executive Building Centre,  
Sen. Gil Puyat Ave. corner  
Makati Avenue,  
Makati City  
Philippines 1200

Tel Nos : (63) (02) 895-1393 • (63) (02) 895-5048  
(63) (02) 895-1485 • (63) (02) 895-1495  
Fax Nos : (63) (02) 897-8950 • (63) (02) 895-4750  
E-mail : marketing@dbpsc.com.ph  
Website: www.dbpsc.com.ph

## ***Section VI. Schedule of Requirements (Revised)***

The delivery schedule expressed as weeks/months stipulates hereafter the date of delivery to the project site.

### **A. EXPERTISE AND QUALIFICATIONS OF PROFESSIONAL AND STAFF TO BE ASSIGNED:**

<b>Item</b>	<b>Description</b>	<b>Delivery Date</b>
<b>1</b>	Deployment of ten (10) multi-skilled workers to perform general, proactive maintenance and related services as and when required, such as, but not limited to: carpentry, painting, varnishing, plumbing works, electrical/electronic, audio-visual (AV), air conditioning works, etc.	Within seven (7) calendar days from receipt of Notice to Proceed (NTP)

<b>Skilled worker</b>	<b>Minimum qualifications</b>	<b>Delivery Schedule</b>
Two (2) Carpenters	With at least three (3) years of relevant experience in the field of expertise	8:00 a.m. to 5:00 p.m. Mon to Sat
Two (2) Welders	<ul style="list-style-type: none"> <li>• With at least three (3) years of relevant experience in the field of expertise</li> <li>• With TESDA Shielded Metal Arc Welding (SMAW) National Certificate II (NCII)</li> </ul>	8:00 a.m. to 5:00 p.m. Mon to Sat
Two (2) Plumbers	<ul style="list-style-type: none"> <li>• With at least three (3) years of relevant experience in the field of expertise</li> <li>• With TESDA Plumbing National Certificate II (NCII)</li> </ul>	8:00 a.m. to 5:00 p.m. Mon to Sat
Two (2) Electricians	<ul style="list-style-type: none"> <li>• With at least three (3) years of relevant experience in the field of expertise</li> <li>• With TESDA Electrical Installation and Maintenance National Certificate II (NCII)</li> </ul>	8:00 a.m. to 5:00 p.m. Mon to Sat

Two (2) Aircon Technicians	<ul style="list-style-type: none"> <li>• With at least three (3) years of relevant experience in the field of expertise</li> <li>• With TESDA Refrigeration and Air Conditioning Servicing (RAC) National Certificate II (NCII)</li> </ul>	8:00 a.m. to 5:00 p.m. Mon to Sat
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Item	Description	Delivery Date
2	Deployment of one (1) Facilities Maintenance Engineer to supervise the outsourced maintenance team and perform other related services as and when required	Within seven (7) calendar days from receipt of Notice to Proceed (NTP)

Facilities Maintenance Engineer	<p>i. Must be any of the following:</p> <ul style="list-style-type: none"> <li>• Registered Civil Engineer</li> <li>• Registered or Professional Mechanical Engineer</li> <li>• Registered or Professional Electrical Engineer</li> </ul> <p>ii. With at least five (5) years of experience in Facilities Maintenance (Civil works, Building Electrical, Heating, Ventilation and Air Conditioning [HVAC], Elevators, Building Plumbing System, GENSET operation, Telecommunications, Network Cabling, etc.)</p> <p>iii. Must have Basic Occupational Safety and Health (BOSH) Training certificate by Department of Labor and Employment (DOLE)</p>	8:00 a.m. to 5:00 p.m. Mon to Sat
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Item	Description	Delivery Date
3	Submission of work schedule	Within seven (7) calendar days from receipt of Notice to Proceed (NTP)

**B. LIST OF TOOLS, EQUIPMENT AND INSTRUMENTS**

*Note: All tools and supplies shall be maintained at the premises of DBM Central Office (CO) for the contract duration*

TOOLS	
DESCRIPTION	QUANTITY
Hand tools such as but not limited to: 1. Pliers 2. Wire cutters 3. Screw drivers 4. Crimping tool 5. Hole saw 6. Socket wrenches 7. Back wrench 8. Pipe wrench 9. Cutter plier 10. Holster 11. Ball peen hammer 16oz (different sizes & purpose) 12. Rubber mallet, 55mm, 16oz 13. Socket wrench, 6mm-32mm 14. Back wrench, 6mm-32mm, 12 pcs. 15. Open-end wrench, 6mm-32mm, 12 pcs 16. Adjustable wrench (6",8",10",12") 17. Pipe wrench (12",14",24") 18. Allen wrench (Heavy duty) 19. Bench vise 20. Grease gun 21. Riveter 22. Flaring tools, 3/16" to 3/4" 23. Measuring tools (Meter rule, Caliper, Vernier) 24. Locking plier, straight jaw, 10" 25. Locking plier, wide jaw 26. Tin sheet cutter 27. Trouble light 28. Push cart, Heavy duty 29. Ladders (4ft., 6ft. and 8ft.)	2 sets
Cutting outfit (Acetylene)	1 unit
R410A Pressure gauge	1 unit
First aid kit	1 unit
Welding gloves	2 units
Safety goggles	11 units

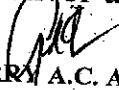
Safety hat	11 units
Full body harness	4 units
R22 Pressure gauge	1 unit
Thermo laser gun	1 unit
Hacksaw handle	1 unit

EQUIPMENT	
DESCRIPTION	QUANTITY
500 amp welding machine including wires/cables	1 unit
Welding handle	1 unit
Welding mask	1 unit
Electric grinder 5"	2 units
Electric drill w/ hammer	2 units
Electric planer	1 unit
Electric router w/ BITS	1 unit
Air compressor	1 unit
Paint sprayer	1 unit
Pressure hose for paint	1 unit
Hand held circular saw	1 unit
Pressurized water washer	1 unit

Soldering gun	1 unit
Oxygen tank	1 unit
Acetylene tank	1 unit
<b>INSTRUMENTS</b>	
<b>DESCRIPTION</b>	<b>QUANTITY</b>
Megger Tester, Sanwa Din 1008s 1000V	1 pc
Clamp Meter 600 ACV DCM 60L	1 pc
Multi Tester cd770 Sanwa	1 pc
Pressure Washer (complete)	1 set
Adaptor for Nitrogen Tank	1 set
Nitrogen Tank	1 pc
Blower	1 pc
Vacuum cleaner, 20 ltrs cap.	1 unit
Gauge Manifold	1 set
Vacuum Pump	1 pc

**I hereby certify to comply and deliver all the above requirements.**

**DBP SERVICE CORPORATION**  
Name of Company/Bidder

  
**GERRY A.C. ARELLANO**  
Signature over Printed Name of Representative

**October 29, 2018**  
Date

## Section VII. Technical Specifications (Revised)

Item	Description
1	<p><b>SCOPE OF SERVICES</b>  <i>(The work of requirements should consider the following but not limited thereto)</i></p> <p><b>A. OPERATION</b></p> <ul style="list-style-type: none"> <li>• Daily startup of utilities systems as required</li> <li>• Daily data logging of utilities systems parameters such as water pressure and temperature, water and oil levels, ampere and volts of equipment as required</li> <li>• Make necessary machine adjustments to maintain required parameters</li> <li>• Perform regular inspection of service and utilities system to detect/ predict problems using a standard checklist</li> <li>• Perform troubleshooting in case of system malfunction and handle repair of different components in case of breakdown</li> <li>• Maintain equipment, work areas, machine rooms, electrical rooms and premises for cleanliness and safety compliance</li> <li>• Prepare Technical Reports and submit to the AS-GSD Division Chief any inoperative facility, stating the problem, possible causes and recommended course of action</li> <li>• Recommend major preventive maintenance and corresponding cost estimates</li> <li>• Daily monitoring of generator set fuel, lube, water and other parameters.</li> <li>• Start up (No Load Test) as per advice to ensure the proper operation during commercial power outage</li> <li>• Operate generator set during power outage or when it is needed</li> <li>• Recommend energy saving systems to benefit client</li> <li>• Preparation of item specification and conduct canvass of price quotations of equipment parts, chemicals and supplies if required</li> <li>• Daily monitoring of Job Requests from Bureau/Service/Office (B/S/O).</li> <li>• Management of complaints and requests if within responsibility, otherwise, refer to the AS-GSD Division Chief</li> <li>• Documentation and filing of all maintenance records, monitoring of log sheets, Job Request forms from B/S/O, Service Reports, Programs, Engineering Drawings, Memos, Calibration Reports, SOPs, permits and other pertinent documents that are relevant to operation and maintenance</li> <li>• Prepare Work Permit with complete information needed and other documents</li> </ul>
	<p><b>B. MAINTENANCE</b></p> <ul style="list-style-type: none"> <li>• Check up, installation and repair of electrical systems and equipment (e.g., defective bulbs, tube lights, parameter lights, switches, sockets, plug points, short circuiting, rewiring, cleaning of panel junctions, tightening of all connections, checking/cleaning/greasing of all contacts and similar activities)</li> <li>• Perform minor repairs (replacement, installation, cleaning, adjustment, alignment, and troubleshooting of minor part of equipment like bearing, belt, filter/drier, etc./</li> </ul>



- machine parts of service and utilities systems)
- Inspection and repair of roof drains and downspouts, roof, metal flashing and edge of roof, etc. Ensure that all roofing systems are properly secured and not leaking. Check up rust and/or damage and conduct necessary maintenance work
- Cleaning of manholes using pressure pump if necessary, downspouts, rainwater drainages and rooftop rainwater drainages. Take out debris and clean manholes, connection pipes and water drainages to clear all blockages
- Installation and repair of flush, shower and kitchen fixtures and repair of leakages and declogging of pipelines and surface drains, etc
- Cleaning of water tanks and cistern tanks
- Perform carpentry/ steel fabrication such as repair, painting and fabrication of wooden office furniture, door sets, sealing doors, tiling work, concrete work and cement plaster
- Painting and restoration of DBM facilities (gate, doors, perimeter fence, etc.)
- Repair, replacement of parts and maintenance of all DBM air con units
- Check and clean terminal of all the contractors of motors, controls, etc. Tighten electrical connection if necessary
- Check and add refrigerant if necessary on split type ACUs
- Conduct Preventive Maintenance of split/window type ACUs
- Perform Minor Corrective Maintenance found from Inspection & Condition Monitoring and Predictive Maintenance test results
- Perform lubrication maintenance activities all utility machines and equipment per schedule. Ensure to implement the work according to the standard procedure
- Undertake planned routine maintenance under the close supervision of Administrative Service (AS) General Services Division (GSD)
- Inform the AS Director any and all known threats to the facilities
- Perform other tasks considered minor and urgent/ emergency per assessment by GSD
- Undertake similar tasks that may be assigned by the AS Director related to building maintenance, AS-GSD projects, repair and improvement, etc.

#### C. AUDIO-VISUAL REQUIREMENTS

- Provide assistance to meetings, events (DBM Anniversary, yearend gathering, etc.) such as, but not limited to, audio-visual (AV) operation and auxiliary services

#### D. FACILITIES COVERED

DBM Facilities	Area
Building I (two storey)	2,500 sqm.
Building II (four storey with roof deck)	13,464 sqm.
Building III two storey	2,692 sqm.

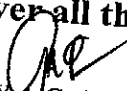
	Multi-Purpose Building with Gym	960 sqm.
	Arcache Building	4,000 sqm.
	Procurement Service (DBM Storage facilities)	1,000 sqm.
2.	<b>LIMITATIONS OF RESPONSIBILITY</b>	
	<p>•The contactor will not cover maintenance of the following facilities:</p> <ul style="list-style-type: none"> <li>i. Fire Detection and Alarm System (FDAS)</li> <li>ii. Sprinkler system</li> <li>iii. Elevator</li> <li>iv. Closed Circuit Television (CCTV)</li> <li>v. Pest and Termite Control</li> <li>vi. Motor vehicles</li> <li>vii. Photocopying machines and scanners</li> <li>viii. Water dispenser</li> <li>ix. Under warranty equipment/ facilities</li> <li>x. Data center and Network operating server/equipment</li> <li>xi. Precision Air Conditioning Unit (PACU)</li> </ul>	
3.	<b>SERVICE LEVEL AGREEMENT</b>	
	<p><b>A. GENERAL CONDITIONS</b></p> <ul style="list-style-type: none"> <li>i. The contractor agrees that the DBM CO, through the AS, reserves the right to screen and deny or accept the deployment of any personnel recommended by the contractor</li> <li>ii. The contractor must submit Curriculum Vitae (CV) of all deployed staff during contract implementation. It must also include necessary documents to verify items under the Schedule of Requirements</li> <li>iii. The deployed personnel shall work eight (8) hours a day (8:00 a.m.-5:00 p.m.), six (6) days a week from Monday to Saturday. However, the personnel may be requested to assist outside the regular working hours or during weekends or holidays</li> <li>iv. The DBM has the option to effect changes in the deployment of individual personnel anytime during the contract period through a written notice to the contractor. Likewise, the DBM may increase or decrease the number or personnel depending upon the exigency of the service</li> <li>v. The contractor shall always provide relievers and/or replacements to ensure continuous and uninterrupted services</li> <li>vi. The contractor shall pay its personnel not less than the minimum wage and other benefits mandated by the law. The contractor shall provide monthly payslip to its personnel containing necessary information in it. The contractor shall comply with the laws governing employees compensation (Philhealth, SSS, Labor Standards and other pertinent laws)</li> </ul>	

	<ul style="list-style-type: none"> <li>vii. The contractor shall submit, along with the monthly billing statement, a certified true copy of duly accomplished payroll sheet, receipts and prescribed reports stamped received by SSS, Philhealth or PAGIBIG, as proof of remittances for premiums of the personnel assigned to DBM only</li> <li>viii. In performance of its services, the contractor shall secure and maintain (on its own expense) all registration, licenses and/or permits required by the law and shall comply with all pertinent rules and regulations. The contractor's personnel shall always take all necessary precautions in performing service to ensure safety of people and properties. The contractor must always comply with all the standard and established safety rules, regulations and practices to avoid any untoward incident</li> <li>ix. The contractor shall provide appropriate uniform with Identification Card (I.D.) to its personnel. The personnel must always wear their IDs for proper identification and security purposes. The personnel must observe proper hygiene and appear neat and clean at all times</li> <li>x. The contractor must always ensure to have a safe and healthy working environment to avoid workplace injury and illness. The contractor shall provide protective gears (hard hats, safety goggles, gloves, etc.) to its personnel, if deemed necessary in the nature of their service</li> <li>xi. The contractor will be held liable for any work related accident or illness occurred during the activity</li> <li>xii. The contractor shall provide all tools and equipment necessary for Building Facilities Maintenance as presented Item B under Schedule of Requirements. However, materials, parts and consumables will be provided by the DBM</li> <li>xiii. All tools and equipment such as audio-visual equipment, which will be accounted to the contractor upon commencement of the contract, shall be properly and completely turned over to the DBM AS Property Custodian at the end of the contract. The contractor shall be held liable for any damages of DBM property due to personnel's negligence and recklessness. The contractor shall immediately replace or restore the damaged item to avoid disruption of work process</li> <li>xiv. In case of emergency, such as water interruptions, power failures, etc., the contractor shall monitor the incident and immediately report the situation to the DBM AS Director</li> <li>xv. The contractor, through its Facilities Maintenance Engineer shall submit standard checklist form approved by the DBM AS Director, monitoring documents of all maintenance works done on a monthly basis</li> <li>xvi. The contractor maintains a complete list of reports and checklist to document the history of each maintenance work</li> <li>xvii. The contractor must submit a definite work schedule for the duration of the contract in the prescribed format of the AS-GSD</li> <li>xviii. Resume/Bio-data of the multi-skilled workers to be deployed shall be submitted during the implementation of the contract. It must also include the necessary documents to verify the required minimum qualifications.</li> </ul>
4.	<b>SERVICE STANDARDS</b>
	<p>Deployed maintenance personnel shall observe the following:</p> <ul style="list-style-type: none"> <li>1) Be professional, courteous, and sensitive to the DBM personnel's needs.</li> <li>2) Liaise with the administrative officers concerned, where practicable,</li> </ul>

	<p>before starting work, and avoid undertaking non-emergency tasks that will disrupt office work.</p> <p>3) Cooperate with the DBM AS-GSD and the Security Office to maintain security of premises and property while undertaking maintenance.</p> <p>4) Comply with the Building Contractor's/Manufacturer's warranties and maintenance recommendations.</p> <p>5) Participate in the facility safety program, and assist in the development and improvement of safety practices.</p> <p>6) Maintain good housekeeping at all times. Personnel must keep the machines, tools and workplace clean and orderly.</p>
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**I hereby certify to comply and deliver all the above requirements.**

**DBP SERVICE CORPORATION**  
Name of Company/Bidder

  
**GERRY A.C. ARELLANO**  
Signature over Printed Name of Representative

**10/29/2018**  
Date

**Annex A**

List of DBM facilities, office equipment, and machine for preventive and corrective maintenance service:

Facilities	Bldg. I	Bldg. II	Bldg. III	Multipurpose Bldg.
Electrical Room	2	8	2	1
Common Rest Room	5	20	7	2
Private Rest Room	5	37	7	
Common Conference Room		4	1	
Bureau Conference Room	6	21	5	
Pantry	5	20	5	
DBM Library	1			

A

## ***Section IV. General Conditions of Contract***

## TABLE OF CONTENTS

1. DEFINITIONS .....	47
2. CORRUPT, FRAUDULENT, COLLUSIVE, AND COERCIVE PRACTICES .....	48
3. INSPECTION AND AUDIT BY THE FUNDING SOURCE .....	49
4. GOVERNING LAW AND LANGUAGE .....	49
5. NOTICES .....	49
6. SCOPE OF CONTRACT .....	50
7. SUBCONTRACTING .....	50
8. PROCURING ENTITY'S RESPONSIBILITIES .....	50
9. PRICES .....	50
10. PAYMENT .....	51
11. ADVANCE PAYMENT AND TERMS OF PAYMENT .....	51
12. TAXES AND DUTIES .....	52
13. PERFORMANCE SECURITY .....	52
14. USE OF CONTRACT DOCUMENTS AND INFORMATION .....	53
15. STANDARDS .....	53
16. INSPECTION AND TESTS .....	53
17. WARRANTY .....	54
18. DELAYS IN THE SUPPLIER'S PERFORMANCE .....	55
19. LIQUIDATED DAMAGES .....	55
20. SETTLEMENT OF DISPUTES .....	55
21. LIABILITY OF THE SUPPLIER .....	56
22. FORCE MAJEURE .....	56
23. TERMINATION FOR DEFAULT .....	57
24. TERMINATION FOR INSOLVENCY .....	57
25. TERMINATION FOR CONVENIENCE .....	57
26. TERMINATION FOR UNLAWFUL ACTS .....	58
27. PROCEDURES FOR TERMINATION OF CONTRACTS .....	58
28. ASSIGNMENT OF RIGHTS .....	60

29. CONTRACT AMENDMENT .....	60
30. APPLICATION .....	60



**f. Definitions**

1.1. In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Procuring Entity and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) "The Goods" means all of the supplies, equipment, machinery, spare parts, other materials and/or general support services which the Supplier is required to provide to the Procuring Entity under the Contract.
- (d) "The Services" means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) "GCC" means the General Conditions of Contract contained in this Section.
- (f) "SCC" means the Special Conditions of Contract.
- (g) "The Procuring Entity" means the organization purchasing the Goods, as named in the SCC.
- (h) "The Procuring Entity's country" is the Philippines.
- (i) "The Supplier" means the individual contractor, manufacturer distributor, or firm supplying/manufacturing the Goods and Services under this Contract and named in the SCC.
- (j) The "Funding Source" means the organization named in the SCC.
- (k) "The Project Site," where applicable, means the place or places named in the SCC.
- (l) "Day" means calendar day.
- (m) The "Effective Date" of the contract will be the date of signing the contract, however the Supplier shall commence performance of its obligations only upon receipt of the Notice to Proceed and copy of the approved contract.

- (n) "Verified Report" refers to the report submitted by the Implementing Unit to the HoPE setting forth its findings as to the existence of grounds or causes for termination and explicitly stating its recommendation for the issuance of a Notice to Terminate.

## **2. Corrupt, Fraudulent, Collusive, and Coercive Practices**

2.1. Unless otherwise provided in the SCC, the Procuring Entity as well as the bidders, contractors, or suppliers shall observe the highest standard of ethics during the procurement and execution of this Contract. In pursuance of this policy, the Procuring Entity:

- (a) defines, for the 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 it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in 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.
  - (iv) "coercive practices" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
  - (v) "obstructive practice" is
    - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to an administrative proceedings or investigation or making false statements to investigators in order to materially impede an

administrative proceedings or investigation of the Procuring Entity or any foreign government/foreign or international financing institution into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the administrative proceedings or investigation or from pursuing such proceedings or investigation; or

- (bb) acts intended to materially impede the exercise of the inspection and audit rights of the Procuring Entity or any foreign government/foreign or international financing institution herein.

- (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in any of the practices mentioned in this Clause for purposes of competing for the contract.

2.2. Further the Funding Source, Borrower or 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 any of the practices mentioned in GCC Clause 2.1(a).

### **3. Inspection and Audit by the Funding Source**

The Supplier shall permit the Funding Source to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Funding Source, if so required by the Funding Source.

### **4. Governing Law and Language**

4.1. This Contract shall be interpreted in accordance with the laws of the Republic of the Philippines.

4.2. 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 exchanged by the parties shall be written in English.

### **5. Notices**

5.1. Any notice, request, or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request, or consent shall be deemed to have been given or made when received by the concerned party, either in person or through an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram, or facsimile to such Party at the address specified in the SCC, which shall be effective when delivered and duly received or on the notice's effective date, whichever is later.

- 5.2. A Party may change its address for notice hereunder by giving the other Party notice of such change pursuant to the provisions listed in the SCC for GCC Clause 5.1.

## **6. Scope of Contract**

- 6.1. The Goods and Related Services to be provided shall be as specified in Section VI. Schedule of Requirements.
- 6.2. This Contract shall include all such items, although not specifically mentioned, that can be reasonably inferred as being required for its completion as if such items were expressly mentioned herein. Any additional requirements for the completion of this Contract shall be provided in the SCC.

## **7. Subcontracting**

- 7.1. Subcontracting of any portion of the Goods, if allowed in the BDS, does not relieve the Supplier of any liability or obligation under this Contract. The Supplier will be responsible for the acts, defaults, and negligence of any subcontractor, its agents, servants or workmen as fully as if these were the Supplier's own acts, defaults, or negligence, or those of its agents, servants or workmen.
- 7.2. If subcontracting is allowed, the Supplier may identify its subcontractor during contract implementation. Subcontractors disclosed and identified during the bidding may be changed during the implementation of this Contract. In either case, 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 Goods shall be disallowed.

## **8. Procuring Entity's Responsibilities**

- 8.1. Whenever the performance of the obligations in this Contract requires that the Supplier obtain permits, approvals, import, and other licenses from local public authorities, the Procuring Entity shall, if so needed by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.
- 8.2. The Procuring Entity shall pay all costs involved in the performance of its responsibilities in accordance with GCC Clause 6.

## **9. Prices**

- 9.1. For the given scope of work in this Contract as awarded, all bid prices are considered fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances and upon prior approval of the GPPB in accordance with Section 61 of R.A. 9184 and its IRR or except as provided in this Clause.

- 9.2. Prices charged by the Supplier for Goods delivered and/or services performed under this Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any change in price resulting from a Change Order issued in accordance with GCC Clause 29.

## **10. Payment**

- 10.1. Payments shall be made only upon a certification by the HoPE to the effect that the Goods have been rendered or delivered in accordance with the terms of this Contract and have been duly inspected and accepted. Except with the prior approval of the President no payment shall be made for services not yet rendered or for supplies and materials not yet delivered under this Contract. Ten percent (10%) of the amount of each payment shall be retained by the Procuring Entity to cover the Supplier's warranty obligations under this Contract as described in GCC Clause 17.
- 10.2. The Supplier's request(s) for payment shall be made to the Procuring Entity in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and/or Services performed, and by documents submitted pursuant to the SCC provision for GCC Clause 6.2, and upon fulfillment of other obligations stipulated in this Contract.
- 10.3. Pursuant to GCC Clause 10.2, payments shall be made promptly by the Procuring Entity, but in no case later than sixty (60) days after submission of an invoice or claim by the Supplier. Payments shall be in accordance with the schedule stated in the SCC.
- 10.4. Unless otherwise provided in the SCC, the currency in which payment is made to the Supplier under this Contract shall be in Philippine Pesos.
- 10.5. Unless otherwise provided in the SCC, payments using Letter of Credit (LC), in accordance with the Guidelines issued by the GPPB, is allowed. For this purpose, the amount of provisional sum is indicated in the SCC. All charges for the opening of the LC and/or incidental expenses thereto shall be for the account of the Supplier.

## **11. Advance Payment and Terms of Payment**

- 11.1. Advance payment shall be made only after prior approval of the President, and shall not exceed fifteen percent (15%) of the Contract amount, unless otherwise directed by the President or in cases allowed under Annex "D" of RA 9184.
- 11.2. All progress payments shall first be charged against the advance payment until the latter has been fully exhausted.
- 11.3. For Goods supplied from abroad, unless otherwise indicated in the SCC, the terms of payment shall be as follows:
- (a) On Contract Signature: Fifteen Percent (15%) of the Contract Price shall be paid within sixty (60) days from signing of the Contract and upon submission of a claim and a bank guarantee for the equivalent

amount valid until the Goods are delivered and in the form provided in Section VIII, Bidding Forms.

- (b) On Delivery: Sixty-five percent (65%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of receipt of the Goods and upon submission of the documents (i) through (vi) specified in the SCC provision on Delivery and Documents.
- (c) On Acceptance: The remaining twenty percent (20%) of the Contract Price shall be paid to the Supplier within sixty (60) days after the date of submission of the acceptance and inspection certificate for the respective delivery issued by the Procuring Entity's authorized representative. In the event that no inspection or acceptance certificate is issued by the Procuring Entity's authorized representative within forty five (45) days of the date shown on the delivery receipt, the Supplier shall have the right to claim payment of the remaining twenty percent (20%) subject to the Procuring Entity's own verification of the reason(s) for the failure to issue documents (vii) and (viii) as described in the SCC provision on Delivery and Documents.

## **12. Taxes and Duties**

The Supplier, whether local or foreign, shall be entirely responsible for all the necessary taxes, stamp duties, license fees, and other such levies imposed for the completion of this Contract.

## **13. Performance Security**

- 13.1. Within ten (10) calendar days from receipt of the Notice of Award from the Procuring Entity but in no case later than the signing of the contract by both parties, the successful Bidder shall furnish the performance security in any the forms prescribed in the ITB Clause 33.2.
- 13.2. The performance security posted in favor of the Procuring Entity shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract.
- 13.3. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.
- 13.4. The performance security may be released by the Procuring Entity and returned to the Supplier after the issuance of the Certificate of Final Acceptance subject to the following conditions:
  - (a) There are no pending claims against the Supplier or the surety company filed by the Procuring Entity;
  - (b) The Supplier has no pending claims for labor and materials filed against it; and
  - (c) Other terms specified in the SCC.

- 13.5. In case of a reduction of the contract value, 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.

#### **14. Use of Contract Documents and Information**

- 14.1. The Supplier shall not, except for purposes of performing the obligations in this Contract, without the Procuring Entity's prior written consent, disclose this Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring Entity. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 14.2. Any document, other than this Contract itself, enumerated in GCC Clause 14.1 shall remain the property of the Procuring Entity and shall be returned (all copies) to the Procuring Entity on completion of the Supplier's performance under this Contract if so required by the Procuring Entity.

#### **15. Standards**

The Goods provided under this Contract shall conform to the standards mentioned in Section VII. Technical Specifications; and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the institution concerned.

#### **16. Inspection and Tests**

- 16.1. The Procuring Entity or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Procuring Entity. The SCC Section VII. Technical Specifications shall specify what inspections and/or tests the Procuring Entity requires and where they are to be conducted. The Procuring Entity shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 16.2. If applicable, the inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring Entity. The Supplier shall provide the Procuring Entity with results of such inspections and tests.
- 16.3. The Procuring Entity or its designated representative shall be entitled to attend the tests and/or inspections referred to in this Clause provided that the Procuring Entity shall bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.

- 16.4. The Procuring Entity may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Procuring Entity, and shall repeat the test and/or inspection, at no cost to the Procuring Entity, upon giving a notice pursuant to GCC Clause 5.
- 16.5. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Procuring Entity or its representative, shall release the Supplier from any warranties or other obligations under this Contract.

## **17. Warranty**

- 17.1. The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials, except when the technical specifications required by the Procuring Entity provides otherwise.
- 17.2. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in the country of final destination.
- 17.3. In order to assure that manufacturing defects shall be corrected by the Supplier, a warranty shall be required from the Supplier for a minimum period specified in the SCC. The obligation for the warranty shall be covered by, at the Supplier's option, either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the total Contract Price or other such amount if so specified in the SCC. The said amounts shall only be released after the lapse of the warranty period specified in the SCC; provided, however, that the Supplies delivered are free from patent and latent defects and all the conditions imposed under this Contract have been fully met.
- 17.4. The Procuring Entity shall promptly notify the Supplier in writing of any claims arising under this warranty. Upon receipt of such notice, the Supplier shall, within the period specified in the SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the Procuring Entity.
- 17.5. If the Supplier, having been notified, fails to remedy the defect(s) within the period specified in GCC Clause 17.4, the Procuring Entity may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Procuring Entity may have against the Supplier under the Contract and under the applicable law.



## **18. Delays in the Supplier's Performance**

- 18.1. Delivery of the Goods and/or performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Procuring Entity in Section VI. Schedule of Requirements.
- 18.2. If at any time during the performance of this Contract, the Supplier or its Subcontractor(s) should encounter conditions impeding timely delivery of the Goods and/or performance of Services, the Supplier shall promptly notify the Procuring Entity in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, and upon causes provided for under GCC Clause 22, the Procuring Entity shall evaluate the situation and may extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 18.3. Except as provided under GCC Clause 22, a delay by the Supplier in the performance of its obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 19, unless an extension of time is agreed upon pursuant to GCC Clause 29 without the application of liquidated damages.

## **19. Liquidated Damages**

Subject to GCC Clauses 18 and 22, if the Supplier fails to satisfactorily deliver any or all of the Goods and/or to perform the Services within the period(s) specified in this Contract inclusive of duly granted time extensions if any, the Procuring Entity shall, without prejudice to its other remedies under this Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, the applicable rate of one tenth (1/10) of one (1) percent of the cost of the unperformed portion for every day of delay until actual delivery or performance. The maximum deduction shall be ten percent (10%) of the amount of contract. Once the maximum is reached, the Procuring Entity may rescind or terminate the Contract pursuant to GCC Clause 23, without prejudice to other courses of action and remedies open to it.

## **20. Settlement of Disputes**

- 20.1. If any dispute or difference of any kind whatsoever shall arise between the Procuring Entity and the Supplier in connection with or arising out of this Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 20.2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Procuring Entity or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 20.3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be

settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under this Contract.

- 20.4. In the case of a dispute between the Procuring Entity and the Supplier, the dispute shall be resolved in accordance with Republic Act 9285 ("R.A. 9285"), otherwise known as the "Alternative Dispute Resolution Act of 2004."
- 20.5. Notwithstanding any reference to arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and the Procuring Entity shall pay the Supplier any monies due the Supplier.

## **21. Liability of the Supplier**

- 21.1. The Supplier's liability under this Contract shall be as provided by the laws of the Republic of the Philippines, subject to additional provisions, if any, set forth in the SCC.
- 21.2. Except in cases of criminal negligence or willful misconduct, and in the case of infringement of patent rights, if applicable, the aggregate liability of the Supplier to the Procuring Entity shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **22. Force Majeure**

- 22.1. The Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that the Supplier's delay in performance or other failure to perform its obligations under the Contract is the result of a *force majeure*.
- 22.2. 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 Supplier 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 Supplier. Such events may include, but not limited to, acts of the Procuring Entity in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 22.3. If a *force majeure* situation arises, the Supplier shall promptly notify the Procuring Entity in writing of such condition and the cause thereof. Unless otherwise directed by the Procuring Entity in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the *force majeure*.

## **23. Termination for Default**

- 23.1. The Procuring Entity shall terminate this Contract for default when any of the following conditions attends its implementation:
- (a) Outside of *force majeure*, the Supplier fails to deliver or perform any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Procuring Entity pursuant to a request made by the Supplier prior to the delay, and such failure amounts to at least ten percent (10%) of the contract price;
  - (b) As a result of *force majeure*, the Supplier is unable to deliver or perform any or all of the Goods, amounting to at least ten percent (10%) of the contract price, for a period of not less than sixty (60) calendar days after receipt of the notice from the Procuring Entity stating that the circumstance of force majeure is deemed to have ceased; or
  - (c) The Supplier fails to perform any other obligation under the Contract.
- 23.2. In the event the Procuring Entity terminates this Contract in whole or in part, for any of the reasons provided under GCC Clauses 23 to 26, the Procuring Entity may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Procuring Entity for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of this Contract to the extent not terminated.
- 23.3. In case the delay in the delivery of the Goods and/or performance of the Services exceeds a time duration equivalent to ten percent (10%) of the specified contract time plus any time extension duly granted to the Supplier, the Procuring Entity may terminate this Contract, forfeit the Supplier's performance security and award the same to a qualified Supplier.

## **24. Termination for Insolvency**

The Procuring Entity shall terminate this Contract if the Supplier 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 Supplier, 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 Supplier.

## **25. Termination for Convenience**

- 25.1. The Procuring Entity may terminate this Contract, in whole or in part, at any time for its convenience. The HoPE may terminate a contract for the convenience of the Government 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.

- 25.2. The Goods that have been delivered and/or performed or are ready for delivery or performance within thirty (30) calendar days after the Supplier's receipt of Notice to Terminate shall be accepted by the Procuring Entity at the contract terms and prices. For Goods not yet performed and/or ready for delivery, the Procuring Entity may elect:
- (a) to have any portion delivered and/or performed and paid at the contract terms and prices; and/or
  - (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed and/or performed goods and for materials and parts previously procured by the Supplier.
- 25.3. If the Supplier suffers loss in its initial performance of the terminated contract, such as purchase of raw materials for goods specially manufactured for the Procuring Entity which cannot be sold in open market, it shall be allowed to recover partially from this Contract, on a *quantum meruit* basis. Before recovery may be made, the fact of loss must be established under oath by the Supplier to the satisfaction of the Procuring Entity before recovery may be made.

## **26. Termination for Unlawful Acts**

- 26.1. The Procuring Entity may terminate this Contract in case it is determined *prima facie* that the Supplier has engaged, before or during the implementation of this Contract, in unlawful deeds and behaviors relative to contract acquisition and implementation. Unlawful acts include, but are not limited to, the following:
- (a) Corrupt, fraudulent, and coercive practices as defined in ITB Clause 3.1(a);
  - (b) Drawing up or using forged documents;
  - (c) Using adulterated materials, means or methods, or engaging in production contrary to rules of science or the trade; and
  - (d) Any other act analogous to the foregoing.

## **27. Procedures for Termination of Contracts**

- 27.1. The following provisions shall govern the procedures for 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 HoPE shall terminate this Contract only by a written notice to the Supplier conveying the termination of this Contract. The notice shall state:
  - (i) that this Contract is being terminated for any of the ground(s) afore-mentioned, and a statement of the acts that constitute the ground(s) constituting the same;
  - (ii) the extent of termination, whether in whole or in part;
  - (iii) an instruction to the Supplier to show cause as to why this Contract should not be terminated; and
  - (iv) special instructions of the Procuring Entity, if any.
- (c) The Notice to Terminate shall be accompanied by a copy of the Verified Report;
- (d) Within a period of seven (7) calendar days from receipt of the Notice of Termination, the Supplier shall submit to the HoPE a verified position paper stating why this Contract should not be terminated. If the Supplier fails to show cause after the lapse of the seven (7) day period, either by inaction or by default, the HoPE shall issue an order terminating this Contract;
- (e) The Procuring Entity may, at any time before receipt of the Supplier's verified position paper described in item (d) above withdraw the Notice to Terminate if it is determined that certain items or works subject of the notice had been completed, delivered, or performed before the Supplier's receipt of the notice;
- (f) Within a non-extendible period of ten (10) calendar days from receipt of the verified position paper, the HoPE shall decide whether or not to terminate this Contract. It shall serve a written notice to the Supplier of its decision and, unless otherwise provided, this Contract is deemed terminated from receipt of the Supplier of the notice of decision. The termination shall only be based on the ground(s) stated in the Notice to Terminate;
- (g) The HoPE 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 HoPE; and
- (h) The Supplier must serve a written notice to the Procuring Entity of its intention to terminate the contract at least thirty (30) calendar days before its intended termination. The Contract is deemed terminated if it is not resumed in thirty (30) calendar days after the receipt of such notice by the Procuring Entity.

**28. Assignment of Rights**

The Supplier shall not assign his rights or obligations under this Contract, in whole or in part, except with the Procuring Entity's prior written consent.

**29. Contract Amendment**

Subject to applicable laws, no variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

**30. Application**

These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of this Contract.

## ***Section V. Special Conditions of Contract***

## Special Conditions of Contract

GCC Clause	
1.1(g)	The Procuring Entity is the Department of Budget and Management (DBM).
1.1(i)	The Supplier is
1.1(j)	<p>The Funding Source is:</p> <p>The Government of the Philippines (GOP) through the authorized appropriations under the FY 2019 National Expenditure Program in the amount of <b>Five Million Three Hundred Seventy-Six Thousand Two Hundred Fifty Pesos (P5,376,250.00).</b></p>
1.1(k)	<p>The Project Site is:</p> <p>Department of Budget and Management General Solano St. San Miguel, Manila.</p>
2.1	No further instructions.
5.1	<p>The Procuring Entity's address for Notices is:</p> <p style="padding-left: 40px;">Department of Budget and Management Ground Floor, DBM Building III, General Solano St. San Miguel, Manila Tel No. (02)657-3300 loc. 3117</p> <p style="padding-left: 40px;">Contact Person: Thea Marie Corinne Palarca OIC - Director Administrative Service (AS)</p> <p>The Supplier's address for Notices is:</p>
6.2	<p>The DBM has the right to effect changes in the assignment/ deployment of the multi-skilled workers at any time during the contract period through a written notice to the Contractor.</p> <p>Likewise, the DBM may increase or decrease the number of multi-skilled workers as may be necessary, and reserves the right to increase, reduce, or limit the scope of services of the Contractor. In such event, any corresponding adjustment in the cost shall not exceed the contract price.</p> <p>The Contractor shall strictly comply with Section VII. Technical Specifications, as well as other DBM rules and regulations.</p>
9	All bid prices are considered fixed prices, and are not subject to price escalation during the whole contract period, except for the following:



	<p>(i) increase in the minimum daily wage pursuant to a law or wage order issued after bid opening; and</p> <p>(ii) increase in taxes, if any.</p>
10.3	<p>Payments shall be made within ten (10) working days upon complete submission by the Contractor of the following documents:</p> <ol style="list-style-type: none"> <li>1. Daily Time Records of the multi-skilled workers, signed by the AS Director or his/her duly authorized representative;</li> <li>2. Proof of previous months' remittances to SSS, PhilHealth and Pag-IBIG, together with the transmittal sheet stamped received by the agencies concerned and other documents as may be required; and</li> <li>3. Invoice of Billing or Statement of Account for the period covered.</li> </ol> <p>Thereafter, payments shall be made upon certification by the AS Director that the services were rendered by the Contractor in accordance with the terms and conditions of the Contract.</p>
10.4	Not applicable.
10.5	Payment using LC is not allowed.
11.3	Maintain the GCC Clause.
13.4(c)	No further instructions.
15	<p>The Contractor shall maintain a satisfactory level of performance throughout the Contract period based on the following set of performance criteria:</p> <ol style="list-style-type: none"> <li>(a) quality of work delivered;</li> <li>(b) time management;</li> <li>(c) management and suitability of personnel;</li> <li>(d) contract administration and management;</li> <li>(e) provision of regular progress report;</li> <li>(f) attentiveness to details; and</li> <li>(g) compliance with DBM instructions and policies.</li> </ol> <p>The AS shall conduct a quarterly review using the above-cited criteria to ensure compliance with the technical specifications, as well as with the other terms and conditions imposed by the DBM during the Contract period.</p> <p>Based on its assessment, the DBM-AS may pre-terminate the contract for failure of the service provider/contractor to perform its obligations</p>

	thereon following the procedures prescribed under the Guidelines on Termination of Contracts issued by the Government Procurement Policy Board under Resolution No. 018-2004 dated December 22, 2004.
16.1	No further instructions.
17.3	Not applicable.
17.4	No further instructions.
21.1	If applicable, all partners to the joint venture shall be jointly and severally liable to the Procuring Entity.



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**BIDS AND AWARDS COMMITTEE**

**NOTICE OF AWARD**

November 6, 2018

**MR. GERRY A.C. ARELLANO**

*Vice President*

DBP Service Corporation

2F Executive Bldg. Center

Sen. Gil Puyat corner Makati Avenue

Makati City

Dear **Mr. Arellano:**

We are pleased to inform you that the contract for the Project, "Outsourcing of Multi-Skilled Workers," is hereby awarded to DBP Service Corporation in the amount of P5,322,780.65.

In this regard, you are hereby required to post a performance security in the amount and form stated in Section 39 of the 2016 Revised Implementing Rules and Regulations of Republic Act No. 9184 prior to the signing of the contract.

Very truly yours,

**BENJAMIN E. DIOKNO**

*Secretary*



*[Handwritten signature]*  
01/20/18  
L. 30




REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO ST., SAN MIGUEL, MANILA

Date February 8, 2019

To Whom It May Concern:

This is to acknowledge receipt of bid security for DBM  
Outsourcing of multi-skilled workers  
details as follows:

Payor	<u>DBP Service Corporation</u>
Check No.	<u>BDO Check # 0030998</u>
Amount	<u>₱ 266,139.03</u>
Date	<u>Feb. 8, 2019</u>
Form	<u>Check</u>
Bank/Branch	<u>BDO - Bel-Air - SM Cyberzone 2</u>

  
LOURDES T. SIA  
Chief AO, AS-CASH



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO ST., SAN MIGUEL, MANILA

**BIDS AND AWARDS COMMITTEE**

**NOTICE TO PROCEED**

**MR. GERRY A.C. ARELLANO**

*Vice President*

DBP Service Corporation

2F, Executive Bldg. Center

Gil Puyat Avenue corner Makati Avenue

Makati City

Dear **Mr. Arellano:**

This is to inform your company that performance of the obligations specified in the attached Contract for the Project, "Outsourcing of Multi-skilled Workers," shall commence upon receipt of this Notice to Proceed.

Very truly yours,

  
**BENJAMIN E. DIOKNO**

*Secretary*



I acknowledge receipt and acceptance of this Notice on: 2/28/2019

Name of Consultant and/or Representative: Renado A. Santos

Authorized Signature: 