

PURCHASE ORDER

Supplier:	CIELITO P. ESTABLECIDA	P.O. No.	19-077		
Address:	124 Malakas St. Central, Quezon City	Date:	August 30, 2019		
TIN:	125-481-229-000	Mode of Procurement:	Negotiated Procurement - Highly Technical Consultant		
Phone No.:	922-1321			Fax No.:	n/a
E-mail:	ltoestablecida@yahoo.com				

Gentlemen:

Please furnish this Office the following goods/services subject to the terms and conditions contained herein. This Purchase Order (P.O.) will also serve as your Notice of Award and Notice to Proceed, upon acceptance/receipt and signing of this P.O.

Place of Delivery:	MWSS Regulatory Office Katipunan Road, Balara, Q.C.	Delivery Term:	Submission of Deliverables as per Terms of Reference		
Date of Delivery:		Payment:	<u>Term</u> Check	<u>Mode</u> Check	
Stock No.	Unit	Description/s	Qty.	Unit Cost	Amount
	lot	Consultancy Services for the Proposed AMA/East Bay Water Supply Project (Terms of Reference is an Integral part of this document)	1	1,000,000.00	1,000,000.00

Total Amount in words:	One Million pesos	TOTAL	Php 1,000,000.00
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In case of failure to make delivery within time specified above, a penalty of one-tenth (1/10) of one percent for everyday of delay shall be imposed.

<p>CONFORME:</p> <p style="text-align: center;"><i>[Signature]</i> CIELITO P. ESTABLECIDA Signature Over Printed Name of Supplier Date: 9-5-2019</p>	<p>APPROVED:</p> <p style="text-align: center;"><i>[Signature]</i> PATRICK LESTER N. TY Chief Regulator</p>
<p>FUNDS AVAILABLE:</p> <p style="text-align: center;"><i>[Signature]</i> JORIEL M. DAGSA Chief Corporate Accountant</p>	<p>Amount of ABC:</p> <p style="text-align: right;">1,000,000.00</p>

RECEIVED
SEP 02 2019
9:45 AM

TERMS AND CONDITIONS:

1. ALL PRICES QUOTED HEREIN ARE VALID, BINDING AND EFFECTIVE AT LEAST WITHIN THIRTY (30) CALENDAR DAYS FROM DATE OF QUOTATION.

2. AWARDEE shall be responsible for the source(s) of his supplies/materials/equipment shall make deliveries in accordance with schedule, quality and specifications of the award and purchase order. Failure by the AWARDEE to comply with the same shall be ground for cancellation of the award and purchase order issued to that AWARDEE and for re-awarding the item(s) to the ALTERNATE AWARDEE.

3. AWARDEE shall pick up purchase order(s) issued in his favor within three (3) days after receipt of notice to that effect. A telephone call or fax transmission shall constitute an official notice to the AWARDEE. Thereafter, if the purchase order(s) remain unclaimed, the said purchase order(s) shall be sent by messengerial service to the AWARDEE at the latter's expense. To avoid delay in the delivery of the requesting agency's requirement, all DEFAULTING AWARDEES shall be precluded from proposing or submitting a substitute sample.

4. Subject to the provisions of the preceding paragraph, where AWARDEE has accepted a purchase order but fails to deliver the required product(s) within the time called for in the same order, he shall be extended a minimum fifteen (15) calendar days under liquidated damages to make good his delivery. Thereafter if AWARDEE has not completed delivery within the extended period, the subject purchase order shall be cancelled and the award for the undelivered balance withdrawn from that AWARDEE. The procurement service shall then purchase the required item(s) from such other source(s) as it may determine, with the difference in price to be charged against the DEFAULTING AWARDEE. Refusal by the DEFAULTING AWARDEE to shoulder the price difference shall be ground for his disqualification from future bids of the same or all items, without prejudice to the imposition of other sanctions as prescribed under RA-9184 and its IRR-A.

5. All deliveries by suppliers shall be subject to inspection and acceptance by the MWSS Regulatory Office. All necessary laboratory tests undertaken by the MWSS Regulatory Office on the item(s) shall be for the account of the supplier.

6. Rejected deliveries shall be construed as non-delivery of product(s)/item(s) so ordered and shall be subject to liquidated damages, subject to the terms and conditions prescribed under paragraph 4 hereof.

7. Supplier shall guarantee his deliveries to be free from defects. Any defective item(s) / product(s), therefore that may be discovered by the MWSS Regulatory Office within three (3) months after acceptance of the same, shall be replaced by the supplier within seven (7) calendar days upon receipt of a written notice to that effect.

8. A penalty of one-tenth of one percent (0.001) of the total value of the product(s)/good(s) purchased shall be deducted for each day of delay in the delivery of the product(s)/good(s) ordered.

9. All duties, excise and other taxes and revenue charges, if any, shall be for the supplier's account.

10. As a pre-condition to payment, IMPORTATION DOCUMENTS specifically showing the condition and serial numbers of the imported equipment purchased should be submitted by the supplier to the MWSS Regulatory Office.

11. All transactions are subject to withholding of creditable Value Added Tax (VAT) per Revenue Regulation No. 10-93

12. Submission of Mayor's/Business Permit and PHILGEPSRgistration upon submission of Quotation.

TERMS OF REFERENCE
REVIEW AND EVALUATION
OF AMA/EAST BAY WATER SUPPLY PROJECTS

1. INTRODUCTION

The Metropolitan Waterworks and Sewerage System (MWSS) Corporate Office (CO) is continuously searching for viable water sources to supply water for its Concession areas; the Metro Manila, parts of the Province of Rizal and parts of the Province of Cavite.

The water source issue was highlighted during the water shortage experienced by Manila Water Company, Inc. (MWCI) last March 2019. The MWCI water shortage, although it did not affect the entire Service Area, was widespread and significant enough such that media brought it to national attention. Inquiries from the two (2) houses of Congress made manifest the need for additional and/or stand-by sources of raw water.

The severe effect of the prolonged El Niño phenomenon reducing the Angat Dam water level to below critical prompted the National Water Resources Board (NWRB) to reduce MWSS raw water allocation from 46 cms to 36 cms. The reduced raw water allocation subsequently affected Maynilad Water Services, Inc. (MWSI) available water supply prompting MWSI to implement rotational water service interruption in the West concession area. Thus, there is an urgent need to develop new raw water source to avert recurrence of the said issue.

The MWSS CO received an unsolicited proposal from AMA Group Holdings Corporation for a 50mld of partially treated bulk water supply from Laguna Lake by 2021 to be increased to 100mld by 2023. Corollary, MWCI also revived their East Bay Water Supply Project to increase their water supply and to reduce dependency on Angat Dam. The AMA Bulk Water Supply and MWCI's East Bay Water Supply projects were both endorsed to the BOT for consideration and were both approved subject to review by the OGCC and the MWSS RO. Both proposals shall be reviewed independently as stand-alone proposals under one consultancy services contract.

Thus, the MWSS RO intends to seek the expert advice of a consultant on the viability of AMA and East Bay Water Supply projects. An experienced consultant who is already knowledgeable and familiar with the operations of MWSS and its Concessionaires would be an advantage since the learning curve for understanding the latter's operation is short.



2. OBJECTIVE

The Consultant should provide the MWSS RO with technical, financial, and other advice in determining the project's feasibility. This may include alternatives and/or back-up plans after the assessment of its viability.

3. SCOPE OF CONSULTING SERVICES

The Consultant is expected to perform the following:

- a. Develop a set of evaluation parameters to determine the viability and/or feasibility of the new water source/s and alternatives or back-up plans after the assessment of viability.
- b. Propose the implementation schedule of activities of the new water source/s to be achievable.
- c. Prepare cost assumptions of the total expenses including treatment and delivery cost for reasonableness (or efficiency and prudence).
- d. Render an expert's advice on the reasonableness of the water rate or additional tariff that will be proposed.
- e. Render an expert's advice on the reasonableness of the proposed project vis-à-vis the other medium-term options proposed by the Concessionaire, considering the timing of delivery, long-term implementation of the project, CAPEX, OPEX, ownership of the assets upstream of the treatment plant, water rights and permit proprietary claims, among others.
- f. Identify immediate and long-term risks of the new water source project, with recommendations of its management, alternatives, and/or mitigating measures.
- g. Present to RO and/or the MWSS BOT, and if necessary, assist in the presentation to any other government agency and/or instrumentality, his/her findings and recommendations relative to the proposed project.
- h. Prepare a written expert's advisory in answer to queries from the RO and/or the MWSS BOT, from time to time.
- i. Attend meetings, conferences, public consultations and/or render consultation time, as needed, from time to time.
- j. Submit a written report on the overall assessment, findings and recommendations on the proposed project, with a complete set of written advisories as provided for in "h" above annexed as an integral part of the report.

4. EXPERTISE REQUIRED AND QUALIFICATIONS OF INDIVIDUAL CONSULTANT

The Consultant should be familiar with the mandate and operations of MWSS and/or its Concessionaires, licensed to practice in the Philippines a profession that is generally recognized as pertaining or related to the water industry, must

have at least fifteen (15) years of experience in water supply and/or resources technical studies, planning, development, and/or project implementation. The Consultant may engage other experts, as well as support staff, to assist him/her, for his account.

5. DELIVERABLES AND TIMELINES

The Inception Report should set out the Consultant's approach, including the articulation of the overall requirements of the consultancy, the proposed methodology, program of work, timelines, and staffing requirements. The accepted Inception Report, which will be the basis for payment, shall be the result of the successful negotiation of MWSS RO and the Consultant.

The Interim Report shall contain basically the substantial content of the Consultant's Report. It shall be commented on by MWSS RO, generally and specifically. The comments of MWSS RO shall be addressed by the Consultant and changes due thereto shall be reflected in the Draft Consultant's Report. A certificate of acceptance of the Interim Report shall be the basis for payment.

The Draft Consultant's Report shall be the clean accepted copy of the report before the same shall be reproduced and submitted as the Final Consultant's Report in the form and number of copies required. A certificate of acceptance of the Draft Consultant's Report shall be the basis for payment.

The written advisories as provided for in "3.h" above shall be submitted not later than three (3) calendar days upon request.

The Final Consultant's Report shall be the acceptable report in the form and number as required. A certificate of acceptance of the Consultant's Report shall be the basis for payment.

The following is the tentative schedule of submission, subject to the accepted Inception Report:

<u>REPORT</u>	<u>SUBMISSION DATE</u>
(i) Inception Report	Two (2) weeks after the issuance of the Notice to Proceed (NTP)
(ii) Interim Report	Two (2) months after acceptance of the Inception Report
(iii) Draft Consultant's Report	One (1) week after acceptance of the Interim Report
(iv) Final Consultant's Report	One (1) week after acceptance of the Draft Consultant's Report

6. COST OF CONSULTING SERVICE

A lump sum amount of **One Million Pesos (P1,000,000.00)**, Philippine currency, will be the cost of this consulting engagement, inclusive of all applicable taxes.

7. PAYMENT SCHEDULE

<u>SUBMITTED REPORT</u>	<u>PERCENTAGE OF TOTAL</u>
Inception Report	15%
Interim Report	30%
Draft Consultant's Report	45%
Final Consultant's Report	10%

8. REPORTING REQUIREMENT

The Consultant shall be periodically reporting to the Chief Regulator for progress updates on the engagement, direction, coordination and other related matters. If necessary, the Consultant may be required to attend meetings, conferences, public consultations and/or render consultation time from time to time.

The Consultant's Report shall be submitted in digital and printed formats. The printed report shall be hard bound in five (5) copies. The digital format shall be submitted both in editable and non-editable versions.

9. LOGISTICS AND ADMINISTRATIVE SUPPORT FROM MWSS RO

An adequate office space shall be provided by MWSS RO to the Consultant.

A coordinator shall be assigned by MWSS RO to assist the Consultant in communication/coordination matters.

MWSS RO will adhere to a period of one (1) week in reviewing reports submitted by the Consultant.