

NOTICE OF AWARD

23 December 2020

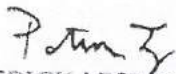
DONAMEL M. SAIYARI
Vice President
Test Consultants, Inc.
3 Julia Vargas Avenue
Pasig City 1605
Philippines

Dear Ms. Saiyari:

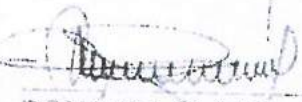
We are pleased to inform you that your Bid dated 1 December 2020 for Procurement of Consultancy Services for the Establishment of Costs Referencing System for the Concessionaires' CAPEX Project (Contract No. RC-C52020-001), for the Contract Price of Eleven Million Four Hundred Forty-Eight Thousand Six Hundred Forty Pesos (Php11,448,640.00), as corrected and modified in accordance with the Instructions to Bidders is hereby accepted.

You are also required to post the performance security in accordance with the Instructions to Bidders within ten calendar days of receipt of this letter.

Very truly yours,


PATRICK LESTER N. TY
Chief Regulator

Conformer:


DONAMEL M. SAIYARI
Test Consultants, Inc.
Date: 12/29/2020

Standard Form Number SF-400-000-00
Revised 10/01/00



Contract No.
RC-C52020-001





BIDS AND AWARDS COMMITTEE

RESOLUTION NO. 2020-15

Series of 2020

**RECOMMENDING THE AWARD FOR THE PROCUREMENT
OF CONSULTANCY SERVICES FOR THE ESTABLISHMENT OF COSTS
REFERENCING SYSTEM FOR THE CONCESSIONAIRES' CAPEX PROJECT
(CONTRACT NO. RO-CS2020-001) TO TEST CONSULTANTS, INC.**

WHEREAS, on 14 November 2019, the MWSS Board of Trustees (BOT) issued Resolution No. 2019-173-RO, approving the Corporate Operating Budget (COB) for CY 2020 of the MWSS Regulatory Office (MWSS RO);

WHEREAS, on 14 September 2020, the MWSS BOT issued Resolution No. 2020-076-RO, approving the Revised Annual Procurement Plan (APP) for CY 2020 of the RO, which included the Procurement of Consultancy Services for the Establishment of Costs Referencing System for the Concessionaires' CAPEX Project (Contract No. RO-CS2020-001), the Subject Procurement to be procured through Competitive Bidding with an estimated budget of Eleven Million Four Hundred Fifty-two Thousand Seven Hundred Twenty-Eight Pesos (P11,452,728.00);

WHEREAS, on 10 August 2017, the MWSS BOT issued Resolution No. 2017-097-RO, authorizing the Chief Regulator to perform various power and functions of the MWSS BOT as the Head of Procuring Entity (HoPE) which includes:

1. Approval/disapproval of the Technical Specifications and/or Terms of Reference (TOR) of the procurement; and
2. Approval/disapproval of the estimated cost to be the Approved Budget for the Contract (ABC), consistent with the duly approved COB of the RO, including amendments and/or realignments, if any;
3. Approval / disapproval of the RO BAC's bid evaluation of shortlisted bidders for consultancy services pursuant to Section 33.2.1 (a)&(b) (iii) of the 2016 IRR of the RA 9184.

WHEREAS, on 14 October 2020, the Chief Regulator Approved the Budget for the Contract (ABC) of Eleven Million Four Hundred Fifty-two Thousand Seven Hundred Twenty-Eight Pesos (P11,452,728.00) and the Terms of Reference for the Subject Procurement;

WHEREAS, on 16 October 2020, the BAC conducted a Pre-Procurement Conference, where the Timelines and Bidding Documents for the Subject Procurement were approved.

WHEREAS, on 17 October 2020, the BAC posted the Request for Expression of Interest (RFEI) for the Subject Procurement at the MWSS RO website, the Philippine



Government Electronic Procurement System (PhilGEPS) website, and at a conspicuous place reserved for the purpose of advertising the RFEI in the premises of the MWSS RO continuously for seven calendar days;

WHEREAS, in response to the said posting, only Test Consultants, Inc. (TCI) purchased the Eligibility Documents;

WHEREAS, on 26 October 2020, before the deadline for submission of Eligibility Documents, TCI submitted its Eligibility Documents;

WHEREAS, immediately after the deadline for submission of Eligibility Documents, the BAC opened the submission from TCI and conducted the eligibility check using a non-discretionary "pass or fail" criterion. After the preliminary examination of the same, the BAC rated TCI as "passed", having submitted all documents required in the checklist;

WHEREAS, upon conclusion of the eligibility check, the BAC authorized the Technical Working Group (TWG) to perform the detailed eligibility and shortlisting evaluation of the documents submitted by TCI using the shortlisting evaluation criteria approved by the BAC as indicated in the RFEI;

WHEREAS, on 3 November 2020, the BAC deliberated on the TWG's detailed eligibility and short listing evaluation report. TCI was found to have submitted all the Eligibility Documents required by the BAC and garnered a total score of 73.9 points, which passed the minimum score of 70 points. The BAC declared TCI as **ELIGIBLE** to participate in the Subject Procurement, as a result of the opening of the Eligibility Documents conducted on 26 October 2020 and the detailed evaluation of the Eligibility Documents;

WHEREAS, on even date, the BAC recommended to the Chief Regulator to approve the Ranking of Bidders for the Subject Procurement, showing that TCI, with a total score of 73.9 points, as the Single Eligible and Shortlisted Consultant.

WHEREAS, on even date, the Chief Regulator approved the Shortlisted Consultant, showing TCI as the Single Eligible and Shortlisted Consultant for the Subject Procurement;

WHEREAS, on 5 November 2020, the BAC issued the Notice of Eligibility and Short Listing to TCI for the Subject Procurement;

WHEREAS, on 12 November, the BAC issued Supplemental Bulletin No. 1, revising the dates for the Pre-Bid Conference;

WHEREAS, on 16 November 2020, the BAC conducted the Pre-Bid Conference for the Subject Procurement which was opened only to the short listed consultant;

WHEREAS, on 1 December, before the deadline for submission of bids, the shortlisted bidder submitted its bid;

WHEREAS, immediately after the submission of bids, the BAC opened the Technical Proposal of the short listed bidder to check their completeness using a non-discretionary pass/fail criterion. After a preliminary examination of the same, the BAC rated TCI as "passed", having submitted all the documents required. The BAC instructed the TWG to conduct a detailed evaluation of the bid;

WHEREAS, on 5 December 2020, the BAC deliberated on the TWG's Detailed Evaluation Report, wherein TCI garnered a total score of 86.65 points, and passed the required minimum technical score of 70 points based on the approved Technical Evaluation Criteria. Thereafter, the BAC recommended to the Chief Regulator to approve the Ranking of Bidders for the Subject Procurement, showing that TCI, with a total score of 86.65 points, is the bidder with the Single Rated Bid (SRB);

WHEREAS, on even date, the Chief Regulator approved the Ranking of Bidders showing TCI as the bidder with the SRB for the Subject Procurement (the Ranking of Bidders is attached and made an integral part hereof);

WHEREAS, on 6 December 2020, the BAC notified TCI that it shall undergo Post-qualification and was invited to the Opening of Financial Proposal of its bid and negotiations set on 7 December 2020;

WHEREAS, on 7 December 2020, with the presence of representatives from TCI, the BAC opened the Financial Proposal. The financial bid of TCI, as read, was Eleven Million Four Hundred Forty-Eight Thousand Six Hundred Forty Pesos (Php11,448,640.00), which was lower than the ABC of Eleven Million Four Hundred Fifty-two Thousand Seven Hundred Twenty-Eight Pesos (P11,452,728.00). Consequently, the BAC instructed the TWG to conduct the detailed evaluation of the bid;

WHEREAS, on even date, the TWG reported its Detailed Financial Proposal Evaluation validating the mathematical accuracy of the Financial Proposal from TCI. The financial bid, as calculated, was Eleven Million Four Hundred Forty-Eight Thousand Six Hundred Forty Pesos (Php11,448,640.00). The BAC noted no discrepancy between the amount "as read" and amount "as calculated";

WHEREAS, on even date, the BAC held the negotiations with TCI, which covered the following:

1. Discussion of the Proposed Payment Schedule;
2. Discussion of the Proposed Project Work and Manning Schedule; and;
3. Discussion of the Consultancy Basic Rates and Billing Factor or Multiplier.

The above points for discussions were addressed and thus concluded the negotiations, with the negotiated contract cost amounted to Eleven Million Four Hundred Forty-Eight Thousand Six Hundred Forty Pesos (Php11,448,640.00). After the negotiations, TCI submitted the required documents for post-qualification;

WHEREAS, on 10 December 2020, the BAC deliberated on the TWG's Post-Qualification Report regarding the results of its verification of the legal, technical, and financial submissions of TCI. The BAC found that the submissions were in order;

NOW THEREFORE, the MWSS Regulatory Office Bids and Awards Committee hereby **RESOLVED**, as it is hereby **RESOLVED**, to declare **Test Consultants, Inc.** as the Bidder with the **Single Rated and Responsive Bid** for the Subject Procurement;

RESOLVED FURTHER, to **Recommend** to the MWSS Board of Trustees to **Award** the Contract for the Subject Procurement with a total contract cost not exceeding Eleven Million Four Hundred Forty-Eight Thousand Six Hundred Forty Pesos (Php11,448,640.00) to Test Consultants, Inc.;

RESOLVED FURTHER, to **Recommend** to the MWSS Board of Trustees to **Authorize** the Chief regulator to enter into an agreement with Test Consultants, Inc. for the Subject Procurement;


10 December 2020, Quezon City.


VICTOR JOHN M. DIZON
Member


JOEL A. DOMINGUEZ
Member


GEORGE MARIANO A. SORIANO
End-User Member

(on - leave)
LEE ROBERT M. BRITANICO
Vice-Chairperson


EVELYN B. AGUSTIN
Chairperson



METROPOLITAN WATERWORKS & SEWERAGE SYSTEM

REGULATORY OFFICE

BIDS AND AWARDS COMMITTEE (BAC)

NOTICE TO PROCEED

10 February 2021

DONAMEL M. SAIYARI

Vice President

Test Consultants, Inc.

3 Julia Vargas Avenue

Pasig City 1605

Dear Ms. Saiyari,

The attached Contract Agreement having been approved, notice is hereby given to **TEST CONSULTANTS, INC.** that work may commence on the Procurement of Consultancy Services for the Establishment of Cost Referencing System for the Concessionaires' CAPEX Projects (Contract No. RO-CS2020-001) effective **15 February 2021**.

Thus, you shall be responsible for performing the services under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to the MWSS Regulatory Office.

Very truly yours,

Patrick

PATRICK LESTER N. TY

Chief Regulator

I acknowledge receipt of this Notice on 2/10/2021

Name of the Representative of the Bidder: DONAMEL M. SAIYARI

Authorized Signature: 



CONSULTING SERVICES AGREEMENT

THE PUBLIC IS INFORMED:

This Contract is executed between:

METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM (MWSS), a government corporation duly organized and existing under and by virtue of R.A. 6234, as amended, with principal business office at 3rd Floor, Engineering Bldg., MWSS Complex, Katipunan Road, Balara, 1105 Quezon City, Metro Manila, through its **REGULATORY OFFICE (RO)**, herein represented by its Chief Regulator, **PATRICK LESTER N. TY**, duly authorized for this purpose by the MWSS Board of Trustees (BOT) by virtue of a Board Resolution hereto attached,

-and-

TEST CONSULTANTS, INC. (TCI), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal business office at 3 Julia Vargas Avenue, 1605 Pasig City, Metro Manila, herein represented by **ENGR. DONAMEL M. SAIYARI**, Vice President / COO of TCI, authorized for this purpose.

A N T E C E D E N T S:

The MWSS RO requires the services of a Consultant to undertake the Establishment of Cost Referencing System for the MWSS Concessionaires' Capital Expenditures (CAPEX) Projects, hereinafter referred to as the "SERVICES;"

The MWSS RO Bids and Awards Committee (MWSS RO BAC) advertised the aforementioned consultancy procurement on 17 October 2020, wherein only one (1) prospective Bidder, TCI, submitted its bid. Hence, the MWSS RO BAC determined TCI as the **SINGLE RATED AND RESPONSIVE BID** for the Consultancy Services for the Establishment of Cost Referencing System for the MWSS Concessionaires' CAPEX Projects under Contract No. RO-CS2020-001;

TCI having represented to the MWSS RO that it has the required professional skills, personnel, and technical resources, has agreed to provide the SERVICES on the terms and conditions set forth in this Contract;

ACCORDINGLY, in consideration of the covenant and agreements hereinafter set forth, the SERVICES to be rendered and the sums of money to be paid, the parties do hereby agree, as follows:

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1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents as required by the 2016 revised Implementing Rules and Regulations of Republic Act No. 9184 shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:
 - (a) General and Special Conditions of Contract;
 - (b) Terms of Reference;
 - (c) Request for Expression of Interest;
 - (d) Instruction to Bidders;
 - (e) Bid Data Sheet;
 - (f) Addenda and/or Supplemental/Bid Bulletins, if any;
 - (g) Bid forms, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents/statements submitted (e.g., bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;
 - (h) Eligibility requirements, documents and/or statements;
 - (i) Performance Security;
 - (j) Notice of Award of Contract and the Bidder's conforme thereto;
 - (k) MWSS BOT Resolution on the approval of ABC and procurement, and on the authority given to the Chief Regulator for the purpose of this procurement.
3. In consideration of the payments to be made by the MWSS RO, TCI agrees to perform the Scope of Work (Tasks 1 to 7) and comply with the Deliverables/Milestones, as indicated below:

SCOPE OF WORK (Tasks 1 to 7)

Task 1 Review of existing MWSS Standards and Specifications and the Concessionaires' Policy and Procedures on Cost Estimating and Procurement of Contractors

- 1.1 The Consultant shall study, review and familiarize themselves with the following:
 - 1.1.1 MWSS and the Concessionaires' Standard Drawings and Specifications
 - 1.1.2 The Concessionaires' Cost Estimating Procedure and Policies
 - 1.1.3 The Concessionaires' Procurement Policies and Procedures
 - 1.1.4 The previously completed biddings by the Concessionaires to obtain information from historical project data and costings

Task 2 Develop project baseline references

- 2.1 The Consultant shall develop the latest database for the following:
 - 2.1.1 Direct Cost
 - 2.1.1.1 Material Cost – to be supported by a survey of the current year's DPWH CMPD for all materials applicable and a canvass from at least three (3) domestic suppliers for materials not included in the CMPD or from three (3) foreign suppliers if the materials cannot be supplied locally.

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- 2.1.1.2 Standard Labor Rate – aligned with the rate prescribed by the Department of Labor and Employment
- 2.1.1.3 Standard Equipment Rate – aligned with the latest ACEL rate as published or derived rates for equipment not listed in the ACEL book
- 2.1.1.4 Standard Equipment and Labor Production Rate based on standard and acceptable engineering and construction practices
- 2.1.2 Indirect Cost
 - 2.1.2.1 Bonds and Insurances
 - 2.1.2.2 Mark-up Cost
 - 2.1.2.3 Permits and Taxes

Task 3 Develop standard method of measurement

- 3.1 The Consultant shall develop a standard method of measurement for the basic components of the Concessionaires' typical water and wastewater project. The standard method of measurement shall include, but shall not be limited to, the following:
 - 3.1.1 Work category (civil, electrical, mechanical, instrumentation, etc)
 - 3.1.2 Items of work for each category
 - 3.1.3 Description of Item of Work
 - 3.1.4 Unit of measurement
 - 3.1.5 Measurement condition and rule

Task 4 Determine the unit prices for each item of work identified

- 4.1 The Consultant shall establish a benchmark cost database per project categorization. Each of the unit cost in the dataset shall be supported by a derivation backup called Unit Price Analysis ("UPA"). The UPA is a method of deriving unit cost or rate by breaking down the material, equipment, labor, profit and other costs related to a certain work scope.
- 4.2 The Consultant shall develop a procedure in estimating the unit prices of Special Line Items ("SLI") which derived unit prices shall be included in the unit cost data base. These SLIs are those items that can only be determined during construction execution (e.g. shop drawings, working drawings, etc.).
- 4.3 The Consultant shall utilize the Microsoft Excel Spreadsheet, using the unit cost database mentioned above, a working data book that can be used by the MWSS/Concessionaires to update the derived unit cost of each work component (e.g., materials, equipment, labor, etc.) to account for any price escalations including, but not limited to, inflation.
- 4.4 The Consultant shall recommend a suitable computer software that can be adopted by the Concessionaires and the MWSS RO in the future. The computer software should be able to house the data securely and efficiently use the data in generating project cost estimates.

Task 5 Develop metrics for in-place or constructed cost and accelerated or emergency works of the Concessionaires

- 5.1 The Consultant shall develop metrics of in-place or constructed cost for the following water and wastewater facilities, which shall not be limited to:
 - 5.1.1 Pipelines

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- 5.1.2 Pump stations
- 5.1.3 Reservoirs
- 5.1.4 Lift stations
- 5.1.5 Water treatment plant
- 5.1.6 Wastewater treatment plant
- 5.1.7 Other regular CAPEX projects

The metrics that will be developed shall be compared against the installed cost of both local and international projects.

- 5.2 The Consultant shall provide guidelines and qualifications of using in place or constructed cost.
- 5.3 The Consultant shall develop metrics and defined techniques to be used in coming up with reference costs in the procurement of contractors and/or suppliers that will undertake the Concessionaires' accelerated or emergency works.
- 5.4 The Consultant shall provide the definition, guidelines and criteria in order for a project to qualify as accelerated or emergency works project.

Task 6 Develop a degree of accuracy range for estimating the costs at various phases of the project development

- 6.1 The Consultant shall develop a standard that will determine the required degree of accuracy range estimating project cost at various phases of project development:
 - 6.1.1 Economic studies
 - 6.1.2 Feasibility studies
 - 6.1.3 Scoping
 - 6.1.4 Preliminary or reference design stage
 - 6.1.5 Detailed Design Stage

Task 7 Reports

- 7.1 The Consultant shall consolidate all outputs covered by Tasks 2 to 6 into a cost reference data book ("**Data Book**"). The Data Book will be used as a guide for developing and managing project cost. It shall contain (i) assumptions; (ii) limitations (e.g., site-specific conditions, difficulty of working area, varying LGU requirements, stringent subdivision regulations, etc.); (iii) cost database; (iv) guidelines and policies; and (v) a Microsoft Excel Spreadsheet that will aid the Concessionaires in preparing project cost estimates and managing cost as well as provide the MWSS RO a tool in evaluating the cost of a project that has been awarded to a contractor. The Consultant shall submit the following report which shall be presented to the TWG:
 - 7.1.1 A database containing the benchmark cost for each item of works derived by applying the agreed methodologies and exercising sound estimating practices;
 - 7.1.2 A detailed guideline or policy for determining the unit rates of special line items;
 - 7.1.3 A detailed guideline or policy for applying price adjustments (e.g., inflation rate, change in government rules and regulations, foreign exchange rate, etc.); and

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7.1.4 The acceptable accuracy range based on the project level or stage.

Item No.	Deliverables/Milestones	Submission to RO	Amount to be Paid (PhP)
1	Inception Report	Two (2) weeks from commencement date	15% of the Total Contract Price
2	Presentation and Acceptance of Draft Report	Five (5) months from commencement date	45% of the Total Contract Price
3	Approved Final Report	Six (6) months from commencement date	30% of the Total Contract Price
4	Issuance of Certificate of Final Acceptance	One (1) year after the Approved Final Report	10% of the Total Contract Price

4. The MWSS RO agrees to pay TCI the sum of **ELEVEN MILLION FOUR HUNDRED FORTY-EIGHT THOUSAND SIX HUNDRED FORTY AND 0/100 PESOS (PhP 11,448,640.00)**, subject to the above schedule and the MWSS RO's acceptance of the above deliverables/milestones.
5. If any stipulation, clause, term, or condition of this Contract is held invalid or contrary to law, the validity of the other stipulations, clause, terms, and conditions hereof shall not be affected thereby.
6. The Parties hereby agree to amend or modify any provision of this Contract, which might be declared invalid or contrary to law, to conform to the subject and objective thereof. No amendment or modification to this Contract shall be valid or binding on either party unless stipulated in writing, observed and executed with the same formality as this Contract.
7. The Parties represent that they have the requisite power, authority, and capacity to enter into this Contract, and to perform their obligations and undertakings according to the terms and conditions thereof.

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8. The mutual rights and obligations of the MWSS RO and TCI shall be as set forth in the Contract, in particular:

- (a) TCI shall carry out the SERVICES in accordance with the provisions of the Contract; and,
- (b) The MWSS RO shall make payments to TCI in accordance with the provisions of the Contract.

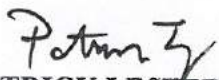
SIGNED by the parties on 10 February 2021 at Quezon City, Philippines.

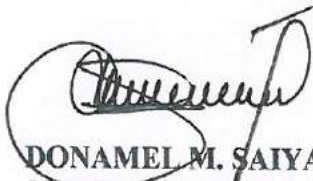
**METROPOLITAN WATERWORKS
AND SEWERAGE SYSTEM
REGULATORY OFFICE**

TEST CONSULTANTS, INC.

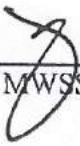
By:

By:



PATRICK LESTER N. TY
Chief Regulator, MWSS RO


DONAMEL M. SAIYARI
Vice President / COO, TCI

WITNESSES:



For MWSS RO


CINDERELLA J. YLANO

For TCI

ACKNOWLEDGEMENT

Republic of the Philippines)
Quezon City) S. S.

BEFORE ME, personally appeared:

Name	Identification Document	Date/Place Issued
PATRICK LESTER N. TY representing MWSS Regulatory Office	UMID 006 0067 24830	Quezon City
DONAMEL M. SAIYARI representing Test Consultants, Inc.	PRC 0087921	08/20/2000

They are known to me to be the same persons who executed the foregoing Contract with appendices, and they acknowledged to me that their signatures confirm their voluntary acts and of the corporations they represent.

SIGNED and SEALED on Feb. 11. 2021 at Quezon City.

Doc. 2/2 ;
Page 64 ;
Book 1 ;
Series of 2021


NOTARY PUBLIC
EXPIRES DEC. 31, 2021
ROLL OF ATTORNEY NO. 30906
IBP NO. 080826 / 5.10.2019 / PASIG CITY
PTR NO. 8894833 - C / 9.24.2019 / Q.C.
MCLE COMPLIANCE NO. VI-0027923 / VALID
UNTIL 4.14.2022
ADD. MWSS BLDG. KATIPUNAN RD. BALARA Q.C.

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