

Republic of the Philippines
Office of the Solicitor General

TERMS OF REFERENCE

**SUPPLY AND LABOR FOR THE REPAIR AND RENOVATION OF
THE OFFICE SPACES OF THREE (3) LEGAL DIVISIONS AND THE
PLANNING DIVISION OF THE OFFICE OF THE SOLICITOR
GENERAL (OSG)**

The **Office of the Solicitor General (OSG)** intends to repair and renovate the office spaces of three (3) legal divisions and the planning division, located at APMC Building, Amorsolo St., Legaspi Village, San Lorenzo, Makati City, adjacent to the OSG's main building.

The **OSG** shall employ the services of a **CONTRACTOR** to provide labor and materials for the repair/renovation of said office spaces:

1. The Approved Budget for the Contract (ABC) for the repair/renovation is **FIVE MILLION PESOS (Php 5,000,000.00)** including 12% VAT and payment for the business and other permits required for this purpose, which shall be applied for by the **CONTRACTOR**.
2. To guarantee the performance by the winning bidder of its obligations under the contract, it shall post a performance security prior to the signing of the contract. The performance security shall be in an amount not less than the required percentage of the total contract price in any of the following forms and in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Not less than the required percentage of the Total Contract Price)
a) Cash or cashier's/manager's check issued by a Universal of Commercial Bank.	5%
b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank; <i>Provided, however,</i> that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	5%
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	30%

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3. The **OSG** shall pay the **CONTRACTOR** in accordance with the following schemes/schedules:

	Particulars	Remarks/Conditions
First release	15% of the Total Contract Price <i>per lot</i> , less 5% warranty deposit, computed based on the progress billing.	The amount represents the mobilization fund. The CONTRACTOR shall submit a written request after the Contract is duly signed and notarized.
Second release	15% of the Total Contract Price <i>per lot</i> , less 5% warranty deposit, computed based on the progress billing.	The percentage of accomplishment must be at least 30% <i>per lot</i> (corresponding to the 15% mobilization fund and 15% Total Contract Price <i>per lot</i>). The CONTRACTOR shall submit a Statement of Work Accomplished (SWA) subject to the verification and certification by the OSG .
Third release	20% of the Total Contract Price <i>per lot</i> , less 5% warranty deposit, computed based on the progress billing.	The percentage of accomplishment must be at least 50% <i>per lot</i> . The CONTRACTOR shall submit an SWA subject to the verification and certification by the OSG .
Fourth release	20% of the Total Contract Price <i>per lot</i> , less 5% warranty deposit, computed based on the progress billing.	The percentage of accomplishment must be at least 70% <i>per lot</i> . The CONTRACTOR shall submit an SWA subject to the verification and certification by the OSG .
Fifth release	30% of the Total Contract Price <i>per lot</i> , less 5% warranty deposit, computed based on the progress billing.	The percentage of accomplishment must be at 100% <i>per lot</i> . The CONTRACTOR shall submit an SWA subject to the verification and certification by the OSG .
Sixth release	5% warranty deposit of	For the procurement of

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	the Total Contract Price.	Goods, in order to assure that manufacturing defects shall be corrected by the supplier, a warranty security shall be required from the contract awardee for a minimum period of three (3) months, in the case of Expendable Supplies, or a minimum period of one (1) year, in the case of Non-expendable Supplies, after acceptance by the Procuring Entity of the delivered supplies. ¹
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4. The **OSG** shall check/inspect the **CONTRACTOR's** works upon every submission of an SWA and shall notify the **CONTRACTOR** of any defects that are found. The **CONTRACTOR** shall immediately correct/repair the notified defect/s at the **CONTRACTOR'S** expense and without additional costs to the original contract amount.

5. Where the **CONTRACTOR** refuses or fails to satisfactorily complete the work within the specified contract time, an amount equal to at least **one-tenth (1/10) of one percent of the cost of unperformed portion of the work for every day of delay based on calendar days** shall be paid by the **CONTRACTOR** or deducted from any money due the **CONTRACTOR**.

6. The **CONTRACTOR** shall ensure that the materials to be used for the renovation/repair are of good quality and subject to inspection by the **OSG**. All materials for construction/fabrication should be **new** unless otherwise specified to reuse/reconstruct existing materials.

7. The **CONTRACTOR** has **sixty (60) working days** (after office hours only), holidays, Saturdays and Sundays, to complete the scope of works and will commence upon the receipt of the Notice to Proceed (NTP) from the Bids and Awards Committee (BAC). The **CONTRACTOR** shall follow the health and safety measures, including the physical closure of the covered office spaces, to be imposed by the **OSG** and/or the concerned Building Administrator. The days during which the covered office spaces were physically closed as part of health and safety measures shall be excluded from the sixty (60) working days (after office hours only), holidays,

¹ The obligation for the warranty shall be covered by either retention money in an amount equivalent to at least one percent (1%) but not to exceed five percent (5%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) but not to exceed five percent (5%) of the total contract price. The said amounts shall only be released after the lapse of the warranty period or, in the case of Expendable Supplies, after consumption thereof: Provided, however, That the supplies delivered are free from patent and latent defects and all the conditions

Saturdays and Sundays, to complete the scope of works.

8. The **CONTRACTOR** shall submit a work plan/schedule specifying the number of workers per day, the number of workdays per week, the number of work hours per week, and the projected completed works, corresponding to the cumulative 30%, 50%, 70% and 100% of scope of works per lot, as duly approved by the **OSG**.
9. No employer-employee relationship shall arise between the **CONTRACTOR** and/or its workers on one hand and the **OSG** on the other. The **OSG** shall not be liable or accountable for any accident and/or injury which may occur to any worker or personnel of the **CONTRACTOR** during the performance of the works mentioned herein, whether the injury or accident occurred inside or outside the premises of the **OSG**.
10. The **CONTRACTOR** shall be responsible for any loss or damage that may be incurred upon the properties of **OSG** during the performance of the works or for injury to any person caused by unreasonable or negligent act or omission of the **CONTRACTOR** or its workers, whether such act is intentional or not. The **OSG** shall not be liable for any loss or damage whatsoever and the **CONTRACTOR** shall save the **OSG** harmless therefrom.
11. The **OSG** shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary, due to force majeure or any fortuitous events or for failure on the part of the **CONTRACTOR** to carry out valid orders given by the **OSG** or to perform any provisions of the contract, or due to adjustment of plans to suit office conditions as found necessary during the construction.
12. Applicable provisions of the Government Procurement Reform Act (RA No. 9184) and its Implementing Rules and Regulations (IRR) shall form a part of the Terms of Reference (TOR).