

## Construction of MORE Power Lapayon Warehouse Complex (Phase II)

Terms of Reference

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### MORE-BAC-2025-003

Construction of MORE Power Lapayon Warehouse Complex (Phase II)

### TERMS OF REFERENCE

#### Section I : RATIONALE

MORE Electric and Power Corporation ("Owner") shall engage the Contractor ("Contractor") to design, engineer, supply, install, and construct under its own control and method and, shall be responsible for the execution of the specific activities under the contracted agreement in accordance with the specified specifications and standards. The Owner shall intervene only in the desired and agreed results of the specific activities under the contracted agreement.

#### Section II : LOCATION AND SERVICES

The Contractor shall design, engineer, supply, install, and construct under its own control and method all necessary Works for the Construction of MORE Power Lapayon Warehouse Complex Phase II at Brgy. Lapayon, Leganes, Iloilo as defined in *Section III*.

#### Section III.a : SCOPE OF WORKS

The works called for under this Project covers, design, supply of materials, construction and/or installation, and testing/quality assurance in accordance with the attached drawings, material, and technical specifications. The Project shall be completed within **two hundred (200) calendar days**, inclusive of ten (10) days of unfavorable and unworkable weather and reckoned from the date indicated in the Notice to Proceed (NTP). The contractor is required to submit a detailed schedule corresponding to the Contract duration.

## **Construction of MORE Power Lapayon Warehouse Complex (Phase II)**

Terms of Reference

---

### **Section III.b : SCOPE OF SERVICES**

The Contractor shall provide the following services:

#### **1. General Works**

The Contractor shall submit and implement its own Health Safety Security and Environment (HSSE) Program. A safety officer shall always be deployed at site.

The Contractor shall excavate, haul and dispose all unsuitable materials to the location designated by the Contractor and approved by the Owner.

The Contractor shall transfer and haul existing equipment/materials stored in the area affected by its works.

All permits shall be secured by the Contractor. The Owner shall provide pertinent documents as needed.

#### **2. Site Grading and Backfilling**

The Contractor shall supply, haul, backfill and compact item 104 in the sloping areas as designated by the Owner.

The Contractor shall supply, haul and compact item 200/201 of approx. 300 mm thick in the Lineman's Training Area and Pole Yard. Kindly refer to the bid drawings.

#### **3. Drainage System**

The Contractor shall construct the drainage system as per design by the Owner which includes reinforced concrete pipes, open canals, manholes, inlets and other drainage appurtenant structures *e.g.* settling pond.

The drainage system shall be connected to the existing drainage of the DPWH or as designated by the Owner.

## **Construction of MORE Power Lapayon Warehouse Complex (Phase II)**

Terms of Reference

---

### **4. Transformer Yard and its Oil-Water Separation Tanks**

The Contractor shall construct the transformer yard including its bund wall and oil-water separation tank (OWST). The OWST shall be connected to the nearest drainage inlet.

### **5. Secondary Concrete Road Pavement and Sidewalk**

The Contractor shall supply, haul, spread and compact item 201 at the proposed roadway.

The Contractor shall concrete the roadways of approx. 4 meters wide in accordance with the approved drawings by the Owner. All materials required in the implementation of this scope shall be the responsibility of the Contractor to include formwork, testing and curing of concrete.

All concrete samples tested below the requirements shall be removed and replaced by the Contractor at no cost.

### **6. Area for Scrap Materials**

The Contractor shall supply, haul, spread and compact item 200/201 of approximately 400 mm sloping to the nearest drainage inlets.

The Contractor shall construct separation partition composed of recovered concrete and wooden poles.

### **7. Wire Shed and Lineman's Quarter**

The Contractor shall design the Wire Shed and Lineman's Quarter based on the bid drawings/conceptual design provided by the Owner.

The Contractor shall construct the Wire Shed and Lineman's Quarter based on the construction drawings approved by the Owner including its foundations, electrical, mechanical and fire protection system. The water tank

## **Construction of MORE Power Lapayon Warehouse Complex (Phase II)**

Terms of Reference

---

shall be positioned at the roof of the building. Provision for water delivery shall be provided.

The Contractor shall secure all necessary permits required in the implementation of the project.

It shall be the obligation of the Contractor to inspect and validate the conditions of the site including the conduct of geological validation. The Contractor may use the soil investigation report provided by the Owner for reference.

### **8. Genset and Powerhouse (Electrical)**

The Contractor shall design the Genset House for an Owner-supplied 100 KVA Generator including its foundations based on the bid drawings provided by the Owner. Oil containment shall be incorporated in the building.

The Contractor shall supply all electrical materials (*e.g.* panels, breakers, wires, ATS, other accessories) required to complete the works in accordance with the requirements set forth by the Owner.

The Contractor shall secure all necessary permits required in the implementation of the project.

### **9. Materials Recovery Facility and Hazardous Waste Storage**

The Contractor shall design the Materials Recovery Facility and Hazardous Waste Storage based on the bid drawings and conceptual design provided by the Owner.

The Contractor shall construct the Materials Recovery Facility and Hazardous Waste Storage based on the construction drawings approved by the Owner including its foundations, lighting, partitions, roofings, and signages. The signages shall be approved by the Owner first prior to implementation.

## **Construction of MORE Power Lapayon Warehouse Complex (Phase II)**

Terms of Reference

---

The Contractor shall secure all necessary permits required in the implementation of the project.

It shall be the obligation of the Contractor to inspect and validate the conditions of the site including the conduct of geological validation. The Contractor may use the soil investigation report provided by the Owner for reference.

### **10. Guard Post and its Accessories**

The Contractor shall design and construct the Guard Post and its accessories based on the bid drawings and conceptual design provided by the Owner.

The Contractor shall provide septic tank including piping to the two (2) units existing guard house. The use of HDPE tank is required.

### **11. Domestic Water Supply System**

The Contractor shall supply a water pump of appropriate capacity and specification. The unit shall be complete with controller, power cables, and piping system up to the elevated water tank of the Lineman's Quarter including all necessary accessories.

The piping system shall include up to the water inlet pipe of the two (2) units existing guardhouses.

### **12. Complex Lighting System**

The Contractor shall design, supply, construct, test and commission the perimeter lighting of the MORE Power Lapayon Warehouse Complex. The perimeter lighting shall be composed of LED floodlights, steel / concrete poles, power cables, switches, breakers, and other accessories.

The Contractor shall provide solar streetlights along the roads.

The switches shall be located at the guardhouses.

## Construction of MORE Power Lapayon Warehouse Complex (Phase II)

Terms of Reference

---

### 13. 2T DC Forklift

The Contractor shall supply and deliver 2T DC forklift as describe in the Bid Price Schedule, inclusive of training for the operators of the Owner, in accordance with the Technical Data Sheets.

### 14. 1.5T, Two-Layer Racking System

The Contractor shall supply and deliver 1.5T capacity, two layers racking system as described in the Bid Price Schedule in accordance with the Technical Data Sheets.

## Section IV. CONTRACTOR QUALIFICATIONS

The Contractor shall have at least five (5) years of experience in the field of architecture, engineering and construction, and including prior successful engagements in the design and construction.

The Contractor should demonstrate competency in conceptualization, formulation, and execution of projects of similar nature as the one specified here.

The Contractor should bring among its team demonstrated expertise in the following fields: architectural design, civil and structural engineering, electrical engineering, mechanical engineering, construction trades, culturally-sensitive design, and earthquake engineering if applicable.

## Section IV : COMMERCIAL REQUIREMENTS

1. Currency is in **Philippine Peso (Php)** only.
2. Bid prices must be **VAT-inclusive**.
3. Project Completion (Delivery, Construction and Acceptance):
  - (a) Delivery must be within **two hundred (200) calendar days** from the date indicated in the Notice to Proceed (NTP).

## Construction of MORE Power Lapayon Warehouse Complex (Phase II)

Terms of Reference

---

Delivery Location: MORE Electric and Power Corporation, Brgy.  
Lapayon, Leganes, Iloilo

4. Price Validity: Ninety (90) days from date of closing of the bidding event

5. Payment Schedule

- a) Down Payment – **Twenty percent (20%) down payment** of the contract sum payable within thirty (30) days from the issuance of Notice to Proceed and upon receipt of corresponding Billing Invoice, provided that the Contractor submits an Irrevocable Standby Letter of Credit issued by a Commercial Bank or Down Payment Bond in the same amount issued by a bonding company acceptable to MORE Power. No payment of interest for delayed payments and adjustments shall be made by MORE Power.
- b) Progress Billing – **monthly progress** payment payable within thirty (30) days upon submission and receipt of billing invoice from the contractor and issuance of Work Accomplishment Certificate (WAC) and signed by MORE Power's authorized representative less recoupment of the twenty percent (20%) advance payment and the ten (10%) percent retention. No payment of interest for delayed payments and adjustments shall be made by MORE Power.
- c) Retention – The Owner shall be entitled to withhold the amount equivalent to **ten percent (10%) of the Contract sum** and shall retain the same pending complete fulfillment by the Contractor of all its obligations under the Agreement ("Retention Money"). The Retention Money shall be released upon issuance of Project Final Acceptance. No payment of interest for delayed payments and adjustments shall be made by MORE Power.

### Section V : BIDDER REQUIREMENTS

The following documents must be submitted by the Bidder during the Opening of Bids, properly labeled to indicate the Bidder's name, office

## Construction of MORE Power Lapayon Warehouse Complex (Phase II)

Terms of Reference

---

address, and properly distinguished between the First and Second Envelopes. All envelopes must be sealed with the signature of the Bidder's authorized representative. The documents must have page tabs for convenience of distinguishing between separate documents.

### FIRST ENVELOPE

(Legal / Technical Requirements):

1. Valid Joint Venture Agreement, *if applicable*;
2. List of at least three (3) existing major clients for the last three (3) years;
3. Sworn Statement for the Acceptance of the Terms of Reference (*use Annex "B"*)
4. DTI / SEC / CDA Registration Certificate;
5. Updated Mayor's/Business Permit;
6. PCAB License Category B or higher;
7. BIR Form 2303;
8. Latest Valid Tax Clearance or Sworn Application for Tax Clearance;

For Item 8, the sworn application for Tax Clearance is acceptable only during the bid opening. The Latest Valid Tax Clearance, however, shall be a prerequisite for award of the Contract.

9. Latest Income/Business Tax Return;
10. Statement of all ongoing government and private contracts, including contracts awarded but not yet started, similar to the contract to be bid;
11. Statement of the bidder's Single Largest Completed Contract (SLCC) within the past ten (10) years, which shall have a contract cost of *at least* fifty percent (50%) of the Approved Budget for the Contract (ABC) and similar to the contract to be bid. The SLCC shall be inclusive of VAT and taken at face value (*e.g.* not subject to price adjustments or escalation for projects completed in the past years);

For purposes of Item 10 and 11, "similar" shall mean Contracts which have the same nature of civil works.

## Construction of MORE Power Lapayon Warehouse Complex (Phase II)

Terms of Reference

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12. 2024 Audited Financial Statements stamped "received" by the BIR or equivalent electronic approval of the same. In addition, proof of Submission to the SEC is required for corporations and partnerships;
13. Monthly Statement of Cash Flows for the past six (6) months;
14. Cash flow forecast for the next twelve (12) months;
15. Computation of Net Financial Contracting Capacity (NFCC) or a committed Line of Credit from a Universal or Commercial Bank, in lieu of NFCC computation.

The computation of a bidder's NFCC must be at least equal to the ABC to be bid, calculated as follows:  $NFCC = [(Current\ assets\ minus\ current\ liabilities)\ (15)]$  minus the value of all outstanding or uncompleted portions of the projects under ongoing contracts, including awarded contracts yet to be started, coinciding with the contract to be bid.

### SECOND ENVELOPE

(Financial Proposal):

1. Bid Security (*refer to Instructions to Bidders Section 19*)
2. Bid Price Schedule

### Section VIII : DELIVERY TIME

The Contractor shall complete the performance of the services, supply, construct, and test of the MORE Power Lapayon Warehouse Complex (Phase II) within **two Hundred (200) calendar days** from the date indicated in the Notice to Proceed (NTP). Failure by the Contractor to meet the guaranteed completion shall make the Contractor liable for **liquidated damages**.

For avoidance of doubt the following terms shall have the following meaning:

1. **Project Substantial Completion** – certificate issued upon completion of at least 95% of the project provided that the project is ready for occupancy.

## Construction of MORE Power Lapayon Warehouse Complex (Phase II)

Terms of Reference

---

2. **Project Completion** – certificate issued upon 100% completion of the project subject to the Defects Liability Period.
3. **Defects Liability Period** – is the **one (1) year period** starting from the issuance of the Project Completion. During this period, any defect, failure, malfunction, and/or damage (collectively defined as “Issues” for this section) of the Contractor’s equipment or workmanship and arising not from the action or inaction, mishandling, and/or negligence of the Owner or its end-users shall be repaired, rectified, corrected, and/or replaced (collectively defined as “Restored” for this section) by the Contractor.
4. **Project Final Acceptance** – is the certificate released after the lapse of the Defect Liability Period or upon the Restoration of Issues, whichever comes later.

### Section IX : LIQUIDATED DAMAGES

Contract shall contain a provision on liquidated damages which shall be payable by the contractor in case of breach thereof. The amount of the liquidated damages shall be at least equal to **one-tenth (1/10) of one percent (1%) of the total cost for every day of delay**. Once the cumulative amount of liquidated damages reaches **ten percent (10%)** of the amount of the contract, the Owner may rescind or terminate the contract, without prejudice to other courses of action and remedies available under the circumstances.

### Section XII : WARRANTY PERIOD

Warranty period shall be based on Civil Codes of the Philippines states – Article 1723: The Engineer or Architect who drew up the plans and specifications for a building is liable for damages if within fifteen years from the completion of the structure, the same should collapse by reason of a defect in those plans and specifications, or due to the defects in the ground.”

## Construction of MORE Power Lapayon Warehouse Complex (Phase II)

Terms of Reference

---

The Contractor shall warrant all works herein for the period specified in the Defects Liability Period in *Section VIII*.

### Section XIII : OTHER WARRANTIES

1. The Parties intent that an independent contractor-employer relationship shall be created. The Owner is interested in the result to be achieved. The Contractor shall have entire charge, control, and supervision over the works and services herein agreed upon and shall regularly monitor the performance of the employees to ensure quality of works.
2. It is agreed and understood that the Contractor shall have the exclusive authority to select, engage, and discharge its employees or otherwise direct and control their services. The determination of wages and salary or compensation of its employees shall be within its full control.
3. In the performance of the agreed services, the Contractor shall deploy and assign sufficient number of trained and experienced employees to carry out the works in accordance with the terms of the contract.
4. The Contractor shall provide its employee with appropriate identification cards, appropriate uniforms, safety equipment and tools, and PPEs. The Contractor shall ensure that its employees have undergone the necessary environmental and health and safety trainings for the type of services they are to perform.
5. The Contractor shall hold the Owner free from any and all damages, injuries, liabilities, suit, claims, losses, cost/and or expenses (including attorney's fees) arising from Contractor's non-compliance with the requirements stated herein and from negligent or deliberate acts of the Contractor's employees while in the performance of their duties.
6. The Contractor shall be answerable or accountable for the accident or any injuries or death which may occur to any of its employees during the performance of the works under the contract.
7. To the extent permitted by law, the Owner's maximum aggregate liability to the Contractor for damages arising out of or relating to this Agreement whether based upon contract, tort, delict, strict liability, breach of statutory duty or any other basis for liability, shall not exceed the total value of the fees to be paid under this Agreement.

## **Construction of MORE Power Lapayon Warehouse Complex (Phase II)**

Terms of Reference

---

8. The Contractor may not subcontract or assign any of its rights, responsibilities or obligations under the contract, either in whole or in part, to any third party without the prior written consent of MORE Power.

### **Section XIV : VALIDITY AND SAVING CLAUSE**

1. If any, provision of the TOR shall be void or unenforceable for any reasons, such provision shall be ineffective to the extent of that voidability or unenforceability without invalidating the remaining provisions thereof, provided however that the Parties shall replace any void or unenforceable provision by valid enforceable languages as come nearest to the original provision in economic impact and intent.
2. The Owner may terminate the Contract in whole or in part at any time if it has determined the existence of conditions that make contract implementation economically, financially or technically impractical / or unnecessary.