

BAC copy

**CONTRACT FOR CONSULTANCY SERVICES
FOR THE
"Consultancy Service for the Gap Analysis of the Prototype Trainset"**

KNOW ALL MEN BY THESE PRESENTS:

This CONTRACT made and executed by and between:

The **METALS INDUSTRY RESEARCH AND DEVELOPMENT CENTER**, an attached agency under the **DEPARTMENT OF SCIENCE AND TECHNOLOGY**, with office address at Gen. Santos Avenue, Bicutan, Taguig, represented herein by its Executive Director, **ROBERT O. DIZON**, hereinafter referred to as "**MIRDC**";

--- and ---

The **SYSTRA PHILIPPINES INCORPORATED**, a corporation duly existing and organized under and by virtue of the Republic of the Philippines, with principal at 1601 West Tower, Philippine Stock Exchange Centre Exchange Road, Ortigas Center, Pasig City, represented herein by its President, **MARIA RHIZA CASTILLO**, hereinafter referred to as "**CONSULTANT**";

WITNESSETH:

WHEREAS, MIRDC is in need of Consultancy Service for the Gap Analysis of the Prototype Trainset, hereinafter referred to as the **PROJECT**;

WHEREAS, MIRDC conducted a public bidding in accordance with the Government Procurement Reform Act (R.A. 9184) and, after evaluating all the Bid proposals submitted, determined that herein **CONSULTANT** was the **Single Highest Rated Bidder**;

WHEREAS, a Notice of Award was issued to the **SYSTRA PHILIPPINES INCORPORATED** which has accepted to undertake the consultancy services for the **PROJECT** under set terms and conditions;

NOW, THEREFORE, the PARTIES, hereby, agree as follows:

ARTICLE I

SERVICES

- 1.1. The Consultant shall perform the services specified in Annex A, "Terms of Reference" which is made an integral part of this Contract ("the Services").

[Handwritten signatures and initials on the left margin]

- 1.2. The consultant shall provide the DOST-MIRDC "Consultant's Personnel" to perform the services.
- 1.3. The Consultant shall submit to the DOST-MIRDC the Consultant's Deliverables within the time periods specified in the Technical Proposal submitted by the Consultant on 31 May 2017.
- 1.4. The Consultant shall to determine, analyze, and recommend solutions to the gaps between the design and performances of the complete prototype trainset against existing equivalent commercial units, as well as PNR requirements/standards.
- 1.5. Allow two (2) revisions made by DOST-MIRDC to the scope of work that any changes be limited to the context of the gap analysis, within the approved contract price, and can be performed within the contract term of four (4) months.

ARTICLE II

DELIVERY

- 2.1. The Consultant shall perform the services commencing from the date of the issuance of the Notice to Proceed until all works stated is completed in accordance with the stated Delivery Period specified in the Terms of Reference, attached as Annex "A" hereof or any other period as may be subsequently agreed by the Parties in writing.

ARTICLE III

PAYMENTS

3.1. Ceiling

For Services rendered pursuant to Annex A, the DOST-MIRDC shall pay the Consultant in the amount of PESOS: **THREE MILLION NINE HUNDRED NINETY NINE THOUSAND SEVEN HUNDRED SIXTY SIX PESOS 13/100 only (PhP3,999,766.13)**. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.

3.2. Schedule of Payments

The schedule of payments is as follows:

- i. 20% of the total amount upon DOST-MIRDC's receipt of Initial Assessment Report;
- ii. 30% of the total amount upon the DOST-MIRDC's receipt of the Draft Report;
- iii. 50% of the total amount upon the DOST-MIRDC's receipt of the Final Report.

3.3. Payment Conditions

Payment shall be made in Philippine currency, not later than 30 days after the receipt by DOST-MIRDC of the invoices/billing statements of the Consultant in duplicate.

ARTICLE IV PROJECT ADMINISTRATION

4.1. Coordinator/Project Leader

The DOST-MIRDC designates Engr. PABLO Q. ACUIN as DOST-MIRDC's Coordinator/Project Leader. The Coordinator/Project Leader will be responsible for the management and required from MIRDC coordination of activities under this Contract for approval by the Head of the Agency.

4.2. Reports

The deliverables listed in Annex A, "Terms of Reference" shall be submitted in the course of the project, and will constitute the basis for the payments to be made under Article III.

ARTICLE V PERFORMANCE STANDARDS

- 5.1. The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the DOST-MIRDC considers unsatisfactory.

ARTICLE VI CONFIDENTIALITY

- 6.1. The Consultant shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the DOST-MIRDC's business or operations without the prior written consent of the DOST-MIRDC.

**ARTICLE VII
OWNERSHIP OF MATERIAL**

7.1. Any documents, reports or other material, graphic, prepared by the Consultant for DOST-MIRDC under this Contract shall belong to and remain the property of the DOST-MIRDC. The Consultant may retain a copy of such documents and software for record purposes.

**ARTICLE VIII
CONSULTANT NOT TO BE ENGAGED IN CERTAIN ACTIVITIES**

8.1. The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

**ARTICLE IX
INSURANCE**

9.1. The Consultant, at its own cost, shall be responsible for taking out or maintaining any insurance policy against any risk related to the project.

9.2. The Procuring Entity undertakes no responsibility in respect of life, health, accident, travel or any other insurance coverage for the Personnel or for the dependents of any such Personnel.

**ARTICLE X
ASSIGNMENT**

10.1. The Consultant shall not assign this Contract or sub-contract any portion of it without the DOST-MIRDC's prior consent.

**ARTICLE XI
GOVERNING LAW**

11.1. The Contract shall be governed by the laws of the Republic of the Philippines.

**ARTICLE XII
DISPUTE RESOLUTION**

12.1. Any disputes, issues or controversies arising out of or in connection to this Contract shall first be mutually resolved in good faith. Unresolved issues shall be adjudicated or administratively settled in accordance with the Arbitration Law of the Philippines.

**ARTICLE XIII
OTHER CONDITIONS**

13.1. In addition, the Consultant shall likewise provide the following:

- a. Facilitate technical meetings every two (2) weeks as applicable or as necessary to determine the project status and prepare/ submit proper documentation;

13.2. The following documents are deemed to form, be read and construed as part of this Contract, to wit:

- (a) General and Special Conditions of Contract, if any;
- (b) Terms of Reference;
- (c) Request for Expression of Interest;
- (d) Instructions to Bidders;
- (e) Bid Data Sheet;
- (f) Addenda and/or Supplemental/Bid Bulletins, if any;
- (g) Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes;
- (h) Eligibility requirements, documents and/or statements;
- (i) Technical and Financial Documents;
- (j) Performance Security;
- (k) Credit line issued by a licensed bank, if any;
- (l) Notice of Award of Contract and the Bidder's *conforme* thereto;
- (m) Other contract documents that may be required by existing laws and/or by MIRDC.

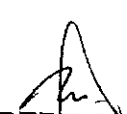
IN WITNESS whereof the parties thereto have caused this Contract to be executed this 24th of July 2017 at Bicutan, Taguig City.

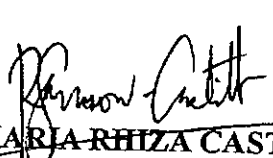
METALS INDUSTRY RESEARCH AND DEVELOPMENT CENTER

SYSTRA PHILIPPINES INCORPORATED

By:

By:


ROBERT O. DIZON
Executive Director


MARIA RHIZA CASTILLO
President

SIGNED IN THE PRESENCE OF:


PABLO O. ACUIN

Project Leader


ROMEO G. SAYSON II

Witness

CERTIFIED FUNDS AVAILABLE:


JOHNNY G. QUINGCO
Accountant IV

ACKNOWLEDGMENT

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

Before me, a Notary Public for and in the MANDALUYONG CITY this
AUG 16 2017, 2017, personally appeared:

| NAME | LD. NO. | DATE/PLACE ISSUED |
|----------------------|---------------------------|-----------------------------------|
| ROBERT O. DIZON | 2016002 | January 8, 2016/Taguig City |
| MARIA RHIZA CASTILLO | Passport No. EC2058427 | September 9, 2014/DFA NCR East |

all known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free act and deed as well as of the principal they represent.

This instrument refers to **Contract of Consultancy Services** consisting of seven (7) pages, including this page in which the Acknowledgment is written, signed by the parties and their witnesses on each and every page and sealed with my notarial seal.

WITNESS MY HAND AND SEAL on the date and place above written.

[Handwritten signature]

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Series of 2017.

ATTY. JOSE B. DULNUAN
NOTARY PUBLIC
FOR THE CITY OF MANDALUYONG
Until Dec 31, 2017
COM. NO. 21 NO. 6459-16
MPL No. 0019685 (Pasig City, 4-27-2017)
Rizal, 1-3-17, Cainta, Rizal
Rizal, 1-3-17
MPL NO. V-0022171, 6-15-16
MPL NO. 1-04-14-2019
C. M. DE VENTURE II, 52 D.M.
52 D.M. ST., MANDALUYONG CITY
Tel. No. 832-1458, 5334664
Email Add: jbdulnuan@gmail.com

NOTICE TO PROCEED

July 26, 2017

MARIA RHIZA CASTILLO

President

SYSTRA Philippines, Inc.

1601 West Tower, Philippine Stock Exchange Centre

Exchange Road, Ortigas Center,

Pasig City



Dear Ms. Castillo:

The attached Contract Agreement having been approved, notice is hereby given to **SYSTRA PHILIPPINES INC.**, that work may proceed on the project for the "*Consultancy Service for the Gap Analysis of the Prototype Trainset*" effective after Three (3) calendar days from receipt of this Notice to Proceed. Upon receipt of this notice, you are 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 Metals Industry Research and Development Center.

Thank you.

Very truly yours,


ROBERT O. DIZON
Executive Director 

I acknowledge receipt of this Notice on 2 (date of receipt)

Name of Bidder's Representative: Cecilia C. Villagracia

Authorized Signature: Cecilia

The Head of the Procuring Entity or his duly authorized representative shall issue the Notice to Proceed within seven (7) calendar days from the date of the approval of the contract.

Molding the Future of Metal Industries

MIRDC Compound, Gen. Santos Avenue, Bicutan, Taguig City, 1631 Metro Manila
P.O. Box 2449 MCPO 1299 Makati City, Philippines • Tel. Nos.: 837-0431 to 38, 837-2071 to 82 loc. 2407
Fax. Nos.: 837-0430 and 838-7878 • E-mail Address: alcc@mirdc.dost.gov.ph • Website: <http://www.mirdc.dost.gov.ph>

NOTICE OF AWARD

July 24, 2017

MARIA RHIZA CASTILLO

President

SYSTRA Philippines, Inc.

1601 West Tower, Philippine Stock Exchange Centre

Exchange Road, Ortigas Center,

Pasig City

Dear Ms. Castillo:

You are advised that the Purchase Order for the "*Consultancy Service for the Gap Analysis of the Prototype Trainset*" of the Metals Industry Research and Development Center has been awarded to your firm in the amount of **Three Million Nine Hundred Ninety Nine Thousand Seven Hundred Sixty Six Pesos and 13/100 (PhP3,999,766.13)** only, subject to the approval of the concerned authorities.

You are therefore requested to acknowledge receipt of this notice and post a performance security in any of the following schedule within ten (10) calendar days from receipt hereof:

- a. Cash, Manager's check or Cashier's check – 5% of the total contract price;
- b. Bank Guarantee/ Draft/ Irrevocable Letter of Credit – 5% of the total contract price;
- c. Surety Bond, callable on demand, valid for one year, issued by the Office of the Insurance Commissioner, or any combination thereof – 30% of the total contract price.

Thank you.

Very truly yours,


ROBERT O. DIZON
Executive Director*Molding the Future of Metal Industries*

MIRDC Compound, Gen. Santos Avenue, Bicutan, Taguig City, 1631 Metro Manila
P.O. Box 2449 MCPO 1299 Makati City, Philippines • Tel. Nos.: 837-0431 to 38, 837-2071 to 82 loc. 2407
Fax. Nos.: 837-0430 and 838-7878 • E-mail Address: alcc@mirdc.dost.gov.ph • Website: <http://www.mirdc.dost.gov.ph>

**BAC RESOLUTION DECLARING NOTICE OF AWARD AND
RECOMMENDING FOR APPROVAL**

RESOLUTION NO. 2017- 10

Project: "Consultancy Service for the Gap Analysis of the Prototype Trainset."

Approved Budget Contract (ABC): Php4,000,000.00

Pre-procurement Conference: March 24, 2017

Submission/Opening of Eligibility Documents: May 11, 2017

Pre-bid Conference: May 18, 2017

Opening of Technical Components: May 31, 2017

Opening of Financial Components: June 5, 2017

Whereas, the opening of Technical Proposal was held on May 31, 2017 wherein Systra's bid proposal was considered for evaluation;

| CRITERION | WEIGHT | SCORE |
|---|---------------|--------------|
| 1. Quality of Personnel a.) Suitability of Key Staff b.) General qualifications and competence c.) Education and Training of Key Staff | 50% | 41.60 |
| 2. Experience and Capability of Consultant a.) Records of previous engagement and quality of performance in similar project b.) Relationship with previous and current clients c.) Overall work commitment d.) Geographical distribution of projects e.) Attention to be given by the consultant | 20% | 17.00 |
| 3. Plan of Approach and Methodology a.) Clarity, feasibility, innovativeness and comprehensiveness of the plan of approach b.) Quality of interpretation of project problems, risks and suggested solutions | 30% | 27.00 |
| TOTAL | 100% | 85.60 |

Whereas, during the Opening of the Technical Proposal and upon careful examination, validation and verification of all the eligibility, the Technical Working Group evaluated and ranked the prospective consultant, that is, Systra Philippines Inc.;

Whereas, the minimum score required for Technical Component to pass is 75 points. Having garnered a score of 85.60 as against the passing score of 75 points, the BAC proceed with the Opening of Financial Component on June 5, 2017;

Whereas, to get the Sf, using the prescribed formula below resulted in a score of 100 points, thus:

$$Sf = 100 \times F1 / F$$

$$100 \times 100 / 100$$

$$Sf = 100$$

Legend:

Sf is the financial score of the Financial Proposal under consideration,
 F1 is the lowest Financial Proposal, and
 F is the Financial Proposal under consideration

Whereas, using the formula $S = St \times T\% + Sf \times F\%$, Systra Philippines Inc. is found to be the Single Highest Rated Bid with an overall score of 88.48;

$$S = St \times T\% + Sf \times F\%$$

$$(85.6 \times 80\%) + (100 \times 20\%)$$

$$68.48 + 20$$

$$S = 88.48$$

Legend:

St is the technical score of the Technical Proposal under consideration;
 T = the weight given to the Technical Proposal;
 F = the weight given to the Financial Proposal;

Whereas, the weight of the Technical Proposal is 80%, while the weight of the Financial Proposal is 20%;

Whereas, the results of Technical Proposal and Financial Proposal are as follows:

| No. | CRITERIA | WEIGHT | SCORE |
|-----|---------------------|--------|-------|
| 1. | TECHNICAL COMPONENT | 80% | 68.48 |
| 2. | FINANCIAL COMPONENT | 20% | 20.00 |
| | TOTAL: | 100% | 88.48 |

Whereas, pursuant to R.A. 9184 negotiation proceeded after the Opening of Financial Component with the BAC members, TWG and Systra Philippines Inc.;

NOW, THEREFORE, we the members of the Bids and Awards Committee, hereby resolve, as it is hereby **RESOLVED**, that Systra Philippines Inc. be declared as **SINGLE HIGHEST RATED RESPONSIVE BIDDER** to undertake the consultancy services for the Consultancy Services for the Gap Analysis of the Prototype Trainset.

RESOLVED, as it is hereby resolved, pursuant to Section 53 of R.A. 9184, to recommend the approval of the award of contract to Systra Philippines, Inc.;

SIGNED in Bicutan, Taguig City this 21st of June, 2017.


AUREA T. MOTAS
BAC Chairman


MERCEDITA G. ABUTAL
BAC Vice Chairperson


GINA A. CATALAN
BAC Member



ATTY. TRIXIE HAZEL C. VELUZ
BAC Member

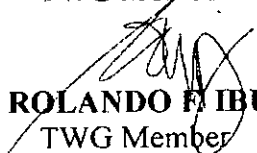

ISIDRO D. MILLO
BAC Member


PABLO O. ACUIN
End-User


NELSON L. TUMIBAY
TWG Member


FRANZ JOSEPH D. LIBAO
TWG Member



ELLJAY P. MUTUC
TWG Member


ROLANDO M. IBUIG
TWG Member


GLEND D. ESPEÑA
TWG Member


PAMELA S. GONZALES
TWG Member

Approved (✓) / Disapproved ()


ROBERT O. DIZON
Executive Director

Approved on 27 June 2017