

## **TERMS-OF-REFERENCE (TOR)**

### **DEMOLITION OF OLD MEZ ADMIN BUILDING AT MACTAN ECONOMIC ZONE**

#### **I. BACKGROUND**

The PEZA through the approved allocation of its Corporate Operating Budget (COB) for C.Y 2021 intends to apply the sum of Four Million and Five Hundred Thousand Pesos (Php 4,500,000.00) for the demolition of MEZ Old Admin Building through the guidelines as per R.A 9184 and its Implementing Rules and Regulations.

The Mactan Economic Zone (MEZ) was established by Proclamation No. 1811 and with this development activities started in January 1979 and by 1981, there were five companies. The monumental event in the evolution if EPZs in the country was the creation of ecozones as a government strategy to attract FDIs and export-oriented industries into the country. On 24 February 1995, Republic Act No. 7916 provided for the creation of the Philippine Economic Zone Authority (PEZA).

The old MEZ Admin Building is mainly made of concrete and wooden materials. It is a three (3) storey building that has withstand a 6.7 magnitude earthquake and a 7.2 magnitude earthquake which hit the Province of Negros Oriental in 2012 and Bohol and Cebu Province in 2013, respectively. MEZ-EMD conducted retrofitting works based on the recommendations of the Department of Public Works and Highways and a scheme presented by a hired consultant.

In spite of the engineering interventions made, serious concerns on the structural aspect still recurred and the fact that the building and has been existing already for 42 years and has already reach its optimum design.

#### **II. SCOPE OF WORK**

The works to be performed under this procurement shall include the following:

##### **A. General Work Requirements**

##### **1. Demolition / Clearing Works**

The demolition shall be undertaken in accordance with Rule XI on protection and safety requirements for construction and demolition of building/structure of the Implementing Rules and Regulations of the National Building Code of the Philippines (P.D 1096) and shall be under the direct responsibility of a full time supervising Architect or Civil Engineer In charge of demolition.

The demolition shall be undertaken only after the building has been vacated and all utility lines such as electric, gas, telephone and water installations have been

disconnected or removed. All fittings attached to the building and connected, to any street lighting system, electrical supply or other utilities shall be removed. All electrical power shall be shut off and all electrical service lines shall be cut and disconnected by the power company at or outside the property line. In each case, the utility company involved shall be notified in advance and its approval or cooperation obtained.

When it is necessary to maintain any power, water, gas, or other utility lines during the process of demolition, such lines shall be temporarily relocated and protected with substantial covering to the satisfaction of the utility company concerned.

**a. Civil Works**

- Site Preparation works
- Dismantling of Doors, Windows and Louvers
- Dismantling of Corrugated Roofing Sheets
- Dismantling of Roofing Frame
- Dismantling of Wall Cladding Frame (Side Girths & Steel columns)
- Demolition of CHB walls and other concrete structures
- Demolition of Slab on grade/roof deck
- Demolition of Concrete Foundation (Footing & Pedestal Columns)
- Backfilling and Compaction
- Disposal of Concrete debris
- Disposal of Reinforcement debris

**b. Electrical Works**

- Dismantling of all electrical cables
- Dismantling of all lighting fixtures, switches and utility box
- Dismantling of all electrical wirings, LAN cabling, conduits and devices.
- Dismantle the electrical cables by manual pulling and roll accordingly to minimize space requirement of storage area.

**c. Construction Safety and Health Committee**

- Section 11 of D.O No. 13 requires that rules of Construction of Safety and Health Program must be observed and enforced at project site. In connection with this project, the committee will be organized in accordance with the requirements of Rule 1040 of the Occupational Safety and Health (OSH) Standards of the Department of Labor and Employment (DOLE).
- A DOLE accredited Safety Officer must supervise all demolition activities at all time.
- In case of any dangerous occurrence or major accident resulting to death or permanent total disability, Contractor's CSHC will notify the DOLE Regional Office within twenty four (24) hours form occurrence.

- Section 12.6 of the D.O No. 13 requires specialized instruction and training be given to any person holding critical occupation.
- Section 6 of D.O No. 13 requires that every employer shall, at his own expense, furnish his workers with protective equipment for eyes, face, hands, feet, lifeline, safety belt/harness, protective shields and barriers whenever necessary by reason of the hazardous work process or environment.
- Safety Signages will be provided as warning to workers and employees and the public about the hazards around the project site. These will be posted in prominent positions at strategic location visible as far as possible.
- All construction heavy equipment will be tested and inspected in accordance with the requirements of Section 10 of D.O No. 13. (Attach Certificate of Testing and Inspection of Construction Heavy Equipment (CHE) used issued by DOLE accredited Testing Organizations for CHE and TESDA certification of CHR operator/s.)
- All necessary steps shall be taken to prevent danger to persons arising from the fire or explosion from leakage or accumulation of gas or vapor; and from flooding from uncapped water mains, sewers and/or culverts.
- All entrance/exits to and from the building shall be properly protected so as prevent any danger to persons engaged in the demolition work using such entrances/exits in the performance of their work.
- Glazed sashes and glazed doors shall be removed before the start of demolition operations.

**B. Approved Budget for the Contract (ABC)**

The ABC is Four Million and Five Hundred Thousand Pesos (Php 4,500,000.00), inclusive of all applicable government taxes, fees and charges to complete the project.

**C. Qualification Requirements**

The contractor must have the necessary experience and expertise in the supply of labor and materials for the installation of modular workstation, by submitting proofs of the following as part of the technical proposal:

- 1.0** Permit/licenses of the Contractor (certified copy of business registration, place of registration and principal address of business).
- 2.0** List of completed projects with civil works of similar in nature or with a value of at least Fifty (50) Percent of the Approved Budget for the Contract.

- 3.0 Engaged in the construction business for at least five (5) years.
- 4.0 Certification issued by at least three (3) different clients attesting to the satisfactory services/completion rendered by the contractor.

**D. Contractor's Responsibilities**

1. The Contractor warrants that it is authorized to engage in and perform the Works; that it has inspected all relevant documents, and has informed itself fully as to the conditions which might affect the nature, extent, and the cost of the Works; that it has sufficient operating capital to perform and complete the Works; that it has sufficient and adequate equipment, parts, labor and materials that may be needed in the performance thereof; that it has the required knowledge, experience, skill and professional competence to undertake the same; and that it has experienced, skilled, and professionally equipped personnel to be assigned for this purpose.
2. The Contractor warrants that the method or process it will follow for the Works is the one that will best accomplish the desired results under the existing state of technology; that all materials it will supply or use shall be the best available or obtainable in accordance with the approved Contract and the instructions of the PEZA.
3. The Contractor warrants that all equipment and other forming part of this Contract shall be complete, intact and in good order at all times.
4. The Contractor shall provide technical personnel who are skilled and experienced to carry out its obligations under this Contract;
5. The Contractor being a duly licensed and legitimate contractor warrants full compliance with all labor laws and social legislation, rules and regulations, especially as regards to minimum wage, hours of work, overtime, and compulsory allowances, and comply all mandatory government contributions. Furthermore, the Contractor hereby holds the PEZA free and harmless from against any and all claims, judgments, and awards in favor of the Contractor's employees or workers under said laws, decrees, rules, and regulations, as well as other laws and under the provisions of the Contract.
6. The Contractor shall comply with all other guarantees, warranties, and other requirements that may be found or implied herein or in any law. If any of the representations and warranties are found to be false, or if the Contractor violates any important warranty, whether the falsity of said representation or the violation of said warranty be done in good faith, without regard to the lack of damage sustained by the PEZA, the PEZA in its absolute discretion may immediately terminate the Contract, without prejudice to the employment or pursuit of other remedies.
7. The Contractor shall only haul and dispose of all concrete debris. All other materials will be arranged and stored in a storage area provided by PEZA.
8. The Contractor shall submit Demolition Methodology, Implementation Plan (step-by-step activities and timeframe/Gantt chart) and manner of disposal of debris.

9. The Contractor shall secure the necessary permits and advise the Office of the Building Official in writing at least five (5) days before actual demolition work is started. Strict compliance with the above conditions is required subject to monitoring by this Office of the Building Official and revocation of this permit in case of violation.

#### **E. PEZA's Responsibilities**

- 1.0. The Engineering and Maintenance Division (EMD) shall be the main responsible unit in monitoring the implementation of the Works in accordance with the specifications and conditions of the Contract.
- 2.0. The PEZA shall constitute an Inspectorate Team which shall be responsible in assisting the EMD in recommending appropriate measures and improvements, when necessary, as well as to make preliminary inspection, submit a punch-list to the contractor and recommend the acceptance of the project for the approval of the concerned PEZA official.
- 3.0. The PEZA shall constitute an Appraisal and Disposal Committee which shall be responsible for the appraisal and immediate disposal of all unserviceable properties of MEZ including records. It shall also be responsible for the disposal of other PEZA properties and PEZA-acquired assets of delinquent locators. Permanent disposal will be under this committee.
- 4.0. Pay the contractor for the supply of materials, labor and equipment for the demolition of old MEZ admin building.

#### **F. Payment Schedule**

- 1.0. The PEZA shall, upon a written request by the Contractor, allow an advance payment/mobilization fee in the amount not to exceed fifteen percent (15%) of the total contract price. The fee shall be paid only upon the submission to and acceptance by the PEZA of an irrevocable standby letter of credit of equivalent value from an accredited financial institution or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the PEZA.
- 2.0. The Contractor may submit a request for progress payment for every 25%, 50%, 75% and 100% work accomplishment. Progress payments maybe paid by the PEZA to the contractor upon Certification issued by the PEZA.
- 3.0. Progress payment shall be adjusted by deducting the amount in the recoupment of the advance payment, and additional retention money amounting to 15% and 10 % of the progress billing respectively.
- 4.0. The total "retention money" shall be due for release upon the request of the Contractor for the substitution of the retention money with an irrevocable letter of credit or surety bond callable on demand and upon issuance of the Certificate of Inspection and Acceptance by the PEZA.

## G. Liquidated Damages

Failure to comply with the Terms and Conditions of the contract will result in the payment of corresponding penalties/liquidated damages in the amount equal to 1/10 of 1% of the cost of the unperformed portion for every day of delay. Once the cumulative amount of liquidated damages reaches 10% of the amount of the contract, NEDA shall rescind the contract, without prejudice to other courses of action and remedies open to it.

## H. Pictures of the Area



*Front view – A portion of the ground floor occupied by Landbank*



*Front view – Main Lobby*



*Right View of old MEZ Admin Building*





*Rear View of Old MEZ Admin Building*



*Left View of old MEZ Admin Building*



*Front View of old MEZ Admin Building*