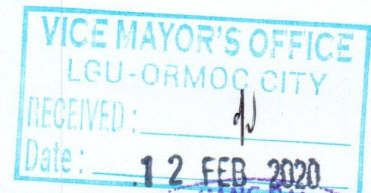


REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE
FIFTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL
ON FEBRUARY 11, 2020



PRESENT:

Leo Carmelo L. Locsin, Jr.
Benjamin S. Pongos, Jr.,
Roiland H. Villasencio,
Tomas R. Serafica,
Nolito M. Quilang,
Eusebio Gerardo S. Penserga,
Peter M. Rodriguez,
Vincent L. Rama,
Gregorio G. Yrastorza III,

City Vice Mayor & Presiding Officer
SP Member, Majority Floor Leader
SP Member, 1st Asst. Majority Floor Leader
SP Member, Presiding Officer "Pro-Tempore"
SP Member, 2nd Asst. Majority Floor Leader
SP Member
SP Member
SP Member
SP Member

ON OFFICIAL BUSINESS:

Jasper M. Lucero,
Lalaine A. Marcos,
Esteban V. Laurente,

Joan Marbie C. Simbajon,

(OIC - City Mayor), SP Member
(O.B. Baguio City), SP Member
(O.B. Baguio City), Ex-Officio SP Member
Chapter President, Liga ng mga Barangay ng Ormoc
(O.B. - Baguio City),
Ex-Officio SP Member, Chapter President,
Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

RESOLUTION NO. 2020-051

**A RESOLUTION GRANTING AUTHORITY TO THE CITY
MAYOR RICHARD I. GOMEZ OR THE ACTING CITY
MAYOR TO ENTER INTO AND SIGN IN BEHALF OF
THE LOCAL GOVERNMENT UNIT OF ORMOC CITY
(LGU-ORMOC) THE TECHNICAL ASSISTANCE
AGREEMENT OF THE ORMOC CITY WATER SUPPLY
SYSTEM PROJECT WITH PUBLIC-PRIVATE
PARTNERSHIP CENTER AND RATIFYING ALL OTHER
AGREEMENTS ENTERED INTO IN RELATION TO THIS
PROJECT.**

WHEREAS, the City Mayor Richard I. Gomez through an Indorsement dated February 7, 2020, forwarded to this august Body for consideration the Technical Assistance Agreement of the Ormoc City Water Supply System Project to be entered into by LGU-Ormoc with Public Private Partnership Center;

WHEREAS, the City Mayor's Office received a letter from the Public-Private Partnership Center dated January 24, 2020 requesting the Honorable Mayor to sign the Technical Assistance Agreement, a copy of the Letter is hereto attached as Annex "A" and made an integral part hereof;

WHEREAS, to recall, the Project Development and Monitoring Facility (PDMF) was created to assist in the conduct of business case, pre-feasibility studies, preparation of tender documents, and monitoring of PPP project implementation, pursuant to Executive Order (E.O.) No. 8, s. 2010, and E.O. 136, s. 2013;

WHEREAS, the PDMF Committee approved the City Government of Ormoc's request for PDMF support for the Ormoc City Water Supply System Project (the "Project") on January 9, 2020;

Res. No. 2020-051

WHEREAS, to recall, the Special Bids and Awards Committee (SBAC) was created through Special Order (S.O.) No. 121, s. 2017, to approve the Request for Proposals (RFP) and the list of RFP recipients for the selection of consultants for PDMF-supported projects; issue the RFP and the addendum and/or clarifications to the RFP; evaluate technical and financial proposals; negotiate with prospective Consultants; and, recommend to the PPP Center's Exclusive Director award of the Contract for Consultants' Services to the qualified Consultant;

WHEREAS, the SBAC finds the RFP and the RFP recipients acceptable and in order, a copy of the Resolution is hereto attached as Annex "B" and made an integral part hereof;

WHEREAS, the objectives of the consulting assignment are to determine the viability of the Project; determine the most appropriate implementation strategy; and ensure effective bid process and contract execution until financially closed;

WHEREAS, upon close and thorough review, this Sanggunian finds that the aforementioned Project is advantageous and for the best interest of the City and its inhabitants therefore meriting this august Body's full support and favorable action with the ratification of this Body to all other contracts/agreements entered and signed by the City Mayor in relation to this project;

NOW THEREFORE, on motion of SP Member Benjamin S. Pongos, Committee on Laws and Ordinances, severally seconded by Honorable SP Members Tomas R. Serafica, Nolito M. Quilang, Peter M. Rodriguez, Vincent L. Rama and Gregorio G. Yrastorza III; be it

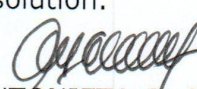
RESOLVED, AS IT IS HEREBY RESOLVED, to pass A RESOLUTION GRANTING AUTHORITY TO THE CITY MAYOR RICHARD I. GOMEZ OR THE ACTING CITY MAYOR TO ENTER INTO AND SIGN FOR AND IN BEHALF OF THE LOCAL GOVERNMENT UNIT OF ORMOC CITY (LGU-ORMOC) THE TECHNICAL ASSISTANCE AGREEMENT OF THE ORMOC CITY WATER SUPPLY SYSTEM PROJECT WITH PUBLIC-PRIVATE PARTNERSHIP CENTER;

ADOPTED, February 11, 2020.


RESOLVED FURTHER, that copies of this resolution be furnished each to the City Mayor of Ormoc Richard I. Gomez; the City Administrator, Mr. Vincent L. Ennas; the City Legal Officer, Atty. Josephine A. Mejia-Romero; the City General Services Office; the City Planning & Development Office; the ORWASA; Mr. Ferdinand A. Pecson, Undersecretary & Executive Director, PPP Center of the Philippines; the City Local Government Operations Officer, DILG; and all other offices concerned for their information and guidance.

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the above resolution.


MARIA ANTONIETA G. CO HAT
Secretary to the
Sangguniang Panlungsod

ATTESTED:


LEO CARMELO L. LOCSIN, JR.
City Vice Mayor & Presiding Officer



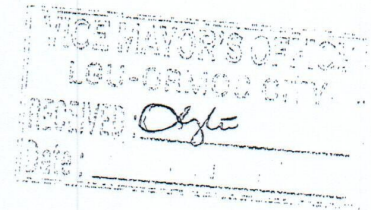
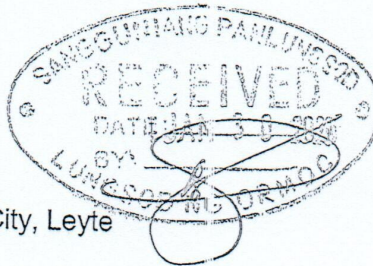
REPUBLIC OF THE PHILIPPINES
PUBLIC-PRIVATE PARTNERSHIP
CENTER

Annex A"

57

JAN 24 2020

HON. RICHARD I. GOMEZ
Mayor
City Government of Ormoc
New Ormoc City Hall, Ormoc City, Leyte



Subject: PDMF Application for the Ormoc City Water Supply System Project

Dear Mayor Gomez:

Following the approval by the Project Development and Monitoring Facility (PDMF) Committee of your application for PDMF support for the **Ormoc City Water Supply System Project** (the "Project") on January 9, 2020, we are pleased to transmit herewith, for your signature, the Technical Assistance Agreement (TAA) for the Project between the PPP Center and the City Government of Ormoc.

In addition to the said approval and as instructed by the Committee during the meeting, the deliverable on verifying the power generation potential and its system capacity from the Project's water sources has been incorporated in the consultant's terms of reference (TOR). The PPP Center also recommends that the said power generation be assessed for its potential to support and augment the operations of the Project thereby contributing to a possible reduction in costs that can be passed on to the City's customers during implementation of the Project.

Assuming that we receive the signed TAA by the 4th of week of January 2020, we have outlined below for your reference, the indicative timeline for the procurement of the Consultant:

Activity	Responsible Entity	Indicative Timeline
1. Issuance of the Request for Proposals (RFP)	PPP Center	4th week of January 2020 (or upon receipt of both the signed TAA and SBAC Approval of the RFP and RFP Recipients)
2. Opening of Technical Proposals	SBAC and SBAC-TWG	4th week of February 2020
3. Technical Evaluation		2nd week of March 2020
4. Opening and Evaluation of Financial Proposals		2nd week of March 2020
5. Contract Negotiation	SBAC	3rd week of March 2020
6. Contract Signing and Commencement of Services	PPPC, Ormoc City, and Consultant	Last week of March 2020 (or approximately 1.5 mos. from RFP issuance)

¹ The PDMF is following the Asian Development Bank's (ADB) *Guidelines on the Use of Consultants* (2013) in its consultant selection process

Considering the above schedule, we request that your nominated representatives to the Special Bids and Awards Committee (SBAC) and SBAC-Technical Working Group (TWG) (please refer to Annex B of the TAA) to make themselves available during activities (2) - (5) above to facilitate the recruitment process.


We will accordingly coordinate with your SBAC representative for the signing of the first SBAC Resolution approving the Request for Proposals (RFP) and the recipient consulting firms from the *PDMF Panel of Consultants for Resilient PPP Projects of Local Implementing Entities* (enumerated in the attached draft SBAC Resolution).

We would highly appreciate receiving the duly signed TAA as soon as possible as well as the signed SBAC Resolution to facilitate the consultant selection process and subsequently the commencement of the consulting work and services for the Project.

For clarifications/queries, your Office may coordinate with Ms. Michelle Yrreverre-Condes of our PDMF Service at telephone no. 8709-4146 local 3203, or via e-mail at MYCondes@ppp.gov.ph.

Thank you and best regards.

Very truly yours,


MIA MARY G. SEBASTIAN
Deputy Executive Director

Cc **Vice Mayor Leo Carmelo L. Locsin, Jr.,**
Sangguniang Panlungsod Chairperson



REPUBLIC OF THE PHILIPPINES
PUBLIC-PRIVATE PARTNERSHIP
CENTER

JAN 24 2020

HON. RICHARD I. GOMEZ

Mayor

City Government of Ormoc

New Ormoc City Hall, Ormoc City, Leyte

Re: **Technical Assistance Agreement for the Provision of Project Preparation and Transaction Advisory Services for the Ormoc City Water Supply System Project**

Dear Mayor Gomez:

1. Following the approval of the Project Development and Monitoring Facility (PDMF) support for the **Ormoc City Water Supply System Project** ("Project") last January 9, 2020, we wish to issue this Technical Assistance Agreement ("TAA") for your signature.
2. The amount approved for the project preparation and transaction support services is at **USD 487,522.50**, exclusive of taxes (or **USD 780,036.00**, inclusive of taxes). Said amount shall be earmarked for the Project upon the execution of this TAA by and between the Public-Private Partnership Center ("PPP Center") and the City Government of Ormoc ("Ormoc City").
3. The **Ormoc City** acknowledges that the PDMF Support will be provided pursuant to the Revised PDMF Guidelines, as may be amended, which is published in the website of the PPP Center (www.ppp.gov.ph). As such, the agency agrees to strictly abide by the PDMF Guidelines and the terms and conditions of this TAA and its annexes.

Scope

4. The PPP Center and Ormoc City agree to engage consultants for project preparation and transaction advisory services for the Project, which is proposed to be implemented as a PPP project under Republic Act No. 6957, as amended by Republic Act No. 7718, (the "BOT Law") and its Implementing Rules and Regulations ("IRR") or through the Ormoc City PPP Code of 2019¹ (City PPP Code). The scope of services to be rendered by the consultant ("Consultant") shall be in accordance with the Terms of Reference ("TOR") which shall be jointly drafted and agreed upon by the PPP Center and Ormoc City. The TOR, which will be annexed to the Contract for Consultants' Services ("CCS"), shall include, among others, the scope of work, team composition, the required deliverables, and the project milestones that will correspond to the payments.
5. The indicative TOR is presented in **Annex A**. The services to be provided by the Consultant through the PDMF shall be exclusively for the project preparation and

¹ Sanggunian Panlungsod Ordinance No. 010, series of 2019, enacted November 19, 2019, "An Ordinance Adopting and Pursuing a Public-Private Partnership (PPP) Approach Towards Ormoc City's Development, Creating a PPP Selection Committee Thereto, Providing Guidelines and Incentives Therefor, and for other related purposes"

- transaction advisory services for the Project and shall not be used, assigned or redirected to support any other project.
6. Any change or variation in the scope of work of the Consultant shall be subject to the terms of the CCS, the endorsement of the Project Study Committee (PSC), and the approval of the PPP Center's Executive Director and /or the PDMF Committee, as may be applicable, pursuant to the Revised PDMF Guidelines. The Ormoc City understands that any change or variation, or any extension in the period for the provision of services by the Consultant shall be subject to negotiation with the Consultant and may have cost implications.

Consultant Selection

7. The selection of the Consultant shall be conducted in accordance with the Asian Development Bank's (ADB) Guidelines on the Use of Consultants (*March 2013, as amended from time to time*). The PPP Center shall create an inter-agency Special Bids and Awards Committee ("SBAC") to undertake the consultant selection, and a Technical Working Group ("TWG") to assist the SBAC.
8. The terms of the provision of services by the Consultant shall be governed by the CCS, which shall be entered into by the PPP Center with the selected Consultant. Upon indicating its conformity with the CCS, the Ormoc City shall be bound to observe all relevant and applicable terms and conditions of the CCS specifically on the review and acceptance of the Consultant's output, claims for Consultant's services rendered, evaluation and approval of contract variation proposals, and such other similar provisions.

Obligations of Ormoc City

9. The Ormoc City shall nominate representatives (one [1] principal and one [1] alternate) (**Annex B**) to perform the following duties:
- (a) represent Ormoc City in the SBAC for the selection of consultants;
 - (b) represent Ormoc City in the TWG to assist the SBAC for the selection of consultants;
 - (c) represent Ormoc City in the PSC for the evaluation and approval of deliverables and contract variation proposals; and,
 - (d) accept or reject outputs of the consultants according to the Output Evaluation Process (**Annex C**).
10. The Ormoc City warrants that each of the nominated representatives has full power and authority to sign, execute and deliver any and all relevant documents.
11. The obligations of the Ormoc City shall include, but not be limited to, those enumerated in **Annex D**. In addition, the Ormoc City commits to observe recognized best practices for PPP projects (a summary of which is provided in **Annex E**) and all Policy Circulars issued by the PPP Governing Board, regardless of the date of issuance.
12. The Ormoc City shall, to the extent possible, follow the project timeline. If, at the determination of the PPP Center, there is an unreasonable delay at any stage or phase of the Project, due to the fault of the Ormoc City, the PPP Center, at its sole discretion, may suspend or terminate this TAA. Any associated costs or penalties shall be for the account of the Ormoc City.

Payment of Consultant's Claims

13. After receiving a copy of the approval of an output from the Ormoc City as per Output Evaluation Process (**Annex C**), and the corresponding claim for payment from the Consultant, the PPP Center shall proceed with processing payment of the claim.

Payment of Consultant's Final Claim

14. In case of termination or expiration of the CCS, the PPP Center shall advise the Consultant to submit its final claim, if any. Within sixty (60) calendar days from the receipt of the Consultant's final claim, the Ormoc City shall review the same for completeness and acceptability in accordance with the CCS. The Ormoc City shall review the acceptability based on the methodology for the evaluation of claims as presented in **Annex F**.
15. Any disagreement on the assessment between the PPP Center and Ormoc City shall be resolved under the Dispute Resolution clause in this TAA.

Reimbursement

16. The Ormoc City shall require the winning bidder to pay the Recoverable Amount² in case of successful bidding, as a condition precedent for signing of the PPP agreement with the winning bidder and the release of the winning bidder's bid security. This obligation of the winning bidder to reimburse the cost of PDMF Support shall be included by the Ormoc City in the Instructions to Bidders/ Private Sector Participant and other related bid documents for the Project.
17. In cases where there is no or there can be no winning bidder, the Ormoc City shall reimburse the Recoverable Amount, in accordance with the PDMF Guidelines.
18. Should the Ormoc City decide to pre-terminate this TAA or the CCS, the Ormoc City shall be solely liable for all attendant costs and fees necessary to effect the pre-termination of this TAA and/or the CCS, including any of the Consultant's fees that may be due and demandable for services already performed. The reimbursement of the actual cost of PDMF Support plus the Cost Recovery Fee by the Ormoc City, in the cases provided in the PDMF Guidelines, may be sourced from its annual budget, through the budgetary process, or through corporate funds, subject to existing laws, rules and regulations. The said cost shall be included in its budget proposal from the receipt of the notice of collection from the PPP Center. Ormoc City shall reimburse to the PDMF the said cost within six (6) months from the approval of the budget of Ormoc City.

Dispute Resolution

19. In any of the dispute arising from this TAA, the PPP Center and Ormoc City agree to meet and immediately resolve such dispute through their authorized representatives. If the designated authorized representatives fail to resolve the dispute, the City Mayor of the Ormoc City and the Executive Director of the PPP Center shall meet to resolve the dispute, and any written joint resolution signed thereof shall be final and binding upon the PPP Center and Ormoc City. For any dispute that remains unresolved after thirty (30) days from the date of their last meeting, the existing laws, implementing rules and regulations, and subsequent amendments thereto, on the administrative settlement or adjudication of


² Actual cost drawn from the PDMF Fund plus Cost Recovery Fee, in accordance with the PDMF Guidelines

disputes between or among government offices, agencies, and instrumentalities, shall apply.

Effectivity

20. This TAA shall become effective on the date of our receipt of the same, duly countersigned by the City Mayor of Ormoc, until the completion or termination of the CCS, provided that the Recoverable Amount has been fully repaid or reimbursed to the PPP Center.
21. Failure of the Ormoc City to abide by the terms of and comply with its obligations under this TAA and the annexes herein, unless compliance with an obligation is otherwise waived in writing by the PPP Center, shall entitle the PPP Center to terminate or suspend the CCS. Any attendant costs for such termination or suspension shall be for the account of the Ormoc City.
22. This TAA may be amended by the parties from time to time. The amendments shall be in writing and duly signed by the parties in order to be effective.
23. In case any provision of this TAA shall be declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected.
24. Should you agree to the terms and conditions of this TAA, including its Annexes, and provided you are authorized to enter into this TAA, kindly indicate your acceptance and conformity by affixing your signature in the space provided below and returning this document to us.

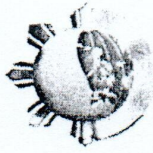
Very truly yours,


FERDINAND A. PECSON
Undersecretary and Executive Director
PPP Center of the Philippines *Just Map*

Conforme:

The Ormoc City accepts and agrees with all the terms of this TAA and its Annexes.

RICHARD I. GOMEZ
City Mayor
City Government of Ormoc



**GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES
National Economic and Development Authority
Public-Private Partnership Center of the Philippines**

Terms of Reference of the Consultant for the

Ormoc City Water Supply System Project

City Government of Ormoc

ADB TA 7796-PHI

2020

OUTLINE

- I. Introduction
- II. Project Background
- III. Objective of the Assignments
- IV. Duration and Location of the Services
- V. Scope of Services, Tasks, and Deliverables
- VI. Detailed Outputs of the Assignment
 - A. Key Timelines or Milestones
 - B. Team Composition and Qualification Requirements for the Key Experts
 - C. Reporting Requirements and Time Schedule for Deliverables
 - D. Training and Capacity Building Requirement
 - E. Equipment Procurement
- VII. Institutional Arrangements and Client's Input and Counterpart Personnel
 - A. Services, facilities, and property to be made available to the Consultant by the Client
 - B. Professional and support counterpart personnel to be assigned by the Client to the Consultant's team
- VIII. Inputs, Project Data and Reports

Appendices:

- A. ORWASA Service Area Map
- B. Report Outline (Minimum Requirement)

- b. Construction of a raw water supply facility and its ancillary appurtenances, which shall include additional construction of reservoir and new pipeline from raw water to augment interconnection of ORWASA's existing pipelines;
- c. Establishment of clarifier and filtration gallery to improve the quality of water supply;
- d. Assessment of hydropower generation potential from the Project's water sources and its system capacity to determine the electricity requirement that will be utilized to augment the power supply needed for the operation of the Project;
- e. Upgrading of the 28 service areas with Level II systems to Level III system; and
- f. Operations and maintenance (O&M) of the entire water supply system covered by the Project.

III. OBJECTIVE OF THE ASSIGNMENT

11. This consulting assignment covers project preparation and transaction support services. The main objectives of the assignment include the following:

- (a) Determine the viability of the Project
- (b) Determine the most appropriate implementation strategy with the following modes of implementation as options:
 - (i) Government implemented through applicable modes of financing;
 - (ii) PPP under Republic Act (R.A.) 6957, as amended by R.A. 7718 or the Build-Operate-Transfer (BOT) Law¹³;
 - (iii) PPP arrangements under Ormoc City PPP Code of 2019; or
 - (iv) Combination of any.
- (c) Ensure effective bid process and contract execution until financial close.

IV. DURATION AND LOCATION OF THE ASSIGNMENT

12. The assignment shall be undertaken within Ormoc City and its relevant vicinities, including the Lake Danao area. The said city is part of Leyte, Philippines.
13. The Consultant for the duration of its contract, shall ensure availability of experts on a priority basis and such experts will be available to provide the services in a responsive and timely manner, including, among others, to receive comments or queries and provide responses thereto, and entertain consultations, whenever necessary.
14. Considering that many activities will be undertaken concurrently, it is estimated that the abovementioned services would require a period of about 625 calendar days from the date of commencement of the services. The detailed work plan submitted as part of the technical proposal for this assignment shall be discussed and agreed with the PPP Center and Ormoc City before signing the contract.

V. SCOPE OF SERVICES, TASKS, AND DELIVERABLES

15. The scope of work is divided into four (4) phases as follows, where each phase represents combined requirements of the project to attain the assignment objectives:

¹³R.A. No. 6957, dated 9 July 1990 (as amended by Republic Act no. 7718, dated 8 May 1994) and the Implementing Rules and Regulations.

- (a) Phase I: Project Inception
- (b) Phase II: Feasibility Study and Project Structuring;
- (c) Phase III: Preparation of Selection/Tender Documents and Assistance in the Competitive Selection Process; and
- (d) Phase IV: Assistance and Advisory until Financial Close.

16. Specific tasks and activities at each phase enumerated in Section V are as follows.

Phase I: Project Inception

- (a) review all background documentation including related studies conducted to date;
- (b) prepare an Inception Report that includes the following information:
 - (a) General Project Information and Objectives
 - (b) Design and Monitoring Framework¹⁴
 - (c) Mobilization, Team and Organization Information
 - (d) Inception Mission Findings
 - Key Findings
 - Confirmation of Plan of Approach, Methodology and Timelines (advisor may propose enhancements/changes)
 - (e) Critical Issues to be Addressed and Recommendations
 - (f) Reporting Requirements
 - (g) Detailed plan of approach, methodology and workplan¹⁵

Phase II: Feasibility Study and Project Structuring

Task 1: Develop the Feasibility Study

Task 1.1: Technical Requirements and Design

- (a) Conduct a supply-demand study and willingness-to-pay survey for the coverage area, as well as the system capacity assessment of the potential power generation of the Project.
- (b) Prepare the project implementation schedule, which will define and set the timelines of the major phases of project work to fulfill the desired objectives and achieve the expected deliverables from the time of awarding of the project to its completion. The project implementation schedule should include the deliverables being set, major activities for each deliverable and key milestones, among others.
- (c) Prepare a detailed project rationale, including potential economic benefits arising from the Project.
- (d) Carry out a detailed assessment and document the operations/services, practices, and requirements of the Project and related services, including existing facilities and current condition assessment, regulatory requirements, and local government permits for the construction, operations and maintenance, if any.

¹⁴<http://www.adb.org/documents/guidelines/guidelines-preparing-dmf/guidelines-preparing-dmf.pdf>

¹⁵ The Consultant may propose enhancements/changes in the current scope of works), taking into consideration key findings (e.g. surveys required, and critical issues to be addressed) during the field investigation conducted by the Consultant.

most appropriate configuration that will accommodate initial projected requirement while taking into consideration possible future expansion, with recommendations on the expansion schedule and corresponding scope of works, on the basis of projected requirement.

All technical-related deliverables shall be submitted to the PPP Center, Ormoc City/ORWASA and/or Project Study Committee (PSC) through a formal communication by the Consultant, with written and signed endorsement from the Consultant's engineering/technical firm.

Task 1.2: Legal and Institutional Analysis

- (a) Carry out a detailed assessment of the regulatory and local government permit requirements for the project, if any.
- (b) Identify all legal requirements (including a review of the regulatory framework, relevant jurisprudence, administrative issuances, and previous rulings and Commission on Audit [COA] issuances) that might have impact on the Project, and recommend appropriate legal approaches to be undertaken in the implementation of the proposed project.
- (c) Assess issues, recommend, and draft appropriate legal instruments associated with the management of the social, economic (e.g.; water supply agreement, septage), and environmental impacts of the project in a manner consistent with national and local policies, taking into consideration international best practices.
- (d) Develop and provide details to the legal architecture and design of the transaction, identifying e.g. the (i) type of PPP contract to be used (e.g. BT, BOT, BTO, JV, City's PPP Code etc.); (ii) investment plan, how, where and when investments will be made; and (iii) type of public sector support required, including terms and conditions.
- (e) Review and assess Government's role in the proposed project, whether that role corresponds with the Government's legal obligations and maintains sufficient power to protect the public interest.
- (f) Formulate the appropriate institutional arrangement for the Project, taking into consideration the roles and responsibilities of all stakeholders in all project stages (e.g., tender of bids, project implementation).
- (g) Ascertain the validity and viability of the proposed PPP structure for the Project and Ormoc City/ORWASA's capacity to manage the Project once concession is turned-over, and recommend required changes and capacity improvement measures, as appropriate, as well as recommend institutional measures¹⁸ to improve the governance of Ormoc City/ORWASA for implementation.

All legal opinions and advice given during the engagement shall be rendered in a formal communication to the PPP Center, Ormoc City/ORWASA, and/or PSC by the Consultant, with written and signed endorsement from the Legal Specialists.

¹⁸ Including organization structure of Ormoc City/ORWASA

- (b) Based on the risk analysis, prepare a contingent liability model for Ormoc City/ORWASA that quantifies the contingent liabilities, how the same shall be managed, and the funding requirements.

The model shall include an analysis on, but not limited to, higher than expected cost for the right-of-way, government variation orders, compensation for lower-than-agreed tariff levels, material adverse government action (MAGA) compensation, and compensation caused by government delays and buyouts.

The project's risk allocation/analysis and contingent liabilities model shall be incorporated in the financial model/s (as section on contingent liabilities) to be calculated/updated from time to time. These shall be presented to representatives of the PPP Center, Ormoc City/ORWASA, and Department of Finance (DOF).

Task 1.5: Economic and Financial Analysis

In doing the tasks below, the Consultant shall consider the FS, project cost, and other related matters in connection with the upgrade and rehabilitation of water distribution pipelines of Ormoc City/ORWASA which it will undertake, particularly in deriving the optimal water rate/tariff:

- (a) Conduct an economic analysis – identification and estimation of the economic costs and benefits of the project; and calculation of the economic internal rate of return (EIRR), including sensitivity analysis as required for obtaining government approval.
- (b) Conduct a financial analysis –
 1. Preparation of a spreadsheet-based financial model.²² Financial models must:
 - (a) be fully flexible and traceable to accommodate sensitivity analysis
 - (b) include clear and concise model integrity checks
 - (c) clearly describe proposed financing structures
 - (d) simulate distribution of cash to relevant structures including, but not limited to:
 - (i) cash traps and/or allocated cash reserves;
 - (ii) debt repayments; and
 - (iii) dividends and equity redemption
 - (e) clearly describe the project's financial position upon conclusion of project/concession period
 2. Prepare sensitivity analysis on important business plan elements and the impact on bankability parameters of project
 3. Research on relevant benchmark rates of return, namely comparable unlevered asset returns and risk premiums and/or discounts
 4. Computation of relevant asset/firm valuation metrics including project internal rate of return, equity internal rate of return, project net present value and equity net present value
 5. Research on relevant financing data including bank debt interest rates, gearing ratios, project finance debt service coverage ratio (DSCR) benchmarks, financing fees (commitment fees, arrangement fees, agency fees, etc.)
 6. Research on relevant insurance costs and other market available risk mitigation products
 7. Research on relevant taxes and tax implications

²²The financial model should include demand forecasts and a tariff model, among others.

The Consultant shall submit the abovementioned documents to the relevant approving authority/ies as prescribed in the City's PPP Code, as confirmed by the PPP Center and Ormoc City/ORWASA.

Task 3: Pre-Selection Conference

Conduct pre-selection conference with stakeholders to discuss the key terms and conditions of the draft PPP agreement. Conclusions drawn from these meetings shall be presented by the Consultant, discussed and agreed with the PPP Center and Ormoc City/ORWASA.

Should there be substantial changes as a result of the pre-selection conference as approved by the PPP Center and Ormoc City's relevant approving bodies, the same shall be considered in finalizing the PPP agreement, for adoption of the PPP-SC.

Task 4: Selection Execution

Provide all required assistance and advisory support to Ormoc City/ORWASA during the entire competitive selection process which shall include, but not be limited to, (i) drafting and consolidation of selection bulletins; (ii) revision, finalization, and consolidation of the IAESP and IPSP; (iii) participation in the conduct of pre-selection conferences; (iv) preparation and consolidation of responses to queries from bidders and other concerned parties; (v) participation in the pre-selection and evaluation of proposals; (vi) preparation and consolidation of evaluation (including pre-selection) reports; (vii) contract revision and finalization; (viii) preparation and consolidation of resolutions for approval of the PPP-SC; (ix) assistance in presentations to the PPP-SC and/or its Technical Working Group (TWG); (x) assistance in the management of contract signing; (xi) assistance in review of post-qualification requirements; and, (xii) provision of inputs and assistance in the preparation of minutes of all meetings.

Phase IV: Assistance and Advisory until Financial Close

(a) The Consultant shall provide all required advisory support to Ormoc City/ORWASA on the following: (i) development of criteria and compensation method for the dispute resolution board or any other alternative dispute resolution body or any advance work to be employed under the concession agreement; (ii) preparation of hand-over protocols; (iii) preparation of documents to address conditions precedent in the financing agreements; (iv) interpretations on any issue that may be raised by the private sector proponent or its lenders, signing any other agreement or document with the private sector proponent; and, (iii) evaluation for changes in Engineering, Procurement and Construction (EPC) contractor and/or consortium member.

(b) Finalize the TOR for the engagement of the Independent Consultant (IC), including the line-up of required experts and qualification requirement and cost estimate for the IC Services for the Project, and assist in responding to bidders' queries on the TOR.

Other Tasks/Responsibilities:

17. In addition to the above scope of works, the Consultant shall:
 - (a) review all background documentation including related studies conducted to date;

The Consultant shall submit the abovementioned documents to the relevant approving authority/ies as prescribed in the City's PPP Code, as confirmed by the PPP Center and Ormoc City/ORWASA.

Task 3: Pre-Selection Conference

Conduct pre-selection conference with stakeholders to discuss the key terms and conditions of the draft PPP agreement. Conclusions drawn from these meetings shall be presented by the Consultant, discussed and agreed with the PPP Center and Ormoc City/ORWASA.

Should there be substantial changes as a result of the pre-selection conference as approved by the PPP Center and Ormoc City's relevant approving bodies, the same shall be considered in finalizing the PPP agreement, for adoption of the PPP-SC.

Task 4: Selection Execution

Provide all required assistance and advisory support to Ormoc City/ORWASA during the entire competitive selection process which shall include, but not be limited to, (i) drafting and consolidation of selection bulletins; (ii) revision, finalization, and consolidation of the IAESP and IPSP; (iii) participation in the conduct of pre-selection conferences; (iv) preparation and consolidation of responses to queries from bidders and other concerned parties; (v) participation in the pre-selection and evaluation of proposals; (vi) preparation and consolidation of evaluation (including pre-selection) reports; (vii) contract revision and finalization; (viii) preparation and consolidation of resolutions for approval of the PPP-SC; (ix) assistance in presentations to the PPP-SC and/or its Technical Working Group (TWG); (x) assistance in the management of contract signing; (xi) assistance in review of post-qualification requirements; and, (xii) provision of inputs and assistance in the preparation of minutes of all meetings.

Phase IV: Assistance and Advisory until Financial Close

(a) The Consultant shall provide all required advisory support to Ormoc City/ORWASA on the following: (i) development of criteria and compensation method for the dispute resolution board or any other alternative dispute resolution body or any advance work to be employed under the concession agreement; (ii) preparation of hand-over protocols; (iii) preparation of documents to address conditions precedent in the financing agreements; (iv) interpretations on any issue that may be raised by the private sector proponent or its lenders, signing any other agreement or document with the private sector proponent; and, (iii) evaluation for changes in Engineering, Procurement and Construction (EPC) contractor and/or consortium member.

(b) Finalize the TOR for the engagement of the Independent Consultant (IC), including the line-up of required experts and qualification requirement and cost estimate for the IC Services for the Project, and assist in responding to bidders' queries on the TOR.

Other Tasks/Responsibilities:

17. In addition to the above scope of works, the Consultant shall:
 - (a) review all background documentation including related studies conducted to date;

Payment No.	Milestone	Percentage of Payment ^(a)	Due date from commencement ^(b)
1	Acceptance of the Inception Report	10%	30 calendar days from the date of submission of invoice after acceptance/ completion ^(b) of each milestone
2	Acceptance of the Feasibility Study and Market Sounding Report	35%	
3	Approval based on PPP code of the City and Acceptance of the Post-Activity Report	5%	
4	Acceptance (issuance) of IAESP, draft PPP contract, MPSS, and other tender documents ³⁰	5%	
5	Acceptance (issuance) of a) IPSP and b) Pre-selection process report ³¹	15%	
6	Acceptance of the Selection Process Report	15%	
7	Signing of the contractual agreement and acceptance of the final TOR for the IC/IE	10%	
8	Acceptance of the Close-out Report, Case Study, and PPP Management Plan	5%	

(a) Percentage of payment of the contract value.
(b) There is acceptance/completion of each milestone upon issuance of a PSC resolution.

B. Team Composition and Qualification Requirements for the Key Experts

23. The Consultant shall have sufficient personnel to provide services to deliver all required outputs within the prescribed time³². For specific areas of expertise, requirement of national consultants³³ has been prescribed as shown below. This list of expertise provided hereunder is indicative and the Consultant may include additional expertise if deemed necessary to successfully complete the assignment but always within the terms and conditions of this TOR and the relevant agreements to be signed by the parties.
24. For each required position, the Consultant should nominate a Key Expert. The Consultant may enhance its expertise by nominating more than one (1) Key Expert for each position³⁴. Otherwise, additional expert/s shall be designated as Non-Key Experts.

³⁰Reviewed version ready for issuance

³¹Reviewed version ready for issuance

³²The legal and project finance specialists to be nominated shall be among the Consultant's list of experts submitted during the first stage (i.e., empanelment). For reasons beyond the control of the Consultant, nomination of other experts may be allowed provided said expert/s have equal or better qualifications than the original experts included in the list during the first stage.

³³As per ADB's Guidelines on The Use of Consultants (2010 "National Consultant" means any consulting firm or individual from the borrower's country that is established or incorporated and has a registered office in the borrower's country, or a person who is a citizen of such country" (footnotes 5 and 6 on page 2).

³⁴All Key Experts nominated for a single position will be evaluated based on the requirements of the TOR and rated individually, wherein the score of the least qualified nominee shall be considered in computing the total score of the firm.

No.	Position	Required Qualifications ³⁵
5	Hydrologist	Five (5) years of demonstrated experience in water resources planning and river basin study and analysis of other hydrologic/hydrographic-related study. The expert shall have experience as a site hydrologist preferably on water supply system, raw water supply, distribution, and its O&M, and hydropower projects. Prepared 3 water supply, distribution, and O&M and hydropower projects.
6	Economic Specialist	Five (5) years of demonstrated experience in sector economic assessment (water sector), opportunity cost implications, etc. Engaged as economic specialist for three (3) projects (public- and private-funded).
7	Environmental Specialist	Five (5) years of demonstrated experience in the preparation of environmental impact statements (EIS) and environmental management plans/programs for three (3) water supply system, raw water supply, distribution and its O&M projects (public- and private-funded) in accordance with the specific requirements in the Philippines.
8	Social Development and Gender Specialist	Five (5) years of demonstrated experience in assessment of social impacts including gender analysis and preparation of mitigation measures for three (3) water supply system, raw water supply, distribution and its O&M (public- funded) in accordance with the specific requirements in the Philippines.
9	Land Acquisition and Resettlement Specialist	Five (5) years of demonstrated experience in the preparation of land acquisition plan and resettlement action plan on development projects for three (3) water supply system, raw water supply, distribution and its O&M projects.
10	Development Communication Specialist	Five (5) years of demonstrated experience in public relations, and in the preparation of public communications plan for development projects, with three (3) projects successfully implemented, with one (1) project on water supply system, raw water supply, distribution and its O&M.

25. The Consultant shall ensure availability of experts on a priority basis and such experts will be available to provide the services in a responsive and timely manner.
26. The Consultant shall provide the organizational structures and arrangements for the specified services, including specification of position responsibilities.
27. The tasks for each expert shall be read in conjunction with the scope of services in Section V. The scope of work for each expert includes, but is not limited to, the following:

Consultants with National Expertise

- (i) **Team Leader (who must also be the Civil Engineer/Water Resource or Water Supply Specialist)**

The consultants will generally be responsible for coordinating all inputs of the team; submission of all reports; facilitation of meetings and stakeholder consultations, as

- (d) Prepare and review structural plan/design of required disaster-resilient infrastructures/facilities and provide advice as regards value engineering for the optimal layout, building capacity projections, energy efficiency, and cost estimates of both in the construction and O&M.
- (e) Draft and review the design of required infrastructures/facilities including but not limited to foundation design, flood analysis, water supply, sanitation, leachate control, access roads, and other supplementary structures; and provide advice with regard to value engineering for the optimal layout including building capacity projections, seismic studies and cost estimates of both in the construction, if any, and building management/maintenance.
- (f) Conduct all required engineering surveys and analysis, such as geotechnical tests, topographic, parcellary and other surveys, and analysis which may be necessary to produce a conceptual structural design and the minimum performance specification and standard (MPSS);
- (g) Conduct the traffic analysis study.
- (h) Prepare the construction, supply, installation, and O&M performance standards and its key performance indicators (KPIs).
- (i) Assist in the review of proposal and contract documents of the building components of related PPP projects, including IAESP, IPSP, and Draft Contracts.
- (j) Review and assist in the preparation of the MPSS.
- (k) Conduct the VE/VA.
- (l) Provide inputs in the preparation of the TOR for the procurement of services of an IC/IE.
- (m) Undertake other tasks/activities assigned by the team leader as may be required during the conduct of the FS.
- (n) Provide support to ensure on-time submission of required deliverables.

(iii) Project Finance Specialist

- (a) Develop a full financial model and financing plan, including determination of sound assumptions resulting in a set of projected financial statements (balance sheet, cash flow, income statement, key ratio analysis), and sensitivity scenarios. The working model shall be submitted whenever requested. The Project Finance Specialist/Team Leader, for the duration of the Consultant's contract, shall schedule periodic presentations; and shall make himself/herself available to receive comments or queries and provide responses thereto, and entertain consultations, whenever necessary.
- (b) Determine pricing structures and/or cross subsidies under the PPP arrangement, taking into account the impact of a possible power generation to augment the operations of the Project, to lessen impact on tariffs passed on to users.
- (c) Formulate an appropriate parametric tariff adjustment formula considering the impact of the said adjustment to all stakeholders (winning project proponent and users).
- (d) Provide support during the market intelligence gathering from lenders relating to financing terms, and incorporate final debt pricing into the financial model.
- (e) Conduct project risk analysis (valuation, allocation and mitigation of risks) to determine, assess, allocate and manage risks (such as, but not limited to project, commercial, financial, political, economic, force majeure and legal risks) during all project stages.
- (f) Assess extent to which project risks can be underwritten by commercial insurance and corresponding cost.
- (g) Prepare a contingent liability model for Ormoc City/ ORWASA that quantifies the contingent liabilities, how the same shall be managed and the funding requirements based on the risk analysis.

- (k) Prepare all necessary bid/tender documents, including the IAESP, IPSP, Information Memorandum, MPSS, draft PPP agreement, selection bulletins and selection evaluation criteria, among others, to facilitate tender of the project.
- (l) Assist in securing the opinion of the relevant offices pursuant to the City's PPP Code on the draft PPP agreement.
- (m) Prepare execution copy of the PPP agreement and render a signed opinion that the execution copy is in accordance with relevant law/s.
- (n) Provide signed legal opinions on the possible legal issues which may need to be addressed in the course of the preparation, tender and implementation of the project.
- (o) Conduct the following activities: a) drafting of all tender-related notices/requests and selection bulletins; b) preparation or collation of documents and data to be made available in the data room for prospective bidders; c) setting-up and management of data room; d) conduct of pre-selection conference; e) preparation of responses to queries by bidders and other concerned parties; f) evaluation of proposal, including pre-selection; preparation of selection evaluation reports; g) contract revision and finalization; and, h) contract award and signing.
- (p) Provide all the required assistance and advisory support to Ormoc City/ORWASA with all functions relating to grant of approval on any issue to the private sector proponent or signing any agreement or any other document with the private sector proponent or assisting in providing interpretations relating to any matter until financial close, including providing a closing opinion (if required by the lenders for financial close).
- (q) Assist Ormoc City/ORWASA in addressing issues on the approval of the project, the execution of any document with the private sector proponent, and the interpretations of relevant legal provisions on the financial close (including providing a closing opinion, if required by the lenders for financial close).
- (r) Assist and sign off on the preparation of the TOR for the IC/IE, and in addressing bidders' concerns on the TOR.
- (s) The Legal Specialist shall make himself/herself available to receive comments or queries and provide responses thereto, and entertain consultations, whenever be prepared as necessary.
- (t) Provide support to ensure on-time submission of required deliverables.

(v) Geologist/Hydrogeologist/Geotechnical Specialist

- (a) Collect geological information such as aerial photographs, satellite imagery, relevant geological study reports, documents and maps for the project area.
- (b) Together with the Civil Engineer, collect, examine and analyse rocks, minerals and fossils within the project site and other areas needed for the Project. Carry out geotechnical test/studies to determine/confirm land/ground, subsurface soil conditions and seabed. Samples obtained such as soil and rock samples shall be subjected to physical and mechanical tests and soil mechanics analysis to include shear strength tests necessary for slope stability analysis.
- (c) Conduct seismic refraction survey and analysis considering all past earthquakes, liquefaction, and other landslide risks occurred in the proposed project and prepare mitigating measures/ strategies to address the impact of the magnitude of such soil and underground conditions from the upstream and downstream of the proposed project.
- (d) Prepare geologic and seismic mapping indicating all faults and fracture in the proposed project, detailed soil/field investigations/testing to prepare engineering reports with geotechnical recommendations/test data pertaining to existing soil structure and characteristics, excavation and dewatering, pipe bedding, groundwater control, trench backfill, roadway construction, foundation design and

rather than the empirical Natural Resources Conservation Service (NRCS)³⁷ dimensionless unit hydrograph method. In the event that SCS method is employed, comparison to other methods is required.

- (m) Assess the hydropower generation potential from the identified water sources and determine the system capacity for the Project vis-s-vis its electricity load demand and supply to support and augment the operations of the Project.
- (n) Review water rights applications and ownerships relating to the Project.
- (o) Undertake other tasks/activities assigned by the team leader as may be required during the conduct of the FS.
- (p) Provide inputs in the preparation of the TOR for the procurement of services of an IC/IE.
- (q) Provide support to ensure on-time submission of required deliverables.

(vii) Economic Specialist

- (a) Align the sector assessments and demand-supply (market analysis) with the inputs of the Project Finance Specialist. Provide an analysis of opportunity cost implications and of projected benefits and impact of the Project.
- (b) Undertake a cost-benefit analysis. The analysis should include, among others, the following:
 - (i) Sector assessments, demand-supply (market analysis), opportunity cost implications, projected project benefits and impacts;
 - (ii) Willingness-to-pay survey to determine whether the end-user tariffs are socially acceptable;
 - (iii) Determination of project rationale and economic impact in comparison with alternative options; and
 - (iv) Determination of realistic economic rates of return for the project under various scenarios.
- (c) In consultation with the Social Development and Gender Specialist, ensure that the project provides desired and equitable benefits to end users.
- (d) Together with the Project Finance Specialist, shall prepare the required report and documents as may be required by the relevant approving bodies.
- (e) Provide support to ensure on-time submission of required deliverables.

(viii) Environmental Specialist

- (a) Carry out a comprehensive environmental assessment³⁸ and ensure substantive and form-wise consistency with the documentary requirements for applying necessary national and local governments' environmental permits, i.e., ECC, local clearances, etc.
- (b) Assess critical environmental factors related to traffic congestion, noise and air, pollution, handling, storage and disposal of toxic and hazardous products, solid waste, water and flooding, carbon emissions, geo-hazard conditions, land use and settlement developments impacts and, resilience to climate change conditions such as storm surges and floods.
- (c) Recommend appropriate mitigating measures and designs to improve the project's environmental sustainability. Ensure that the environmental management plan and mitigation measures are integrated in the project's design, cost, and operation.

³⁷ Formerly Soil Conservation Service (SCS)

³⁸ In doing so, the consultants shall be guided by the PPP Governing Board Resolution No. 2018-12-02 on Safeguards in PPP: Mainstreaming Environmental, Displacement, Social and Gender Concerns (https://ppp.gov.ph/wp-content/uploads/2019/01/PPPC_PPPGB_Reso-Safeguards-in-PPP.pdf) as well environmental sustainability requirements of the International Financial Institutions, which, in one way or another, might be attracted to financing or implementation of the PPP projects. For example, ADB's environmental sustainability requirements can be found in ADB. 2009. Safeguard Policy Statement. Manila.

(xi) **Development Communication Specialist**

- (a) Together with the LARS, Social Development and Gender Specialist, and Legal Specialist prepare the Communications Plan and manage any controversies (pending and future) with different entities claiming the property and provide inputs to the safeguards chapter of the FS.
- (b) Conduct a public communication needs analysis involving the project, as well as stakeholder analysis and management to determine possible impacts on all stakeholders.
- (c) Design mechanisms such as, but not limited to, workshops to generate feedback from stakeholders on critical aspects of the project, identify conflicting stances and facilitate communication aimed at finding mutually acceptable modes of collaboration among stakeholders.
- (d) Propose communication strategies across multiple stakeholders to address the identified communications needs. These should be aligned with the objectives, solutions-orientation and positive messaging of the Philippine PPP program.
- (e) Develop a communications plan, detailing out the phases of implementation, use of tools, including those online, to improve the engagement process of stakeholders, periodic monitoring and evaluation of the plan, and the cost of the plan. Plan should incorporate key message development, positioning and management of issues anticipated to arise in the key areas of the project such as economic and financial aspects, the environment, gender and social safeguards, among others.
- (f) Provide support to ensure on-time submission of required deliverables.

C. Reporting Requirements and Time Schedule for Deliverables

28. The general deliverables of the project and corresponding date of submission are presented in the table below. The Consultant shall submit a Monthly Progress Report by the 5th of each month summarizing the achievements in the previous month.

No.	Deliverable	Phase of Study (Refer to Section V)	Timeline from the commencement date ^(a)
1	Inception Report	I	10 days
2	Monthly Progress Report ^(b)		
3	Feasibility Study Report	I	150 days
4	Market Sounding Report	I	150 days
5	IAESP and qualification criteria, including draft concession agreement, MPSS	II	10 days after project approval
6	IPSP and other tender documents	II	10 days after project approval
7	Selection Process Report	II	10 days after conclusion of selection/bid evaluation
8	Close-out Report	III	10 days after conclusion of bidding

(a) In calendar days.

(b) Submitted 5th of every month.

VII. INSTITUTIONAL ARRANGEMENTS AND CLIENT-INPUT AND COUNTERPART PERSONNEL

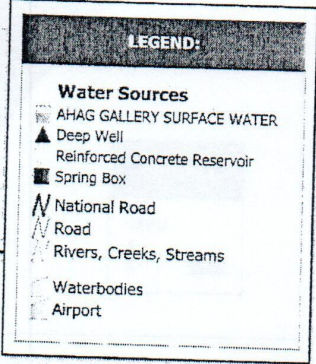
PPP Center and Implementing Agency (Client)

33. The PPP Center shall sign a lump-sum contract with the Consultant with *conforme* of Ormoc City for providing project preparation and transaction support services. As the Client and contracting party, the PPP Center through its PDMF Service, shall manage and administer the Consultant's contract.
34. A PSC, composed of representatives from Ormoc City/ORWASA and the PPP Center, has been established to review and assess the acceptability of project deliverables. For deliverables associated with the bid/tender process, the Consultant shall work closely with the PPP Selection Committee (PPP-SC) and its TWG.
35. Ormoc City/ORWASA and the PPP Center shall provide the Consultant with all available pertinent data and previous studies, if any. Ormoc City and the PPP Center shall liaise with other agencies to ensure that the Consultant has access to all information required as may be allowed under Philippine laws.
36. Ormoc City/ORWASA and the PPP Center shall provide dedicated personnel with relevant skills as counterpart staff to the Consultant including a designated Project Manager to, among others—
 - a. Work closely and coordinate with the assigned Project Officer of the PPP Center and the Team Leader;
 - b. Ensure the relevant principal/s of the Ormoc City is well-informed of the developments of the project;
 - c. Ensure that prerequisite activities/requirements to move the project forward are undertaken;
 - d. Provide other administrative assistance such as, but not limited to, arranging/coordinating meetings, and reproduction of project documents for internal government use/requirement.

Consultant

37. The Consultant shall work closely with Ormoc City/ORWASA and the PPP Center, through their respective Project Managers, and other government agencies as may be required during the assignment.
38. The Consultant shall be responsible for its own space while in the country, and all necessary facilities and logistical support for its staff, including transportation, office equipment (computers, printers, telephone, and internet services), survey and investigation equipment, communications, utilities, office supplies, and other miscellaneous costs for carrying out the services as per the requirements under the TOR. Further, the Consultant will need to provide all the administrative and support staff needed to carry out their services.

Appendix A
ORWASASERVICE AREA



Appendix B – REPORT OUTLINE (Minimum Requirement)

Inception Report

- Introduction
 - General Project Information and Objectives
 - Draft Design and Monitoring Framework
 - Mobilization, Team and Organization Information
- Inception Mission Findings
 - Key Findings
 - Confirmation of Plan of Approach, Methodology and Timelines (advisor may propose enhancements/changes)
- Critical Issues to be addressed and Recommendations
- Reporting Requirements
- Adjusted Work Plan and Schedule

Monthly Progress Report

- Major Accomplishment for each Activity and Task
- Scope of Work
- Project Plan and Schedule (Gantt, planned per contract versus actual)
- On-site Staffing (including home inputs) for Time Period
- Status of Deliverables (matrix, planned per contract versus revised/actual)
- Issues/Problems and Corresponding Corrective Actions

Design and Monitoring Framework

(Refer to ADB Guidelines on Preparing DMF)

Prescribed Contents of the Safeguards Chapter of the FS⁴²

- I. Scope and Objectives of Safeguards Study as part of the FS
- II. Process Documentation (methodologies, stakeholder studies, schedules of reconnaissance survey/baseline data gathering, social preparation/IEC, Public consultations, scoping, etc.). The documentation should include a sex-disaggregated listing of stakeholder groups consulted including Indigenous People (if any), women and other marginalized groups like fisher folks, farmers, etc.)
- III. Current National Environmental and Social Safeguard Policies & Guidelines and Donor Agency Requirements
- IV. Results of Safeguards Screening and Scoping

The results of the screening of project alternatives in terms of siting, type and technology shall be included in the FS. Relevant project description parameters used in screening shall be reflected in the FS Report. The key results of the screening process to be included in the FS Report shall be as follows:

 - a. Encroached or nearby ECAs for the alternative project sites considered
 - b. Project category based on existing Philippine and ADB Guidelines
 - c. Safeguards concerns for the various project design and technology options and discussions of how this was factored-in in the project design
 - d. Summary of baseline socio-economic and cultural issues in project impact areas
 - e. Additional safeguards requirements of donor agencies, not covered by the requirements of the Philippine Government, if any
- V. Summary of EIA Study Results

⁴² Annex C of PPP Governing Board (PPGB) Resolution No. 2018-12-02 available at https://ppp.gov.ph/wp-content/uploads/2019/01/PPPC_PPPGB_Reso-Safeguards-in-PPF.pdf

- The Bidding Procedure
- Bidding Plan and Schedule (Gantt, planned versus actual)
- Issues/problems Encountered and Corrective Actions Taken
- Summary of Key Observations and Recommendations

Close Out Report

- Executive Summary
- Project Background
 - General Project Information
 - Project Objectives
- Summary of and Findings on All Deliverables Completed under the TAA (including changes in the project and justifications for such, as applicable)
 - Inception Report
 - Pre-Feasibility Study
 - Feasibility Study (highlights: proposed project structure; public consultations and market sounding activities conducted; VfM analysis, among others)
 - Transaction Documents (including project structure, bid parameter, concession agreement, etc.)
 - Bid Evaluation Report
 - Technical Proposal
 - Financial Proposal
 - Bid Process Report
 - Other Deliverables
- Risk Management and Transition Plan
 - Assessment of technology/capacity transferred to the IA
 - Risk Management Plan *(analysis of project risks in various stages of the project cycle, including proposed mitigating measures to ensure successful project implementation)*
 - Documents and resources turned over *(must include the specific project document, description, transferee, type of document/resources, and date transferred)*
- Critical Issues and Lessons Learned *(must indicate critical issues encountered and lessons learned during project development until financial close)*

Problem Statement	Problem Description	PPP Phase	Actions Taken	Recommendation
- Other Outstanding Matters *(must provide description and next steps to solve it; must also include TA's incomplete tasks)*
- Request for project closure approval

ANNEX B

NOMINATED REPRESENTATIVES⁴³

Project Study Committee	
Principal	Atty. Josephine Mejia - Romero <i>City Legal Officer</i>
Alternate	Ms. Charivic Serafica <i>City Accountant - Head</i>
Special Bid and Awards Committee (SBAC)	
Principal	Mr. Vincent Emnas, <i>City Administrator</i>
Alternate	Ms. Sabrina Duero, <i>City Budget Officer - Head</i>
SBAC-Technical Working Group	
Principal	Engr. Rauol E. Cam <i>City Planning - Head</i>
	Mr. Fulton E.S. Manawatao, <i>Waterworks Superintendent II</i>
Alternate	Engr. Ranulfo Oliveros, <i>City Engineer – Head</i>
	Engr. Alona A. Viacrusis, <i>Public Utilities Regulation Officer II</i>

⁴³ Finalized through email communication sent by Ormoc City to PPP Center on January 06, 2020

OUTPUT EVALUATION PROCESS

1. The Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) shall inform the PPP Center of its authorized representative/s for the purposes of this Output Evaluation Process.
2. Upon submission of output by the Consultant, the authorized representatives from the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) and PPP Center will simultaneously review the output. The PPP Center, through its authorized representative, shall provide its recommendation to the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) within a mutually agreed time.
3. Within twenty (20) working days (or an earlier period as may be mutually agreed upon) from receipt of the PPP Center's recommendation, the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) shall complete its review of the output and inform the PPP Center of its decision whether to accept or require revision of the output or portions of it.
 - (a) In case of acceptance, the authorized representative from the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) shall certify acceptance of the output and submit the same to PSC/PMC/PIC and the PPP Center. The PSC/PMC/PIC shall review such acceptance and recommend to the PPP Center's Executive Director the appropriate action. The PPP Center's Executive Director or his duly authorized representative shall have the final decision on the evaluation of the output and payment of claims and any other actions or remedies that can be exercised under the CCS. In case of approval of the payment, the PPP Center will then notify the Consultant of the output's acceptance and advise the Consultant to submit its corresponding claim for payment.
 - (b) In case of the need to revise, the authorized representative from the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) shall inform the PPP Center of such decision in writing. The PPP Center shall relay such decision to the Consultant, and the following steps shall be undertaken:

Activity	Timeframe	Responsible Entity
a. Prepare and agree on the workplan on how to address Ormoc City/ORWASA's (and the Private Proponent, in case of independent consultant services) issue(s)/concern(s) on the output or portions thereof.	Within five (5) working days (or an earlier period as may be mutually agreed upon) from the issuance of the notification of output rejection	Consultant and Ormoc City/ORWASA's (and the Private Proponent, in case of independent consultant services) authorized representative
b. Revise the output, or portions thereof, as per agreed workplan.	Within the period as specified in the workplan agreed upon by Ormoc City (and the Private Proponent, in case of independent consultant services) and the Consultant	Consultant

- i. If the Consultant is able to revise the outputs within the period agreed in the workplan, but the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) still finds the output unacceptable, the above-mentioned steps/activities under this sub-item (b) shall be repeated at a maximum of three (3) rounds until the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) accepts the output. On the third round (at a maximum), if the Ormoc City (and the Private Proponent, in case of independent consultant services) still finds the output unacceptable, the same shall be elevated to the PSC/PMC/PIC, which shall then recommend to the PPP Center's Executive Director the appropriate action or remedy. The PPP Center's Executive Director or his duly authorized representative shall have the final decision on the evaluation of the output and payment of claims and any other actions or remedies that can be exercised under the CCS.
 - ii. In the event that the Consultant fails to revise or improve the output within the period agreed in the workplan after a maximum of three (3) rounds, the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) has the option to grant a reasonable extension of the period to revise the outputs, or request the PPP Center to exercise its available remedies as Client under the CCS.
 - iii. Once the output is accepted, the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) shall undertake the activity mentioned in sub-item 3(a) of this Annex.
4. If the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) fails to inform the PPP Center of its decision whether to accept or require revision of the output within 20 working days (or an earlier period as may be mutually agreed upon) from receipt of the PPP Center's recommendation, the PPP Center shall notify and call on the PSC/PMC/PIC representative of the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) to act on the matter. Within five (5) working days (or an earlier period as may be mutually agreed upon) from receipt of the notification, the PSC/PMC/PIC representative of the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) and the PPP Center shall discuss the evaluation results. The PSC/PMC/PIC shall then recommend to the PPP Center's Executive Director the appropriate action. The PPP Center's Executive Director or his duly authorized representative shall have the final decision on the evaluation of the output and payment of claims and any other actions or remedies that can be exercised under the CCS.
 5. In case of inaction by the PSC/PMC/PIC representative of the Ormoc City/ORWASA (and the Private Proponent, in case of independent consultant services) in items (3) and (4) above, the PPP Center's Executive Director or his duly authorized representative shall have the final decision on the evaluation of the output and payment of claims and any other actions or remedies that can be exercised under the CCS.

The Ormoc City shall have, among others, the following obligations:

A. Consultant Selection/Recruitment

1. Nominate representatives to the SBAC and the TWG, and the [PSC/PMC/PIC].
2. Ensure compliance with the seven (7) calendar days (from receipt of documents) turn-around time for the review/evaluation and approval of the documents for consultant selection of the PPP Center.

B. Contract Implementation

1. Provide dedicated personnel with relevant skills as counterpart staff to the Consultant including a designated Project Manager to, among others—
 - a. Work closely and coordinate with the assigned Project Officer of the PPP Center and the Team Leader;
 - b. Ensure the relevant principal/s of Ormoc City is well-informed of the developments of the project;
 - c. Ensure that prerequisite activities/requirements to move the project forward are undertaken;
 - d. Provide other administrative assistance such as, but not limited to, arranging/coordinating meetings, and reproduction of project documents for internal government use/requirement.
2. Create a PPP Selection Committee (PPP-SC) pursuant to the City's PPP Code and equivalent Technical Working Group (TWG).
3. Ensure compliance with the City's PPP Code and with other relevant laws, rules, regulations, circulars or other issuances by any government authority, at all stages or phases of the project.
4. Ensure compliance with the required turn-around time for the review/evaluation and approval of the deliverables/outputs of the Consultant, including review/evaluation and acceptance of the associated tasks and/or special reports linked to said deliverables/outputs.
5. Issue prompt endorsement or approval of the Consultant's claims for payments (whether milestone payments or final claims), when required by the PPP Center, pursuant to the PDMF Guidelines and the Output Evaluation Process (Annex C).
6. Keep track of the deployment of the Consultant's personnel and ensure that their field work is aligned with the approved budget and work plan.
7. Provide office space/work station for the Consultant.
8. Liaise with other government agencies, LGUs, and private organizations, as need arises, to ensure that the Consultant has access to all data/information required, as may be allowed under Philippine laws.
9. Prepare and make presentations, as may be necessary, to the PPP-SC, stakeholders, and other relevant government approving bodies.
10. Prepare (i) minutes/highlights of all meetings, including TWG, SBAC and Board Meetings (except for meetings involving other stakeholders, Pre-selection conferences, market sounding, one-on-ones, etc.), (ii) all presentation materials, and (iii) responses to queries (other than queries from bidders/proponents during the bidding process) from stakeholders.
11. Ensure that instructions or requests to the Consultant are in compliance with the scope of works outlined in the TOR.
12. Coordinate with relevant approving bodies regarding meeting schedules, submissions and other requirements.

13. Coordinate and consult with the PPP Center and the Consultant regarding any documents to be made publicly available.
14. Ensure availability of internal resources for bid stage activities and events (e.g., advertisement/s, pre-bid conferences)
15. Ensure inclusion in the bid documents the requirement on the winning bidder to pay the Recoverable Amount to the PDMF as a condition for contract signing and the release of the bid security.
16. Submit to the PPP Center an executed copy of the project agreement, and any amendments thereto, signed with the winning bidder within thirty (30) days from execution thereof.
17. Submit to the PPP Center periodic reports on the implementation of the Project, as requested by the PPP Center.
18. Pay the Recoverable Amount to the PDMF in accordance with this TAA and the Revised PDMF Guidelines.

1. Conduct of market sounding

Market sounding is the process by which the private sector's ability to assume risks through the PPP contract is assessed. The activity focuses on the appropriateness and attractiveness of the PPP scheme, and soliciting inputs and requirements from prospective bidders. Market sounding could either occur during the preparation of the project, before the issuance of the request for proposals or request for submission of qualification documents. In particular, it occurs before the bidding proper or before sending out invitations to prospective bidders.

2. Conduct of one-on-one meetings

This is held for prequalified bidders. One-on-one meetings are conducted to clarify any of the bidders' questions, comments, and concerns; and discuss key terms and conditions of the draft PPP agreement.

3. Use of Control Test

The Control Test provides a practical and efficient approach in determining compliance to the nationality requirement for projects to be implemented under a contractual arrangement which requires public utility franchise for its operation.

4. Use of Virtual Data Room (VDR)

This is designed as a secure and controlled online facility for storing, accessing, and distributing bid documents and project-related data. The VDR provides a platform for prequalified bidders to undertake their due diligence review on a PPP project.

5. Appointment of Probity Advisor⁴⁴

Probity Advisors provide an independent opinion on probity issues that may arise during the project tender process, and confirm that the concluded bid process meets probity requirements.

6. Independent Consultant/Engineer

Independent Consultants/Engineers provide technical expertise on, unbiased monitoring of, and assurance that the facility complies with the detailed engineering design and minimum performance standards and specifications identified in the PPP contract.

⁴⁴Applicable to: (a) large PPP projects with cost amounting to PhP 20 billion or more, or as maybe determined by the PPP Governing Board, and (b) complex projects, regardless of amount, as determined and justified by the ORMOC CITY.

7. Conflict Management Plan

The submission of a conflict management plan shall be required from the consulting firms who act as professional advisors of two or more bidders in the same project, in order to ensure that no conflict of interest exists between and among the teams within the said firm. The plan shall contain, among others, an integrity pledge and a disclosure of all the firm's clients that are participating in a particular PPP project.

Note: Nothing in this Summary shall supersede or amend the policy circulars issued by the PPP Governing Board. In case of any inconsistency between this summary and the language of the PPP Governing Board's policy circulars, the latter shall prevail.

ANNEX F

METHODOLOGY ON THE ASSESSMENT OF FINAL CLAIM OF THE CONSULTANT

I. GENERAL POLICY

- A. Evaluation of final claim shall be covered by this methodology.
- B. The PSC/PMC/PIC shall determine the validity and reasonableness of claims. The procedure in the Output Evaluation Process (Annex C), as may be applicable, shall apply.

II. ASSESSMENT

A. Eligibility

- 1. Payment may be made for all services/activities and outputs (and associated out-of-pocket expenses) included or necessarily included in the Terms of Reference (TOR) in the Contract for Consultant's Services (CCS) and its amendments, if any.

B. Evaluation Parameters

- 2. The total value of the claim will be based on the terms specified in the CCS.
- 3. One input-month is equivalent to 22 working (billable) days. Further, one working (billable) day should be equivalent to eight (8) working (billable) hours.
- 4. Only key and non-key experts as indicated in the CCS will be compensated. Rates of experts, based on the latest contract amendment, if any, shall not be modified.

Annex "B"

SPECIAL BIDS AND AWARDS COMMITTEE
for the
Ormoc City Water Supply System Project (PPPC/ADB/IDCA __)

Resolution No. 2019-001
Approving the Terms of Reference (TOR) /Request for Proposals (RFP)
and List of RFP Recipients

WHEREAS, the Project Development and Monitoring Facility (PDMF) was created to assist in the conduct of business case, pre-feasibility study and feasibility studies, preparation of tender documents, and monitoring of PPP project implementation, pursuant to Executive Order (E.O.) No. 8, s. 2010, and E.O. No. 136, s. 2013.

WHEREAS, the Capacity Development Technical Assistance (CDTA) 7796-PHI: Strengthening Public-Private Partnerships in the Philippines was entered into by the Asian Development Bank and the Government of the Philippines through the National Economic and Development Authority, as the executing agency, with the Public-Private Partnership (PPP) Center and Department of Finance as implementing agencies, to improve the Government's capacity to promote, develop, and implement public-private partnership projects. Under such TA, the engagement of consultants shall be in accordance with the *ADB Guidelines on the Use of Consultants, 2013*, as amended from time to time;

WHEREAS, a PDMF Panel of Consultants for Resilient PPP Projects of Local Implementing Entities (LIEs) (the "Local PPP Panel") was established to assist in the development, preparation, and tender of climate change-adaptive and disaster risk-resilient PPP Projects of LIEs;

WHEREAS, the PDMF Committee approved the City Government of Ormoc's request for PDMF support for the **Ormoc City Water Supply System Project** (the "Project") on January 09, 2020;

WHEREAS, a Special Bids and Awards Committee (SBAC) was created through Special Order (S.O.) No. 121, Series of 2017, to approve the Request for Proposals (RFP), (including the addendum and/or clarifications to the RFP) and the list of RFP recipients for the selection of consultants for PDMF-supported projects; issue the RFP and the addendum and/or clarifications to the RFP; evaluate technical and financial proposals; negotiate with prospective Consultants; and, recommend to the PFP Center's Executive Director award of the Contract for Consultants' Services to the qualified Consultant;

WHEREAS, upon review of the RFP and the RFP recipients, the SBAC finds them acceptable and in order;

NOW, THEREFORE, THE SBAC RESOLVE(S), AS IT IS HEREBY RESOLVED, to:

1. Approve the RFP (including the TOR); and
2. Issue the RFP to ten (10) members of the Local PPP Panel, namely^a:
 - (i) Castalia Limited (New Zealand);
 - (ii) Eptisa Servicios De Ingenieria S.L. (Spain);
 - (iii) Feedback Infra Private Limited (India);

^a Lead firms

- (iv) Fichtner GmbH & Co. KG (Germany);
- (v) GHD Pty. Ltd. (Philippines);
- (vi) Haskoning DHV Netherlands B.V. (Netherlands);
- (vii) Mott MacDonald Singapore Pte Limited (Singapore);
- (viii) Oriented Integrated Development Consultants Incorporated (Philippines);
- (ix) Ove Arup & Partners International Limited (United Kingdom); and
- (x) Tractebel Engineering (Belgium).

IN WITNESS WHEREOF, we have set our hands this _____ day of _____
2020 at PPP Center, 8th Floor, One Cyberpod Centris, EDSA cor. Quezon Avenue, Quezon
City.

MIA MARY G. SEBASTIAN
Chairperson
Deputy Executive Director, PPP Center

JOANNE B. BABON
Vice-Chairperson
Director, PPP Center -Project Development and
Monitoring Facility Service

MARIA LERMA L. ADVINCULA
Member
Director, PPP Center – Project
Development Service

ATTY. JOSEPHINE MEJIA - ROMERO
Member
City Legal Officer, City Government of Ormoc

ATTY. FRANCES YANI P. DOMINGO-BUENO
Member
Director, PPP Center -- Legal Service