



BAGUIO WATER DISTRICT

"Serving Mankind is Serving God"



TERMS OF REFERENCE

RECERTIFICATION SERVICES FOR ISO 9001:2015 OF THE BAGUIO WATER DISTRICT QUALITY MANAGEMENT SYSTEM (QMS) – SUPPLY, PRODUCTION, AND DISTRIBUTION OF POTABLE WATER

I. BACKGROUND:

Baguio Water District (BWD) is a government-owned and controlled corporation (GOCC) under the regulation of the Local Water Utilities Administration (LWUA). As a public utility, BWD is mandated to deliver adequate and potable water at affordable rates to its consumers.

BWD, as an organization, is committed to be a role model agency involved in public service, observe transparency in all its transactions, comply with all applicable laws, undertake corporate social responsibility activities, provide its employees with a healthy and gender-sensitive working environment, with appropriate and adequate training, development and enhancement programs, and opportunities for career growth.

BWD is implementing a Quality Management System (QMS) for all processes in its operations to ensure the delivery of timely and efficient services to its clients. BWD has completed its first Quality Management System Certification on the Supply, Production, and Distribution of Potable Water, which is valid until June 18, 2023.

In order to sustain continuity in the implementation of the BWD QMS, particularly the Supply, Production, and Distribution of Potable Water, and ensure conformance to ISO 9001 standards, there is a need to continue with its ISO recertification.

II. OBJECTIVES:

To contract a Certifying Body competent and qualified to reassess/recertify conformity and compliance to ISO 9001:2015 standards of the QMS being implemented by BWD for all its processes.

III. REQUIREMENTS:

BWD is in need of a Certifying Body to provide professional and technical auditing services in order to ensure the long-term maintenance of a management system compliant to ISO 9001:2015, and enhance the knowledge and competence of the BWD officials and employees in the effective and continuous implementation of its QMS.

The Certifying Body must comply with the following requirements:

1. Accredited for ISO 9001:2015 certification activities by a national accreditation agency duly recognized by the Department of Trade and Industry - Philippine Accreditation Office (DTI-PAO).
2. Trainings conducted must be accredited by the International Register of Certified Auditors (IRCA).
3. Must be registered with the Securities and Exchange Commission (SEC) or Department of Trade and Industry (DTI).
4. Must possess the necessary government permits and documents such as, but not limited to, PhilGEPS Certificate of Registration, Mayor's or Business Permit, and Tax Clearance.
5. Must have been engaged and successfully led at least six (6) water supply system/industry to the establishment of their QMS and Certification to ISO 9001:2015.
6. Must not have provided QMS consulting services or site-specific auditor training to BWD or has no member who has been a former employee of BWD within two (2) years prior to the certification/audit in order to avoid conflict of interest.
7. The certifying body/accreditor must satisfy the following:
 - a. consist of qualified and competent certifiers/auditors to conduct awareness, documentation, and internal audit courses;
 - b. at least one (1) team member shall have relevant sector specific experience for all commodity codes which apply to the scope of certification;

- c. has team members with actual hands-on experience on accrediting/certifying and auditing government services particularly on the QMS Process Scope such as Plan/Policy Formulation and Monitoring, Program Monitoring/Evaluation, and Technical Operations of a Water Supply System;
- d. at least two (2) auditors of the initial team should participate in all audits of the three-year audit cycle; and
- e. replacement of any team member shall require prior written approval from BWD.

8. The certifying body must be in operation for at least twenty (20) years locally.

IV. SCOPE OF SERVICES:

The Certifying Body is expected to:

- 1. Prepare and submit an Audit Plan not later than two (2) weeks prior to recertification/reassessment audit;
- 2. Issue ISO 9001:2015 certification valid for three (3) years within one (1) month from date of BWD's receipt of the written recommendation for certification;
- 3. Conduct Recertification Audit;
- 4. Conduct 1st and 2nd Surveillance Audits for the 2nd and 3rd year, following the initial recertification audit;
- 5. Provide a full audit report on the processes audited consistent with the content of the approved scope of work/deliverables to BWD within five (5) to seven (7) working days after each initial recertification audit unless otherwise agreed by BWD. The report should include suggestions on how to address the audit findings.

V. SCOPE, COVERAGE, AND DELIVERABLES

1. RECERTIFICATION AUDIT

2. ISSUANCE OF RECERTIFICATION CERTIFICATE (9001:2015) WITH THREE (3) - YEAR VALIDITY

3. ANNUAL SURVEILLANCE AUDITS FOR THE 2ND AND 3RD YEAR

VI. SELECTION CRITERIA/CONDITIONS OF ENGAGEMENT:

1. The Certifying Body must provide its **Company Profile** highlighting related projects, clients, scope of work and implementation methodologies. The **Curriculum Vitae** including their qualifications of the proposed certification team should also be submitted.
2. The Certifying Body should include in their audit activities a procedure for client appeals. If resolutions on good terms for disputes between BWD and the certification body cannot be made, BWD shall be afforded the right to lodge appeals about the decisions of the Certifying Team/Audit Team through an independent arbitrator. Independently from this, the legal path shall be open to both parties.
3. All information reviewed and recorded by the certification body audit team must be treated with utmost confidentiality at all times.
4. The Certifying Body should adhere to the agreed scope of work/deliverables which are approved prior by BWD.
5. The Certifying Body shall submit the required legal, technical and financial eligibility documents pursuant to Republic Act No. 9184, otherwise known as the “Government Procurement Reform Act”, and its 2016 Revised Implementing Rules and Regulations.
6. The Certifying Body shall submit the following documents pursuant to Bureau of Internal Revenue Regulations No. 3-2005 dated 16 February 2005, as part of the eligibility documents:
 - ✓ Latest Annual Income and Business Tax Returns (VAT of Percentage Tax) duly stamped and received by the BIR and duly validated with the tax payments made thereon. Returns filed with Authorized Agent Banks or thru eFPS with corresponding reference numbers shall be deemed duly stamped and received by the BIR;
 - ✓ BIR Tax Clearance; and
 - ✓ All other documents indicated in the Bid Documents.

7. The Certifying Body must abide by the certification/accreditation principles, terminologies, and guidelines as specified in the ISO 9001:2008 or ISO 9001:2015 - Guidelines for Quality Management System and ISO 19011:2002 - Guidelines for Quality and/or Environmental Management Systems Auditing.

VII. ENGAGEMENT FEE/COST OF SERVICES

The approved budget for the contract of services is Three Hundred Seventy Thousand Pesos (Php370,000.00) inclusive of all applicable government taxes in accordance with government procedures. The cost of engagement of the certifying body shall be based on the agreed contract between the two parties. Payment shall be based on the completion of the following activities as evidenced by the submission and acceptance of the required deliverables for the identified business process:

- ✓ Recertification Audit;
- ✓ Issuance of ISO 9001:2015 certificate valid for three (3) years; and
- ✓ 2nd and 3rd year Surveillance Audit

The Approved Budget Cost (ABC) shall also cover the following:

- ✓ Remuneration/professional fees
- ✓ Incidental expenses (transportation/fuel, communication, coordination meetings, etc)

Payments shall be based on the following tranches:

1. 30% of the contract for the initial recertification and completion of the required documented information such as review and propose revisions on the Quality Manual, if any; the Quality Procedures, operational requirements, work instructions, flowcharts, and forms, if needed.
2. 35% of the total contract cost after the conduct of 1st Year Surveillance Audit and submission of the required documented information including a comprehensive Audit Report.
3. 35% of the total contract cost after the conduct of the 2nd Year Surveillance Audit and submission of the required documented information including a comprehensive Audit Report.

4. If the man-days will exceed, no additional cost shall be charged to BWD, as long as the activities are within the scope and deliverables set forth between BWD and the winning bidder.

VIII. SOURCE OF FUNDS

BWD Corporate Operating Budget

IX. SPECIAL PROVISIONS

1. Bidder must submit proposed activities and timeline.
2. Selected company shall render deliverables (QMS Workplan) within the agreed timeline.
3. Price to be quoted should exclude travel and accommodation costs and food expenses which shall be for the account of the Certifying Body.
4. During the contract implementation, the Certifying Body shall pay taxes in full and on time and that failure to do so will entitle BWD to suspend payment on the services delivered by the Certifying Body.
5. BWD shall reserve the right to reschedule any planned audits due to unforeseen circumstances such as force majeure, conflict with priority and relevant agency operations and activities, and management discretion, provided that any changes are communicated with the Certifying Body at least ten (10) days prior to the scheduled audit.

X. CONTACT PERSON

ATTY. MA. LUISA C. TENEDERO

Bids and Awards Committee Chairperson, Baguio Water District
(074) 442-3456

Approved:


ENGR. SALVADOR M. ROYECA
General Manager