



## BAGUIO WATER DISTRICT

*"Serving Mankind is Serving God"*



### CONTRACT FOR THE SUPPLY, INSTALLATION AND COMMISSIONING OF WIRELESS SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM AT DIFFERENT BAGUIO WATER DISTRICT (BWD) PUMPING STATIONS

KNOW ALL MEN BY THESE PRESENT:

This CONTRACT, made and executed into by and between:

**BAGUIO WATER DISTRICT**, a Government Owned and Controlled Corporation (GOCC) duly organized and existing under and by virtue of Presidential Decree No. 198, as amended, with principal office address at No. 003 Utility Road, Marcoville, Baguio City, represented by its General Manager, **ENGR. SALVADOR M. ROYECA**, hereinafter referred to as "**BWD**";

- AND -

**P.T. CERNA CORPORATION**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal business address at 4137 Ponte St., Sta. Cruz, Makati City, Metro Manila, represented herein by its Vice President, **MR. EDWIN L. TIU**, duly authorized for the purpose of this Contract as evidenced in a Secretary's Certificate issued by Corporate Secretary, Ms. Michelle E. Puerto, attached hereto as **ANNEX "A"**, hereinafter referred to as the "**P.T. CERNA**".

WITNESSETH:

**WHEREAS**, **BWD** continues to find ways to streamline its operations with the latest and state-of-the-art equipment for both electro-mechanical and information communications technology (ICT) available to effectively and efficiently manage its internal operations specifically designed to address the consumer's needs for adequate and potable water supply;

**WHEREAS**, in order to integrate the latest trend in technology in its daily operations, the procurement of a Supervisory Control and Data Acquisition (SCADA) system is necessary and which shall be developed, customized, and incorporated in the operation by industry standards experts in SCADA systems, for the exclusive ownership and use of **BWD** as tool/framework that will be aligned to its strategic objectives and standardize its processes to reduce reaction time and implement site security for its water sources in its effort to continually eliminate Non-Revenue Water (NRW);

**WHEREAS**, Baguio Water District - Bids and Awards Committee (**BWD-BAC**) conducted a public bidding for the Supply, Installation and Commissioning of Wireless Supervisory Control and Data Acquisition (SCADA) System at Different Baguio Water District (**BWD**) Pumping Stations in accordance to the provisions of Republic Act (RA) No. 9184 and its 2016 revised Implementing Rules and Regulation (IRR)

*[Handwritten signatures and initials on the left margin]*

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**WHEREAS**, in response to BWD's Invitation to Bid, P.T. CERNA submitted its bid to implement the above-mentioned Contract for two hundred seventy-five (275) days. After the conduct of bid evaluation and post-qualification, the bid of P.T. CERNA was determined to be the lone calculated and responsive bid with bid price of **FORTY-EIGHT MILLION EIGHT HUNDRED THIRTY-EIGHT THOUSAND SIX HUNDRED THIRTY-TWO PESOS AND 55/100 (Php48,838,632.55)**, inclusive of all applicable government taxes and other charges imposed under applicable laws;

**WHEREAS**, P.T. CERNA meets all the requirements set forth in the Bidding Documents;

**WHEREAS**, P.T. CERNA shall provide a supervision and control system for the real-time installation, programmable logic controllers with the needed basic functions such as communication, adjusting, measuring, forecasting libraries, communication systems, standard interfaces or dedicated ones with sensors, electrical drive elements, measuring devices and real-time video signals;

**NOW THEREFORE**, for and in consideration of the foregoing premises and of the mutual covenants and stipulations hereinafter set forth, the parties hereto have agreed and do hereby agree, as follows:

#### 1. AGREED RATE AND RELATED CONDITIONS

- 1.1 For and in consideration of the services to be rendered by the P.T. CERNA to BWD as provided herein, BWD agrees to pay P.T. CERNA the sum of **FORTY-EIGHT MILLION EIGHT HUNDRED THIRTY-EIGHT THOUSAND SIX HUNDRED THIRTY-TWO PESOS AND 55/100 (Php48,838,632.55)** inclusive of all applicable government taxes and other charges imposed under applicable laws, for the performance of the project;
- 1.2 BWD shall pay P.T. CERNA the amount in Philippine Peso, upon completion of each of the following milestones and submission of the required deliverables in installment basis within the period of the two hundred seventy-five (275) days, to wit:

DELIVERABLE/ACTIVITY	PERCENTAGE	PRICE WITH 12% VAT
1 <sup>st</sup> payment  Downpayment upon receipt and confirmation of Purchase Order	15%	7,325,794.88
2 <sup>nd</sup> payment  Upon approval of panel control drawing.	20%	9,767,726.51

<b>3<sup>rd</sup> payment</b>	20%	9,767,726.51
Upon delivery of flowmeter, level, pressure, actuator valves		
<b>4<sup>th</sup> payment</b>	15%	7,325,794.88
Upon delivery and installation of wireless communication devices		
<b>5<sup>th</sup> payment</b>	20%	9,767,726.51
Upon delivery, installation & commissioning of instruments, PLC, SCADA software		
<b>6<sup>th</sup> payment</b>	10%	4,883,863.26
Retention Billing		
<b>TOTAL</b>	100%	<b>Php48,838,632.55</b>

- 1.3 BWD shall pay P.T. CERNA the amounts within twenty-eight (28) days from the date each certificate was issued. No payment of interest for delayed payments and adjustments shall be made by the BWD.
- 1.4 Such request of payment shall be verified and certified by BWD. Materials and equipment delivered on the site but not completely put in place shall not be included for payment.
- 1.5 No adjustment in the Contract price shall be allowed during the term of this Contract. Contract amount shall not be subjected to price escalation during Contract implementation, except under extraordinary circumstances as determined by NEDA and approved by the GPPB.
- 1.6 P.T. CERNA shall, under its name and at his own expense, obtain and maintain, for the duration of this Contract, the following insurance coverage:
  - a. P.T. CERNA's All Risk Insurance;
  - b. Transportation to the project site of Equipment's, Machinery, and Supplies owned by P.T. CERNA;
  - c. Personal injury or death of P.T. CERNA's employees;



d. Comprehensive insurance for third party liability to P.T. CERNA's direct and indirect act or omission causing damage to third persons.

- 1.7 If applicable, the daily work rates of P.T. CERNA shall be used for small additional amounts of work upon receipt of written instructions for additional work from BWD. Each completion of work shall be verified by BWD within two (2) days from completion.
- 1.8 P.T. CERNA shall bear all costs and charges for special or temporary right-of-way required by it in connection with access to the site. P.T. CERNA shall also provide at its own cost any additional facilities outside the site required by it for purposes of the works.

## 2. OBLIGATIONS AND UNDERTAKINGS OF P.T. CERNA

- 2.1 BWD shall grant P.T. CERNA adequate possession of the site as may be required to enable it to proceed with the execution of the works. If P.T. CERNA suffers delay or incurs cost from failure on the part of the BWD to give possession in accordance with the terms of this clause, BWD's representative shall give P.T. CERNA a Contract time extension and certify such sum as fair to cover the cost incurred, which sum shall be paid by BWD.
- 2.2 P.T. CERNA shall allow the BWD's representative and any person authorized by the BWD access to the site and to any place where work in connection with this Contract is being carried out or is intended to be carried out.
- 2.3 P.T. CERNA shall carry out the works properly and in accordance with this Contract. P.T. CERNA shall provide all supervision, labor, local materials, plant and Contractor's equipment, which may be required. All materials and plant on site shall be deemed to be the property of BWD.

The type of materials and or equipment proposed to be purchased, supplied and used by P.T. CERNA shall be first approved by BWD and shall not be substituted anytime during the entire duration of the Contract except only in meritorious cases as may be permitted and duly approved by BWD.

- 2.4 P.T. CERNA shall commence execution of the works upon receipt of the start date and shall carry out the works in accordance with the program of work submitted by P.T. CERNA, as updated with the approval of the BWD's representative, and complete them by the intended completion date.

- 2.5 **P.T. CERNA** shall be responsible for the safety of all activities and its employee on the site.
- 2.6 **P.T. CERNA** shall carry out all instructions of **BWD's** representative that comply with all applicable laws where the site is located.
- 2.7 **P.T. CERNA** shall employ its key personnel, to carry out the supervision of the works. The **BWD** will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are equal to or better than those of the personnel listed in the bid.
- 2.8 If **BWD's** representative asks **P.T. CERNA** to remove a member of its staff or work force, for justifiable cause, **P.T. CERNA** shall ensure that the person leaves the site within seven (7) days and has no further connection, directly or indirectly, with the work in this Contract.
- 2.9 During Contract implementation, **P.T. CERNA** shall abide, at all times, all labor laws, including child labor related enactments, and other relevant rules.
- 2.10 **P.T. CERNA** shall submit to **BWD** for consent the name and particulars of the person authorized to receive instructions on its behalf.
- 2.11 **P.T. CERNA** shall cooperate and share the site with other Contractors, public authorities, utilities, and **BWD**, between the dates given in the schedule of other Contractors, particularly when they shall require access to the Site. **P.T. CERNA** shall also provide facilities and services for them during this period. **BWD** may modify the schedule of other Contractors, and shall notify **P.T. CERNA** of any such modification thereto.
- 2.12 Should anything of historical or other interest or of significant value be unexpectedly discovered on the site, **P.T. CERNA** shall notify the **BWD's** representative of such discoveries and carry out the **BWD's** representative's instructions in dealing with them.
- 2.13 **BWD** shall assist **P.T. CERNA** in applying for permits, licenses or approvals, which are required for the works.
- 2.14 **BWD** shall take over the site and works within seven (7) days from the date **BWD** issues a Certificate of Completion.

3. DELIVERABLES

3.1 P.T. CERN A shall render the supply, installation and commissioning for a period of two hundred seventy-five (275) days which shall be divided into two (2) phases;

PHASE	NO. OF DAYS (Calendar Days)	DELIVERABLES
1 <sup>st</sup> Phase	270 from receipt of the Notice to Proceed	For all works, services and expected deliverables
2 <sup>nd</sup> Phase	5  (3 consecutive working days for 8 hours /day following successful testing of the SCADA system and another 2 consecutive days, 8 hours/day for advanced training)	Free Training/Seminar workshop of the users, technician, administrators and programmers

Programming and administration training may take longer than the above but should not exceed thirty (30) working days for eight (8) hours per day.

3.2 P.T. CERN A shall provide the following documents before the implementation of the project:

- a. Literatures, brochures, manuals, describing each item, such as PLC/Embedded PC Controller, in sufficient detail, including materials of construction of each part of the proposed model.
- b. Project Documentation which includes, but not limited to the following:
  - ✓ Wiring Diagram (I/O) including relays and fuses based on NEMA Standard;
  - ✓ System Architecture showing the network connection of the different facility locations;
  - ✓ I/O List and designation;
  - ✓ Logic Diagram using the ladder/ function block/ STL/ or other means of language with complete source code;
  - ✓ Flow Diagram showing the sequence, operation concept and completion timeline;
  - ✓ Loop Diagram following ISA 5.4 Standard;
  - ✓ Process and Instrumentation Diagram following ISA 5.1 Standard;
  - ✓ Electrical Wiring Diagram;
  - ✓ Power Circuit following an American Standard;



- ✓ Control Circuit following an American Standard: and
- ✓ Single Line Diagram based on NEMA.

**3.3 P.T. CERN** shall provide the following in the conduct of work;

- a. Tools and Equipment
- b. Logistics and transport vehicle
- c. Consumable Materials
- d. Certified Test Result Report
- e. Personnel and Overseer

**3.4 P.T. CERN** shall provide the following documents after completion:

- a. Manufacturer's Authorization and Warranty Certificate
- b. Manufacturer's operation and maintenance manuals. The maintenance instruction shall also include troubleshooting data, preventative maintenance information complete spare parts list with ordering information.
- c. Complete set of training manuals for users, administrator and programmer.

**3.5 P.T. CERN** shall provide for the all the supplies/ equipment necessary for the SCADA system and shall be responsible for its installation and commissioning. with appropriate technical specifications indicated in the bidding documents and Bid Bulletin No. 1, necessary for the SCADA system and shall be responsible for its installation and commissioning.

**3.6** The type of materials and/or equipment proposed to be purchased, supplied and used by **P.T. CERN** shall be first approved by **BWD** and shall not be substituted anytime during the entire duration of the Contract except only in meritorious cases as may permitted and duly approved by **BWD**.

**3.7 P.T. CERN** shall provide one (1) year warranty against factory defect on all of its supplied equipment;

**3.8** During implementation of the Contract, **P.T. CERN** shall submit to **BWD** a Program of Work (PERT-CPM and Bar Chart) showing the general methods, arrangements, order, and timing for all activities in the work. The Program of Work shall be subject to **BWD**'s approval before implementation.

**3.9 P.T. CERN** shall submit an updated Program of Work (PERT-CPM and Bar Chart) to **BWD** at intervals no longer than fifteen (15) days. The document shall show the actual progress achieved on each activity and the effect of the

progress achieved on the timing of the remaining work, including any changes to the sequence of the activities. All variations shall be included in the updated Program of Work submitted by **P.T. CERNA**.

- 3.10 **P.T. CERNA** shall provide **BWD** an updated cash flow forecast for every updated Program of Work submittal.
- 3.11 **P.T. CERNA** shall submit to **BWD** monthly statements of the estimated value of the work executed less the cumulative amount previously certified.
- 3.12 **P.T. CERNA** shall test and inspect the different types of equipment that comprise the whole SCADA system and shall furnish **BWD** copies of test records or applicable certificates, e.g. Factory and Site Acceptance Test (FAT/SAT) issued by its supplier indicating compliance to all applicable test requirements and quality regulations;
- 3.13 During commissioning, **P.T. CERNA** shall conduct the actual and complete testing of the equipment and corresponding software in the presence of the **BWD** personnel from Production & Distribution, NRW and ICT Divisions. Testing procedures shall be as recommended by the manufacturer and as agreed upon by the both **P.T. CERNA** and **BWD**.
- 3.14 **P.T. CERNA** shall deliver the equipment and services at the Baguio Water District office and/or to the identified sites;
- 3.15 No password/s shall be encoded by **P.T. CERNA** in the Control System, whether in PLC or in the Control Network, without written approval from **BWD**.
- 3.16 Operation and maintenance of the programmable logic controller shall be recommended by the manufacturer and as agreed upon by **P.T. CERNA** and **BWD**.
- 3.17 The delivered equipment by **P.T. CERNA** shall be ready for operation/ field installation.
- 3.18 Service unit shall be provided by **P.T. CERNA** in case of equipment breakdown during the one (1) year warranty period.
- 3.19 **P.T. CERNA** shall have the local capability to do repair and maintenance of the equipment supplied.
- 3.20 In the event the equipment of any of its accessories become defective during the warranty period, **P.T. CERNA** shall provide its duly registered technician or maintenance crew within twenty-four (24) hours upon receipt of **BWD's** notice.



3.21 **P.T. CERNA** shall conduct an after-sales training for the necessary controls and needed communication structures for the following locations/areas:

- a. BWD Main Office
- b. Strategic Areas of the Amparo Pumping Station
- c. Balsigan Pumping Station
- d. BGH Tank Facility
- e. Wireless Infrastructure Communication System

#### **4. PERFORMANCE SECURITY**

- 4.1 The performance security shall remain valid until the issuance by **BWD** of the Certificate of Final Acceptance.
- 4.2 The Performance Security shall be released to **P.T. CERNA** after the issuance of the Certificate of Final Acceptance by **BWD** subject to the following conditions:
  - **BWD** has no claims filed against **P.T. CERNA** or the surety company;
  - It has no claims for labor and materials filed against **P.T. CERNA**; and other terms of Contract.
- 4.3 The Performance Security shall answer for any damage **BWD** may suffer by reason of the **P.T. CERNA**'s default of any of its obligations and/or breach of the terms and conditions of this Contract and shall likewise guarantee payment for any loss, damage or injury that may be caused by the **P.T. CERNA** to **BWD**.
- 4.4 The Performance Security shall be forfeited in favor of **BWD** in the event it is established that the **P.T. CERNA** is in default, committed breach of its obligation under this Contract and/or failure to comply with any of the terms and conditions of this Contract. Any changes made in this Contract shall in no way annul, release or affect the liability of the **P.T. CERNA** and the surety.
- 4.5 **P.T. CERNA**, by entering into this Contract with **BWD**, acknowledges the right of **BWD** to institute action pursuant to Act 3688 against any sub-contractor, whether an individual, firm, partnership, corporation, or association supplying **P.T. CERNA** with labor, materials and/or equipment for the performance of this Contract.

#### **5. WARRANTY SECURITY**

- 5.1 **P.T. CERNA** shall be required to post a warranty security in accordance with the following schedule:

Form of Warranty Security	Amount of Warranty Security (Not less than the required percentage of the Total Contract Price)
a) Cash or cashier's/ manager's check issued by a Universal or Commercial Bank.	Five percent (5%) <b>Php2,441,931.63</b>
b) Bank draft/ guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	Ten percent (10%) <b>Php4,883,863.26</b>
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Company duly certified by Insurance Commission as authorized to issue such security.	Thirty percent (30%) <b>Php14,651,589.76</b>

- 5.2 The warranty security shall be denominated in Philippine Pesos, and shall remain effective for one (1) year from the date of issuance of the Certificate of Final Acceptance by the BWD, and returned only after the lapse of the said one (1) year period.
- 5.3 In case of Structural Defects/Failure occurring during the applicable warranty period, BWD shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of warranty securities posted in favor of the BWD.

6. WORK VARIATION

- 6.1 In claiming for any variation order, P.T. CERN shall, within seven (7) calendar days after such work has been commenced, deliver a written communication giving full and detailed particulars of any extra cost in order that it may be investigated at that time. Failure to provide notice in the time stipulated shall constitute a waiver by P.T. CERN for any claim.
- 6.2 BWD may instruct variations, up to a maximum cumulative amount of ten percent (10%) of the original Contract price.

## 7. ACCELERATION AND EXTENSION OF CONTRACT

- 7.1 When BWD wants P.T. CERNA to finish the works before the completion date, BWD will obtain priced proposals for achieving the necessary acceleration from P.T. CERNA. If BWD accepts its proposals, the completion date will be adjusted accordingly and confirmed by both BWD and P.T. CERNA. P.T. CERNA's financial proposals for acceleration shall be incorporated in the Contract price and treated as variations.
- 7.2 No payment shall be made for any event which may warrant the extension of completion date.
- 7.3 BWD shall decide whether to extend the completion date within twenty-one (21) days from the date of P.T. CERNA's request and after fully submitting all supporting information. If P.T. CERNA has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay caused by this failure shall not be considered in assessing a new completion date.
- 7.4 No extension of Contract time shall be granted to P.T. CERNA by BWD due to (a) ordinary unfavorable weather conditions and (b) inexcusable failure or negligence of P.T. CERNA to provide the required equipment, supplies or materials. Extension of Contract time may be granted by BWD only when the affected activities fall within the critical path of the PERT/CPM network.

## 8. POSTPONEMENT OR SUSPENSION OF WORK

- 8.1 P.T. CERNA or its duly authorize representative shall have the right to suspend work operation on any or all projects/activities along the critical path of activities after fifteen (15) calendar days from date of receipt of written notice to BWD.
- 8.2 BWD shall have the authority to suspend the work wholly or partly by written order for such period as may be deemed necessary.

## 9. TERMINATION OF CONTRACT

- 9.1 **Termination due to P.T. CERNA'S default.** In the event of termination due to P.T. CERNA's non-performance of its obligations, BWD shall set a termination date in writing and P.T. CERNA shall refund to BWD, within fifteen (15) days from receipt of notice thereof, the applicable Contract Price from termination date on a pro-rated basis. Refund to P.T. CERNA is without prejudice to BWD'S right to claim damages and claim against the performance security of P.T. CERNA.



- 9.2 **Termination due to BWD's default.** P.T. CERN A may terminate this Contract upon service to BWD of a written notice within (30) days from the intended date of termination, stating the grounds thereof. This is without prejudice to BWD's availment of legal remedies, claims, and other reliefs by reason of damages it has sustained if the termination is caused by P.T. CERN A's non-performance of its obligation under this Contract.
- 9.3 **Termination for other causes.** BWD may terminate this Contract, in whole or in part, at any time for its convenience, if it has determined the existence of conditions that will make project implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, force majeure or changes in law and National Government policies.

#### 10. LIQUIDATED DAMAGES

- 10.1 In case P.T. CERN A refuses or fails to satisfactorily complete the work within the specified Contract time, plus any time extension duly granted, and is in default under the Contract, P.T. CERN A shall pay BWD liquidated damages, not by way of penalty, but based on an amount to be determined with formula in accordance with Section 68 of Republic Act (RA) No. 9184, until the work is completed and accepted or taken over by BWD. BWD may deduct liquidated damages from payments due to P.T. CERN A. Payment of liquidated damages shall not affect any other liability of P.T. CERN A. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, the BWD shall rescind or terminate this Contract, without prejudice to other courses of action and remedies available to it.
- 10.2 If the intended completion date is extended after liquidated damages have been paid, BWD shall correct any overpayment of liquidated damages from P.T. CERN A by adjusting the next payment certificate. P.T. CERN A shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates to be indicated in the Contract.

#### 11. NO EMPLOYER-EMPLOYEE RELATIONSHIP

This Contract does not create an employer - employee relationship between BWD and P.T. CERN A key personnel. P.T. CERN A key personnel are likewise not entitled to any benefit enjoyed by the regular personnel of BWD.

#### 12. SPECIAL CONDITIONS

- 12.1 P.T. CERN A obligates itself to comply with all existing laws, executive orders, administrative orders, letters of instruction, letters of implementation, rules and regulations issued or to be

issued by competent agencies, or authorities of the Philippine Government which may have particular application to this Contract, which are deemed part and parcel of this Contract and govern the relations of the parties herein.

- 12.2 It is also understood that any failure of **BWD** to demand compliance with any of the terms and conditions of this Contract shall not be considered as waiver on the part of **BWD** for enforcement of this Contract, nor shall it relieve the **P.T. CERNA** of any of the obligations provided thereunder.

### 13. SPECIAL UNDERTAKING

- 13.1 It is agreed and understood that any change, extension, alteration, modification and/or innovation mutually agreed between **BWD** and **P.T. CERNA** in the Contract, whether it involves increase or decrease of the Contract price, or change in the manner of time, or time of payment to be made by **BWD** to **P.T. CERNA**, shall not, in any way, annul, release, affect or diminish the liability of **P.T. CERNA**.
- 13.2 Under no circumstances shall **P.T. CERNA** be entitled to payment for change order done or to be done, without prior written consent of **BWD**. Any violation hereof shall be for the account of **P.T. CERNA**.

### 14. FORCE MAJEURE

- 14.1 In case of the occurrence of force majeure, such as but not limited to earthquakes, storms, floods, fires, epidemics, strikes and other concerted labor actions, civil unrests, riots, wars, or any other unforeseen or unavoidable disaster or event which shall be beyond the control of a Party, the Party affected shall be excused from performing its obligation under this Contract for a period equivalent to the number of days that they are affected or prevented by the event of force majeure, provided that:
- a. The force majeure is the proximate cause which delayed or prevented the Party's performance of its obligation under this Contract;
  - b. The Party concerned took all possible measures to overcome and mitigate the effects of such force majeure; and
  - c. The Party affected shall inform the Other Party in writing of the occurrence as well as the abatement of such force majeure, including a detailed description thereof and the measures taken to overcome and mitigate the effects of the same.
- 14.2 Each Party shall hold the other free from any liability, claims, and/or damages of any kind and nature arising from or in

connection with the occurrence of any force majeure, as well as for those incidents or events attributable to Third Parties.

- 14.3 If the event continues for a period of eight-four (84) days, either party may then give notice of termination, which shall take effect twenty-eight (28) days after the giving of the notice.

#### **15. SEVERABILITY**

Should any provision in this Contract be or become wholly or partially illegal, invalid or unenforceable, the validity or enforceability of the remaining provisions of the Contract shall not be affected as a result. The same applies in the event that the Contract contains a full gap in its provision. Instead of the provisions which are ineffective or impracticable, or to fill the gap, a suitable provision should apply which, insofar as legally possible, comes closest to the original intention of the Parties.

Should individual stipulations exceed the duration of this Contract, such stipulations will remain valid even after the effectivity thereof.

#### **16. GOVERNING LAW AND VENUE OF ACTION**

This Contract shall be governed and construed in accordance with the laws of the Republic of the Philippines. Venue of all actions arising from this Contract shall be brought exclusively to the jurisdiction of the appropriate courts of Baguio City, Philippines only.

#### **17. MISCELLANEOUS**

- 17.1 Any breach or violation of either Party of the obligations and covenants under this Contract shall entitle the aggrieved party to rescind or cancel this Contract. Provided, a written notice within fifteen (15) from the occurrence of said breach or violation shall be furnished to the other party. In addition, the Party that breached or violated this Contract agrees and obligates itself to pay actual damages incurred to the aggrieved party.

- 17.2 Any failure of BWD to enforce its rights and privileges under this Contract shall not be construed as a waiver or renunciation of such rights and privileges.

#### **18. ENTIRE AGREEMENT**

- 18.1 Both Parties acknowledge that this Contract and the relevant Annexes constitute the entire agreement between them and shall completely supersede all other prior understandings, previous communications or Contracts, oral or written, between the Parties relating to the subject matter hereof.



**18.2** The following documents shall form and be interpreted and constructed as part of this Contract of Agreement, to wit:

- a. Invitation to Bid
- b. Bidding Documents (Volume I and II)
- c. Instructions to Bidders
- d. Addenda to the Bidding Documents, if any
- e. Bid Bulletin No. I
- f. Specifications
- g. Drawings
- h. Special Conditions of Contract
- i. General Conditions of Contract
- j. All documentary requirements submitted by **P.T. CERNA**
- k. Financial bid submitted by **P.T. CERNA**
- l. Notice of Award
- m. Performance Security
- n. Notice of Award
- o. Other pertinent documents that may be required by **BWD**

**18.3** All stipulations, documentary requirements, warranties, and other terms and conditions which are, and can be, agreed upon by **BWD** and **P.T. CERNA** during and after the bidding process, but are not explicitly provided herein, shall still form part of this Contract.

**18.4** Any and all deficiencies that can be found in this Contract which are intended to be covered by it, but are not expressly stated herein, shall be supplied by any of the aforesaid Contract Documents.

**18.5** In case of doubt and conflict between and among the provisions of this Contract, and/or between and among the above Contract Documents and this Contract, **P.T. CERNA** shall refer the same in writing to **BWD** for clarification and guidance. The clarification and determination made by **BWD** shall be binding and conclusive upon the parties. The Contract shall not make any changes or alterations in the plans, conditions, and specifications of the procurement, without prior written approval by **BWD**.

**18.6** The parties herein may, in writing, agree to revisions, alterations, or additions to the terms and conditions of this Contract, provided the same shall not be in violation of any law, rule or regulation governing Contracts.

**18.7** Communications between Parties shall be effective only when in writing and when received by each party, whether through personal service, electronic mail, registered mail or facsimile transmission.

**18.8** All correspondence and other documents pertaining to this Contract shall be written in English and shall be interpreted in accordance with the laws of the Republic of the Philippines.

19. EFFECTIVITY

This Contract takes effect on 14 July 2023 and shall be deemed revoked upon completion of the services.

IN WITNESS WHEREOF, we have hereunto set our hands this 14<sup>th</sup> day of July 2023 at the City of Baguio, Philippines.

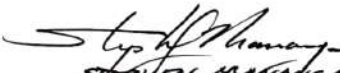
BAGUIO WATER DISTRICT  
Represented by:


P.T. CERNA CORPORATION  
Represented by:

ENGR. SALVADOR M. ROYECA  
General Manager

MR. EDWIN L. TIU  
Vice President

Signed in the presence of:

  
STEPHEN MANGAN  
SCADA Committee

  
PETER UMAYAT

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES )  
Done in the City of Baguio ) S.S.

BEFORE ME, a Notary Public for and in the City of Baguio, Philippines, this \_\_\_\_ day of July 2023, personally appeared the following:

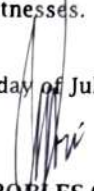
Name	ID No.
1. ENGR. SALVADOR M. ROYECA	BWD ID NO. 155
2. MR. EDWIN L. TIU	PASSPORT NO. P0839490B

known to me to be the same persons who executed this CONTRACT FOR THE SUPPLY, INSTALLATION AND COMMISSIONING OF WIRELESS SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM AT DIFFERENT BAGUIO WATER DISTRICT (BWD) PUMPING STATIONS and that they acknowledged to me that the same is their own free act and voluntary deed and of the entity they each represent.

This document consists of eighteen (18) pages (inclusive of Annex "A", exclusive of documents indicated in Item 18.2 of this Contract), including this page wherein this acknowledgement is written, signed on each and every page hereof by the concerned parties and their instrumental witnesses.

WITNESS MY HAND AND NOTARIAL SEAL this 14 day of July 2023 at Baguio City, Philippines.

Doc No. 167;  
Page No. 16;  
Book No. XVII;  
Series of 2023.

  
**ATTY. ROBLES G. CALABIAS**  
No. 24 Martinez Street, Upper Engineer's Hill, Baguio City  
Notary Public  
Until December 31, 2023  
IBP Lifetime OR No. 580499 May 14, 2003  
Roll No. 43275 May 7, 1998, Manila  
N.A. 115-NC-21-R/MCLE VII-0013082 until Apr 15, 2025  
PTR No. 1375062 Jan. 3, 2023, Baguio City



Contract for the Supply, Installation and Commissioning of Wireless Supervisory Control and Data Acquisition (SCADA) System at Different Baguio Water District (BWD) Pumping Stations

REPUBLIC OF THE PHILIPPINES  
MAKATI CITY

)) S.S.

## SECRETARY'S CERTIFICATE

## ANNEX "A"

I, **MICHELLE E. PUERTO**, of legal age, Filipino and residing at 2166 Primo Rivera St. Brgy. La Paz, Makati City, Philippines after being sworn according to law hereby certify;

That I am the duly elected and qualified Assistant Corporate Secretary of **P.T. CERNA CORPORATION**, corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with office at 4137 Ponte St. Brgy. Sta. Cruz, Makati City;

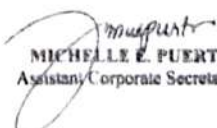
That at the special meeting of the Board of Directors of the corporation, held at this office on June 30, 2023 the following resolution was approved:

### BOARD RESOLUTION NO. 2023-617

"**RESOLVED**, as it is hereby resolved, that the Corporation authorized any one of the following officers and authorized persons whose specimen signature appears below to represent our company, transact business with and/or participate in public bidding/to attend the pre-bid conference/to purchase the bidding documents tender conducted by of **SUPPLY, INSTALLATION AND COMMISSIONING OF WIRELESS SCADA SYSTEM AT DIFFERENT BAGUIO WATER DISTRICT PUMPING STATIONS** by the Baguio Water District. and to sign and execute any and all required documents and perform the necessary activities relative thereto.

Name	Designation	Specimen Signature
<b>EDWIN L. TIU</b>	Vice-President	
<b>PIERRE M. UMAT</b>	Sales & Application Engineer	

IN WITNESS WHEREOF, I have hereunto affixed my signature this 30th day of June 2023 at City of Makati.

  
**MICHELLE E. PUERTO**  
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me on this \_\_\_\_\_ day of JUL 04 2023 at CITY OF MAKATI,  
affiant exhibited to me her PRC License No. 0139106 issued at Manila.

Doc. No.: 49  
Page No.: 91  
Book No.: 43  
Series of: 2023



BIDS & AWARDS COMMITTEE  
IN-HOUSE

RECEIVED

by: APPLE JANE P. AVILES

date: JUL 05 2023

  
**ATTY. ROMEO M. MONFORT**

Notary Public City of Makati

Until December 31, 2023

Appointment No. 172

PTR No. 172, 2023

IBP No. 17801, 2023, Makati City

ICLE NO. 17801, 2023, Makati City

136 Amoroso St., Legaspi Village, Makati City