



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

MEMORANDUM CIRCULAR NO. 04
Series of 1997

SUBJECT: **Revised Guidelines Governing the Prequalification, Public Bidding and Award of Comprehensive Agrarian Reform (CARP) Module Survey Projects: Instructions to Prospective Survey Contractors and Terms and Conditions of the Contract**

These guidelines governing the prequalification, public bidding and award of CARP Module Survey Projects and other Department of Agrarian Reform (DAR) land survey projects, instruction to bidders/survey contractors, and terms and conditions to be included in all DAR survey contracts are hereby promulgated for the guidance and strict compliance of all concerned. Every Regional Geodetic Engineer is a mandatory member of the Public Bidding and Award Committee (PBAC) of their respective region and provinces.

A. QUALIFICATION OF PARTICIPANTS/SURVEY CONTRACTORS:

1. Participation in Public bidding for CARP Survey Projects shall be open to all duly registered and licensed Geodetic Engineers (G.E.)
2. Any duly registered and licensed G.E. with updated Professional Regulatory Commission (PRC) registration and unexpired Professional Tax Receipt (PTR), not possessing any of the disqualifications enumerated in Item B. who is a member of good standing of the Geodetic Engineers of the Philippines, Incorporated (GEPI) are qualified to participate in the public bidding of CARP Survey Projects.
3. Classifications of contractors
 - a. The Regional GEPI shall determine the category of a contractor. In the determination of a contractor's category, the GEPI shall consider the financial capacity of such contractor subject to DAR's review. The contractor's category shall be among the information to be included in the certificate of accreditation to be issued by the GEPI to the concerned bidder for presentation to DAR.

Contractors shall be classified as follows:

Category	Maximum No. of Projects Allowed	*Minimum No. of Transits w/ chainbands	**Minimum Experience
A	4	4	4 years
B	3	3	3 years
C	2	2	2 years
D	1	1	1 year

- b. If the number of bidders is more than the number of projects, only one project shall be awarded to each regardless of his category.

B. DISQUALIFICATIONS:

The following Geodetic Engineers or GE in Partnership/Corporation are disqualified to participate in the Public Bidding of CARP Survey Projects:

1. One who is employed in any survey project (such as cadastral survey, public land subdivision, CARP module survey, control survey, topographic survey, etc.) or has been awarded a survey project/contract in any government office which is still in progress. However, survey projects already submitted and accepted for verification and approval by the Regional Technical Director, LMS-DENR or other government agencies contracting surveys, shall not be considered as a project in progress, hence, are qualified to participate in the public bidding.
2. One presently employed in the government service.
3. One who has been declared as a contractor of not in good standing by either the DENR, DAR, NIA, LRA, or other government agency contracting survey projects.
4. One whose survey or mapping contract has been abandoned, rescinded or terminated due to his/her fault or negligence. Abandonment means failure to continue executing the project in accordance with the contract.

* An Electronic Distance Meter (EDM) TOTAL STATION instrument shall be counted as two (2) transits.

** Experience shall be counted from the time of registration as license GE.

5. One who refused or failed to complete correction work within the time limit required. However, a Geodetic Engineer who submitted the corrected work beyond the time limit required, but such work was approved by the Regional Technical Director concerned before the bidding, may still be allowed to participate.

C. PRE-QUALIFICATION STATEMENTS:

1. Instruction to participants together with the terms and conditions of contract for CARP Survey Pre-qualification Forms and other related papers/forms shall be made available to all prospective participants at the DAR Regional Office/Provincial Agrarian Reform Office (RD/PARO) upon payment of a non-refundable fee of ₱300.00 per set.
2. Pre-qualification statement in the prescribed forms shall be submitted by the prospective participant in triplicate, not later than the time and date indicated in the Notice of Public Bidding.
3. The following documents shall be attached to the pre-qualification statement:
 - a. Certified photocopy of Professional Tax Receipt and G.E. current registration card;
 - b. G.E. affidavit, duly notarized, to the effect that he has no survey project in progress, or that he has not abandoned, rescinded or terminated, due to his fault or negligence, survey or mapping project officially declared pending on the original time limit required;
 3. Certified photocopy of current certificate of registration of tapes and transits or EDM/Total Station;
 4. Contract of lease of equipment, if leased from other owners;
 5. Certificate of membership of good standing in the Geodetic Engineers of the Philippines Incorporated.
 6. Certificate of Accreditation from GEP Regional Division as per DAR-GEP Memorandum of Agreement dated March 24, 1993.

D. EVALUATION AND QUALIFICATION:

1. The pre-qualification statement shall be submitted and evaluated by the RD/PARO and Regional G.E. not later than five (5) working days before the public bidding date. As part of the evaluation, it is required that the equipment listed in the pre-qualification statements be physically presented for inspection at the Surveys Operation Division, DAR.
2. Failure to submit any of the requirements under C.3 shall constitute sufficient ground for disqualification of the bidder.
3. Any false statement, misrepresentation, suppression or omission of material facts made by the bidder in the pre-qualification statements, bid and other documents or papers relative thereto, shall aside from the bidder's civil/criminal or administrative liability, be sufficient to disqualify or reject his/her bid. If the bidding has already been conducted, cancel his/her survey contract if one has already been executed, without prejudice to declaring him/her as bidder not in good standing.

E. AREA IN HECTARES AND/OR NUMBER OF LOTS SUBJECT OF BIDDING:

1. The given area in hectares and/or number of lots are approximates only. The list of landholdings for survey is subject to changes or replacement if the actual situation or condition requires. If during the execution of the survey work, it is found that a disparity exists between the area appearing in the actual survey as against the estimated area in hectares or number of lots, it is the duty of the successful bidder to submit immediately a written report before the completion of field work about such difference to the PARO who shall direct a field verification on the matter. In case findings show an increase in area in hectares or number of lots, the contractor shall submit to the PARO for his/her request for an authorization or clearance to survey the additional area and the corresponding application for a contract price adjustment.
2. Forest reserves, communal forest, or other government civil or military reservations are excluded from the survey project. Any survey undertaken within these reservations will not be paid by the Department.

F. PREPARATION OF BIDS:

1. Bids shall be submitted in forms prescribed (Annex A) by the DAR and in strict compliance with the requirements of the advertisement, Invitation to Bid, and Instructions to Bidders. All data and information required in the bid form should be fully and clearly written. Bidders are expected to read and understand the Instructions to Bidders, bid forms and the specifications.
2. When no inquiries are made or question raised for clarification of the instructions to bidders, bid forms and specification or any part thereof before the submission of the bid, it shall be taken to mean that bidders has fully understood all the contents thereof; that they have waived their intent or implication; and that they have waived their rights to be heard regarding any matter contained therein.

G. BIDDERS' RESPONSIBILITY:

It shall be the full responsibility of the bidder to carefully examine the terms, conditions and specifications affecting the contract work; familiarize himself on the nature, condititons and actual locational situations, and other circumstances attendant to the execution of the survey work such as the prevailing peace and order conditions in the project site.

H. SIGNATURE ON BIDS:

Each bid must give the full name and business address of the bidder duly signed by him. Bids submitted by a corporation or partnership must be signed by its duly authorized officer or representative who is a stockholder in the corporation or partner in partnership after the name of the corporation or partnership written therein. In no case where such corporations or partnership issue Special Power of Attorney to officer or representative who is not a stockholder or partner otherwise he/she will not be entertained. If the articles of partnership or of corporation and by laws have been submitted, the certified copies thereof including the certificates of registration of a business name or style may be accepted in lieu of the original. For single proprietorship, Special Power of Attorney for officer or representative is not allowed or accepted. The proprietor shall personally do the transaction.

I. PRICE IN WORDS AND FIGURES:

The bid price shall be in Philippine Currency and shall be written in words and in figures. In case of discrepancy, the unit bid price in words shall govern and will be adopted in the computation of the total bid price.

J. CORRECTION:

Erasures or other change in the bids shall be allowed unless duly explained, signed or initialed by the bidder.

K. SUBMISSION OF BID:

1. Bids in the prescribed form shall be properly sealed in an envelope and addressed as required in the advertisement or invitation to bid and must be in the possession of the DAR before the hour and date set for the opening of the bids. Bids by telegram, radiogram, cablegram mail or through similar communications are not considered bids and therefore will not be accepted.
2. Each bid shall be accompanied by a bidder's bond in the form of cash or certified manager's or cashier's check or surety bond issued by a reputable surety company. This shall be made payable to and acceptable by the DAR in the sum equivalent of five (5%) per centum of the amount of the bid as guarantee. That the notice of acceptance of his/her bid, enter into contract with the Department of Agrarian Reform for the faithful performance of all work therein shall be specified, otherwise, the same shall be forfeited in favor of the Government. The surety bond or check or certified manager's or cashier's check shall be returned to the unsuccessful bidder after the survey project shall have been awarded to the successful bidder/s;
3. Each bid shall be accompanied by a detailed schedule of activities of the project preferably using the PERT/CPM of Bar chart method and detailed cost estimate duly signed by the bidder;
4. Bid submitted not in conformity with these Instructions will be rejected outrightly. Moreover, no bidder is allowed to withdraw his bids pending the determination of the successful bidder.

5. During the entire proceedings of Public Bidding, bidders will not be allowed to get out of the bidding place.

L. WITHDRAWAL OF BID:

If a bidder wish to withdraw his/her bid before its opening he/she may do so without prejudice to communicating his/her purpose in writing to the Chairman of the Bidding Committee. Upon receipt of his/her communication the Chairman may return his/her bid. Any negligence, omission, error or mistake committed thereon confers upon the bidder no right to withdraw his/her bid after the same has been opened.

M. AWARD OF CONTRACT:

1. The contract shall be awarded to the bidder whose bids appears to be most most reasonable and advantageous to the DAR in ensuring the completion of the survey work in accordance with the specifications and survey regulations' price, technical organizations' competency, financial and equipment resources, and other factors.
2. To ensure a reasonable and fair estimate of the cost of the survey project, the DAR shall include, in addition to activity costing, factors such as the project's location, its accessibility and availability of transport, nature of the terrain and other factors that may affect field operations.
3. To effect facility and economy in the survey operations, each project module shall as much as possible be limited to landholdings which are adjacent to each other, or located in the same barangay or within the same municipality. As contemplated herein, the procedure in determining the bid which is the most reasonable and advantageous to the Government shall be as follows:
 - a. Final Government Estimate (F.G.E.) shall be the arithmetic mean of the Government Estimate (G.E.) and the average of the bids falling within the plus and minus twenty percent (20%) of the G.E. to wit:

$$FGE = \frac{GE + MB}{2}$$

Where = FGE - Final Government Estimate
GE - Government Estimate
MB - Average of the bids falling
within \pm 20% of the G.E.

- b. The winning bid shall be the lowest bid within the range of plus and minus seven percent (7%) of the FGE, provided that if the winning bid is above the FGE, the bidder concerned must go down to the FGE.

N. NOTICE OF AWARD:

1. In the interest of public service the Regional Director/Provincial Agrarian Reform Officer of the DAR shall reserve its right to cancel, or delete any of the projects from the listing of projects to be bidded.
2. Within five (5) days from the date of the public bidding the Notice of Award will be issued to the winning participants. Each awardee shall prepare and submit a work schedule for his/her corresponding module, to be evaluated by the Regional G.E. and approved by the Regional Director/Provincial Agrarian Reform Officer.
3. It is a condition precedent that before any award is issued or contract is entered into by the DAR, all requirements provided for under existing laws, decrees, letter of instruction, executive orders, COA circular and rules and regulations must be complied with.
4. Extension of contract time shall not be allowed except in cases of force majeure or fortuitous event as certified by authorities concerned.

O. SURVEY CONTRACT AND PERFORMANCE BOND:

Within five (5) days from receipt of the Notice of Award, the winning bidder shall enter into a contract with the Regional Director/Provincial Agrarian Reform Officer, DAR, for the execution of the project. All the supporting documents related thereto shall be submitted, such as but not limited to:

1. Performance Bond with the GSIS or from any other duly registered and reputable insurance company in an amount equal to at least twenty percent (20%) of the estimated contract price, at the time he signs the contract for

the project and it shall continue to be effective one (1) month after the approval of the survey returns. If the performance bond is no longer sufficient, the Regional Director/Provincial Agrarian Reform Officer may demand putting up of additional bond within five (5) days from receipt of a written notice. Failure to do so shall mean the Regional Director/Provincial Agrarian Reform Program Officer concerned may cancel or rescind the contract with damages.

2. Approved Program of Work.

P. EXECUTION OF WORK:

1. As soon as the contractor receives the notice of award, he/she shall immediately conduct research work in areas where the technical documents could not be provided by the DAR.
2. The Contractor shall start the operation within five (5) days from the date of his receipt of the copy of the CARP Module Survey Contract which shall likewise be considered as notice to commence. Before starting field operations, the contractor must notify in writing the DAR RD, copy furnished PARO, MARO, BLD, Municipal Mayor, Barangay Chairperson and tenant-beneficiaries within the Module. A written notice shall be given to the landowner/s or his/their representative of the start of operations. He/she shall likewise establish a field office in any convenient place within the Module coverage, which should be made known to the Municipal Mayor, BLD-Director, PARO, MARO and the Barangay Chairperson concerned. The working place shall be maintained until the final pulong-pulong or upon certification from the MARO of its dispensation.

An information drive called the "first pulong-pulong" shall be conducted together with the farmer-beneficiaries in coordination with the Municipal Mayor's Office, the PARO, MARO and the the Barangay Chairperson concerned. The purpose is to acquaint of the duties and responsibilities of those affected. The contractor shall discuss his plan of work and timeframe for the adjustment of their respective schedules so that there will be congruency in activities.

3. After the initial pulong-pulong, the contractor shall start relocating the boundary of the entire project/property marked with the prescribed markers of its missing corner monuments and monumenting of the areas claimed by the beneficiaries, preferably in the presence of the latter and the DAR representative. Thereafter, the lot survey shall be conducted likewise in the presence of both farmer-beneficiaries and the DAR representative. Under no condition should the lot survey start before the monuments are properly set as agreed upon by the adjoining claimant-beneficiaries.
4. Preferably the traverse and the lot data computations shall be done in the field and computerized. This is accordingly plotted on B.L. Form No. 700-V-A. After plotting, this shall be presented to the farmer-beneficiary, DAR representative and other officials in the final pulong-pulong for their information. Should there be any errors/mistakes found, the contractor shall immediately cause the correction of the same.
5. The RD/PARO shall have the right to require the contractor to increase the facilities and personnel engaged in the work in case it cannot be completed within the timeframe stipulated in the contract.
6. The completion of field and office work and the submission of the corresponding survey returns shall be within the time schedules provided in the contract, and should follow strictly the program of work submitted by the contractor.

All survey returns in computerized form, must be submitted to the LMS-DENR through the DAR Regional Geodetic Engineer for preliminary verification after which it must be endorsed within three (3) working days.

7. If, for any reason, the contracting parties violate or fail to comply with any of the terms and conditions herein set or if the contractor delays, neglects or abandons the work to such extent that in the opinion of the Regional G.E. the project may not be completed within the stipulated time, the RD/PARO shall, after ten (10) days from receipt of written notice to the contractor, have the right to cancel the contract and forfeit the performance bond and all sums of money that would accrue to the contractor. Upon cancellation of

the contract, the contractor shall be obliged to immediately surrender all records of the project to the Regional Director/Provincial Agrarian Reform Officer. All the monuments already set on the ground shall not be removed or destroyed but shall be left intact and become the property of the government.

All the aforementioned actions shall also be without prejudice to the filing by the DAR RD/PARO of an administrative case with the Board of Examiners for GES for the imposition of appropriate disciplinary action against the erring G.E., should the circumstances warrant.

8. Upon approval of the survey returns, the following shall be submitted by the contractor to the DAR RD:
 - a. Tracing cloth of approved plan or acceptable equivalent;
 - b. Five (5) white print copies of each plan;
 - c. Five (5) white print copies of lot descriptions of all lots within the project;
 - d. Technical description of all lots within the project.

Q. **CONTRACT PRICE AND PAYMENT:**

Payment of the contract price shall be made to the contractor in accordance with the following schedule:

1. Sixty percent (60%) of the contract price upon joint certification of the DAR Regional G.E. and Regional Technical Director of LMS-DENR or his authorized Representative as to the satisfactory completion of the sketching, if there are no available preliminary map sketch, and monumenting of all lot corners of the tenanted parcel/s of land and homelot/s in the project; completion of all field and office work and the submission of the complete survey returns to the LMS-DENR, through the DAR Regional G.E. for preliminary verification.
2. Forty percent (40%) of the contract price, after the final approval of the complete survey returns and presentation of the required tracing cloth of approved plans or acceptable equivalent, white print plans and certified technical descriptions thereof.

3. A five percent (5%) retention for every collection/payment shall be withheld to take care of any contingency. Such amounts shall be released and paid to the contractor forty five (45) days after the submission of all documents as provided for under P.8. provided that there are no valid complaints on record, filed with the DAR office concerned against the contractor or regarding the manner of execution of the module project.
4. If the final number of lots/hectarage is less than that in the contract and there are no more additional areas which can be substituted to fill in the shortage within ten (10) days from completion of the project, DAR shall make the corresponding payments promptly for work actually accomplished.
5. The above schedules may be paid based on the number of lots or number of hectares and shall be computed as follows:
 - a. $\text{Payment Due} = \text{Unit Price/Lot} \times \text{No. of resulting lots in the landholdings submitted} \times \text{the percentage of payment being collected, if contract is based on number of lots.}$
 - b. $= \text{Unit Price/Ha.} \times \text{number of hectares, in the landholdings} \times \text{the percentage of payment being collected, if the contract price is based on the number of hectares.}$

R. **ADJUSTMENT OF CONTRACT PRICE:**

1. Increase in the number of lots/hectares caused by fragmentation of farmlots due to the introduction of infrastructure shall be entitled to contract price adjustment of seventy-five percent (75%) of the original unit cost of the module, provided that the total adjustment cost shall not be equal to or more than the original contract cost.
2. If the total adjustment cost is equal or more than the original contract price, these excessive increases shall be properly investigated and documented. In addition, all these excess lots/hectares should be

properly identified and documented by the MARO. Upon proper documentation and certification by the MARO concerned, a supplementary contract shall be drawn with a unit cost of seventy five (75%) percent of the original unit cost of the module.

3. In all cases, it should be the duty of the CARP Module Contractor to communicate in writing to the DAR concerned, the expected increase in the number of lots/hectares of their modules, to enable the DAR to make fund adjustments.
4. Decrease in the number of lots/hectares shall automatically cause a proportionate decrease in the contract price.

S. PENALTY

1. For each calendar day of delay on the submission of the required and acceptable survey returns to the LMS-DENR, a penalty of one tenth (1/10) of one percent (1%) of the total contract price shall be imposed on the contractor. Survey returns that are withdrawn for correction shall also be given a reasonable deadline, and each calendar day of delay in resubmission of the corrected survey returns shall make the contractor liable to a fine of one tenth (1/10) of one percent of the total contract price. The time spent in the review of the survey returns by the DAR shall not be included in the determination of contractor's deadline, such penalty shall be collected immediately in cash or deducted from the succeeding collection, at the discretion of the DAR Regional Director/Provincial Agrarian Reform Officer.
2. The aforementioned penalties shall be without prejudice to the filing by the DAR Secretary or RD/PARO concerned of an administrative case with the GEPI and with the Board Examiners for G.E. for the cancellation of license and imposition of appropriate disciplinary action against the erring G.E.
3. The period within which to execute and complete the survey project shall be counted only up to the date of actual submission and acceptance of the survey returns by the LMS-DENR, excluding the time for DAR's review thereof and the period of LMS-DENR verification and approval.

4. Any correction work required from the Contractor after the date of submission of the survey returns to the LMS-DENR shall be the responsibility of the GEPI organization if not promptly complied with by the Contractor, pursuant to the Memorandum of Agreement (MOA) dated 24 March 1993 executed by and between the DAR and the GEPI.

T. PROJECT INSPECTION:

The BLD Director RD/PARO or his authorized representative shall have the full and unrestricted right to inspect and supervise the operation of the contractor, and to issue instruction from time to time, as may be deemed necessary for the proper execution of the project. Likewise they shall have free access to the record copies of the contractors and shall be furnished by the contractor, with sketches, maps and other data for use in verification of the fieldwork free of charge.

U. FAILURE OF BIDDING:

1. There is a failure of bidding under any of the following situations:
 - a. There is no winning bid;
 - b. There are not enough prequalified bidders;
 - c. The prequalified bidders/participants failed to drop or submit their bids at the place, time and date of bidding; and
 - d. Other situations provided by law.
2. A re-bidding shall be held in case there is a failure of bidding. Postponement of the bidding, if warranted, by circumstances, shall not be considered as failure of bidding.
3. Negotiated contract shall be allowed in case of a failed rebidding subject to the approval of the Regional Director for contract price which is within his authority to approve, and if the excess thereof, the approval of the Secretary.

V. INSTRUCTIONS ON PUBLICATION OF PROJECTS TO BE BIDDED:

1. For Regions II, III, IV, V and CAR the required publication of the bidding shall be in the local (regional or provincial) newspaper and/or a national newspaper of general circulation. This is to enable qualified bidders from the National Capital Region (NCR) and other regions with more than enough GE practitioners to take part in the public bidding.
2. For all other regions, the required publication may be limited to the local (regional or provincial) newspapers only in order to ensure expediency and economy. The DAR Regional or Provincial Management, however, shall retain the option to include publication in national newspapers if the large number of survey projects or modules will justify the participation of more bidders.

W. OTHER INSTRUCTIONS:

1. DAR shall properly screen proposed projects to be bidden in order to ensure the exclusion of projects already surveyed and landholding whose technical descriptions are defective and do not form a closed polygon.
2. DAR shall ensure constant availability of its personnel to the contractor during the actual execution of the field survey.
3. The technical supervision and inspection of all survey projects shall be done by DAR technical personnel. However, if DAR lacks the technical personnel in some of its offices, a formal request in writing may be made to the nearest DENR office to perform the technical inspection/supervision subject to reimbursement of actual expenses that may be incurred by DENR pursuant to paragraph B.3 of the DAR-DENR MOA dated 25 May 1993.


X. NATURAL ELEMENTS IN SURVEY CONTRACTS:

All the terms and conditions stipulated herein shall be deemed part and parcel of any and all survey contracts that maybe entered into by any G.E. for CARP survey projects.

Y. EFFECTIVITY:

This circular shall take effect ten (10) days after its publication in two newspaper of general circulation.

Quezon City, 24 JANUARY 1997.


ERNESTO D. GARILAO
Secretary

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1. MALAYA
2. THE PHILIPPINE STAR

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