



Republic of the Philippines
Supreme Court

Bids and Awards Committee for Consultancy Services

SC BAC CS CONTRACT NO. 2023 - 02

**CONTRACT FOR CONSULTANCY SERVICES
FOR THE PREPARATION OF THE
DETAILED ARCHITECTURAL AND ENGINEERING DESIGN
OF THE COURT OF APPEALS CEBU STATION**

KNOW ALL MEN BY THESE PRESENTS:

This Contract for Consultancy Services for the Preparation of the Detailed Architectural and Engineering Design of the Court of Appeals Cebu Station ("**Consultancy Contract**"), made by and between:

The **SUPREME COURT OF THE PHILIPPINES**, a government agency with principal office at Padre Faura Street, Ermita, Manila, and duly represented by the **CLERK OF COURT EN BANC, HONORABLE MARIFE M. LOMIBAO-CUEVAS**, pursuant to the Resolution of the Court En Banc in A.M. No. 20-06-06-SC dated April 11, 2023, hereinafter called the ("**PROCURING ENTITY**");

-and-


PALAFIX ASSOCIATES, a corporation duly organized and existing under the laws of the Philippines, with principal office at 5th Floor PCCI Corporate Center 118 Leviste Street, Salcedo Village, 1227, Makati City, represented by its Authorized Representative, **AR. ENP. FELINO A. PALAFIX, JR.** pursuant to Board Resolution/Secretary Certificate No. _____ dated _____ hereinafter called the ("**CONSULTANT**");

The **PROCURING ENTITY** and the **CONSULTANT** are also hereinafter referred to collectively as "Parties".


WITNESSETH:

WHEREAS, the **PROCURING ENTITY** and the **CONSULTANT** executed the Contract for the Consultancy Services for the Preparation of the Detailed Architectural and Engineering Design of the Hall of Justice in Cebu City dated July 6, 2022 relative to the proposed construction of Cebu City Hall of Justice;


Witness (Supreme Court)


ATTY. MARIFE M. LOMIBAO-CUEVAS
Supreme Court


Witness (Palafix Associates)


AR. ENP. FELINO A. PALAFIX, JR.
Palafix Associates

WHEREAS, the **PROCURING ENTITY** intends that the construction of the Court of Appeals Cebu Station be integrated to the Cebu City Hall of Justice;

WHEREAS, in A.M. No. 20-06-06-SC (Re: Procurement of Consultancy Services for the [i] Detailed Architectural and Engineering Design and [ii] Project Management of the Proposed Construction of the Cebu City Hall of Justice) dated January 4, 2022, the Court en banc resolved that the Court of Appeals (CA) Cebu Station and the Cebu City Hall of Justice be housed under one integrated building but with separate entrances, floors occupied and with appropriate partitions that would clearly identify the offices of the CA Cebu as separate from the offices of the Regional Trial Courts of Cebu;

WHEREAS, pursuant to R.A. 9184 and its 2016 Revised Implementing Rules and Regulations, the **PROCURING ENTITY** may resort to alternative methods of procurement, in order to promote economy and efficiency and under Section 53.4 (Adjacent or Contiguous) and Annex H (Consolidated Guidelines for the Alternative Methods of Procurement) thereof, allows the **PROCURING ENTITY** to enter into an Adjacent or Contiguous contract with the **CONSULTANT** subject to the compliance of the requirements thereof;

WHEREAS, the **CONSULTANT** is willing to enter into this **Consultancy Contract**, subject to the terms and conditions provided herein; and

WHEREAS, in the Resolution of the Court en banc in A.M. No. 20-06-06-SC (Re: *Procurement of Consultancy Services for the [i] Detailed Architectural and Engineering Design and [ii] Project Management of the Proposed Construction of the Cebu City Hall of Justice*) dated April 11, 2023 the **PROCURING ENTITY** approved the recommendation of the Bids and Awards Committee for Consultancy Services to award the Contract of Consultancy Services for the Preparation of the Detailed Architectural and Engineering Design of the Court of Appeals Cebu Station, to the herein **CONSULTANT**, with a Consultancy Fee in the amount of **NINE MILLION SIX HUNDRED SIXTY-SEVEN THOUSAND EIGHT HUNDRED TWENTY-EIGHT PESOS (₱9,667,828.80)**, to be paid in accordance with the provisions of this **Consultancy Contract**.

NOW THEREFORE, for and in consideration of the foregoing premises, the **PROCURING ENTITY** and the **CONSULTANT**, hereby agree as follows:

1. **INTERPRETATION.** In this **Consultancy Contract**, words and expressions shall have the same meaning as are respectively assigned to them in the General and Special Conditions of the Contract hereinafter referred.

Witness (Supreme Court)

Supreme Court

Witness (Palafax Associates)

Palafax Associates

ATTY. MARIFE M. LOMIBAO-CUEVAS

AR. ENP. FELINO A. PALAFOX, JR.

2. **SCOPE.** The **CONSULTANT** shall perform the **Consultancy Services** for the Detailed Architectural and Engineering Design of the Court of Appeals Cebu Station in the Integrated Building as agreed and approved by the **PROCURING ENTITY** and in accordance with the terms provided herein and attached documents referred to in Section 6 herein.

3. **CONTRACT PRICE.** The **PROCURING ENTITY** hereby covenants to pay the **CONSULTANT**, in consideration of the execution and completion of the Consulting Services, the Contract Price, which shall not exceed **NINE MILLION SIX HUNDRED SIXTY-SEVEN THOUSAND EIGHT HUNDRED TWENTY-EIGHT PESOS AND EIGHTY CENTAVOS (P9,667,828.80)**, inclusive of taxes.


4. **PAYMENT TERMS.** The Parties agree that the Contract Price under Section 3 hereof shall be paid in accordance with the following schedule and terms:

a. **PROJECT PHASES**

i. **Pre-design and Design Phase** – Payments shall be made within Sixty (60) days from the issuance of a Certificate of Acceptance by the implementing office, the Court Administrator or the **PROCURING ENTITY** for each deliverable listed below:

Deliverables	Percentage of Payment
1. Consolidated Inception Report for the Integrated Building incorporating CA-Cebu	5% of Remuneration Fee
2. Consolidated Site Analysis Report for the Integrated Building incorporating CA-Cebu	15% of Remuneration Fee
3. Consolidated Design Study Report for the Integrated Building incorporating CA-Cebu	
4. Architectural and Engineering Concept incorporated in the Integrated Building	
5. Initial Conceptual Design of the CA-Cebu incorporated in the Integrated Building	45% of Remuneration Fee
6. Approved Conceptual Design of the CA-Cebu incorporated in the Integrated Building	
7. Plans and Drawings of the CA-Cebu incorporated in the Integrated Building	


Witness (Supreme Court)


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Supreme Court


Witness (Palafox Associates)


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Palafox Associates


Witness (Supreme Court)


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8. Social and Environmental Assessment Report of the CA-Cebu incorporated in the Integrated Building	
9. Cost Estimate of the CA-Cebu incorporated in the Integrated Building	
10. Technical Specification of the CA-Cebu incorporated in the Integrated Building	
11. 3D Drawings of Utilities of the CA-Cebu incorporated in the Integrated Building	10% of Remuneration Fee
12. Master Plan of the Integrated Building incorporating the CA-Cebu	
13. Operations and Maintenance Plan of CA-Cebu	
14. Scale Model of the Integrated Building incorporating the CA-Cebu	

ii.**Procurement Phase** – Payment of the Five Percent (5%) of the Remuneration Fee shall be made within Sixty (60) days from receipt of the request for payment submitted by the **CONSULTANT**, after the issuance of the Notice to Proceed to the works contractor.

iii.**Construction Support Services Phase** – Payment of the Ten Percent (10%) of the Remuneration Fee shall be made within Sixty (60) days from receipt of the billing, with complete documents, submitted by the **CONSULTANT**. It is understood that billing of the **CONSULTANT** shall be based on the Progress Billing of the works contractor.

iv.**Post Construction Support Services Phase** - Payment of the Ten Percent (10%) of the Remuneration Fee shall be made within Sixty (60) days from receipt of the request for payment submitted by the **CONSULTANT**, after the issuance of the Certificate of Acceptance to the works contractor.

b. All fees to be paid to the **CONSULTANT** shall be subject to the accounting and auditing rules of the government and the **PROCURING ENTITY**.

c. Payment of reimbursable items shall be processed strictly in accordance with the schedule of reimbursable items stated in this **Consultancy Contract** and relevant documents. It is understood that the amounts indicated per line item of the reimbursable and miscellaneous


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expenses in the Financial Proposal shall be the ceiling or maximum amounts of such expenses.

d. It is further understood that considering that consultancy contracts are fixed-price contracts, any extension of the contract time shall not involve or incur any additional cost to the **PROCURING ENTITY**.

5. **SUBMISSION AND STOP-CLOCK.** Pursuant to the respective prescribed period for each deliverable indicated in the Schedule of Submission of Deliverables in the Terms of Reference listed under Section 7 hereof, the following rules are agreed as follows:

a. The running of the abovementioned prescribed period for each deliverable shall stop on the date of submission by the **CONSULTANT** of the required document to the Project Management Consultant and the **PROCURING ENTITY**, whichever is applicable. The remaining time unutilized by the **CONSULTANT** in the prescribed period for each concerned deliverable shall be considered as time credits of **CONSULTANT**. In case of delay in the submission of deliverables, these time credits or credited number of days shall be deducted in the final amount of Liquidated Damages computed in accordance with Subsection 5(d) hereof.

b. In case the Project Management Consultant or the **PROCURING ENTITY**, whichever is applicable return the deliverable to the **CONSULTANT** for revisions, without issuing the Certificate of Acceptance, the following rules will be applied:

i. The **CONSULTANT** shall revise the concerned deliverables within the period indicated in the written instruction of the Project Management Consultant or the **PROCURING ENTITY**, whichever is applicable.

ii. If there are unutilized time/days in period indicated in Section 5(b)(i) above after the **CONSULTANT** has submitted the revised deliverables, the same will not be considered or added as time credits for purposes of the computation of Liquidated Damages.

iii. The **CONSULTANT** will incur delay if it fails to submit the revised deliverable within the period indicated in the written instruction of the Project Management Consultant or the **PROCURING ENTITY**, whichever is applicable, and will continue to incur delay for each day of non-submission.


Witness (Supreme Court)


ATTY. MARIFE M. LOMIBAO-CUEVAS
Supreme Court


Witness (Palafox Associates)


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Palafox Associates



Witness (Supreme Court)



ATTY. MARIFE M. LOMBAO-CUEVAS
Supreme Court



Witness (Palafox Associates)



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Palafox Associates

iv. In the case of the first revision/s, if it is on the account of the act, omission or negligence of the **CONSULTANT**, the same will be charged to the time credit earned on the same deliverable, if any, otherwise the period consumed to revise shall be counted as delay and will be charged to the **CONSULTANT**. On the other hand, if the revision is due to the act, omission or negligence of the Project Management Consultant or the **PROCURING ENTITY**, no delay will be incurred by the **CONSULTANT** provided the revision was completed within the given period to revise. It is understood that the further revision will be submitted within the period indicated in the written instruction of the Project Management Consultant or the **PROCURING ENTITY**, whichever is applicable.

v. Only one (1) time revision for each deliverable is allowed. All time utilized by the **CONSULTANT** during the subsequent revisions on the account of the act, omission or negligence of the **CONSULTANT** shall be considered as delay and will continue to incur delay for each day of non-submission until the time that the **CONSULTANT** has submitted the subject deliverable.

c. If there is a pre-requisite deliverable, the **CONSULTANT** shall only be allowed to submit the succeeding deliverable after the receipt of the Notice to Proceed and/or Certificate of Acceptance for the pre-requisite deliverable by the **CONSULTANT**. For the avoidance of doubt, the running of the prescribed period for the next deliverable shall commence after receipt of the Notice to Proceed and/or Certificate of Acceptance of the pre-requisite deliverable by the **CONSULTANT** in accordance with the Schedule of Submission of Deliverables in the Terms of Reference.

d. All delays incurred, if any, by the **CONSULTANT** in the submission of deliverables vis-a-vis the Schedule of Submission of Deliverables will be aggregated for purposes of computing the Liquidated Damages while all-time credits or remaining unutilized by the **CONSULTANT** for all deliverables shall be deducted in the final amount of Liquidated Damages to be imposed pursuant to the applicable provisions of the revised 2016 IRR of R.A. 9184.

6. **REMEDY AGAINST DEFECTS.** In consideration of the payments of the **PROCURING ENTITY** pursuant to Section 4 herein, the **CONSULTANT** hereby covenants and agrees to execute and complete the Consulting Services and remedy any defects or errors pertaining to the pre-design, design, procurement construction support, and post-construction support services in conformity with the provisions of this **Consultancy Contract** and related documents listed in Section 6 hereof.

7. **ENTIRE AGREEMENT AND ATTACHMENTS.** This **Consultancy Contract** shall constitute the entire agreement between the parties and shall be harmonized with the terms of the Consultancy Contract for the DAED of the Hall of Justice. However, the following documents shall be attached, deemed to form, and be read and construed as part of this **Consultancy Contract**, to wit:

- a. Notice of Award of Contract and the Bidder's Conforme thereto;
- b. Performance Security;
- c. BAC-HOJ Resolution dated 10 September 2021, Recommending the Award of the Contract;
- d. Certificate of Availability of Funds;
- e. Terms of Reference;
- f. Request for Expression of Interest;
- g. Minutes of the Pre-Bid Conference/Negotiation;
- h. Technical and Financial Proposals;
- i. Other contract documents that may be required by existing laws and/or entity.

In case of any conflict between the provisions of this **Consultancy Contract** and the Annexes mentioned above, it is agreed that the same shall be resolved by using the most relevant and applicable documents after good faith discussions and agreement of the Parties.

8. **INTELLECTUAL PROPERTY.** The works of architecture, ornamental design; maps, plans, sketches and charts; scientific and artistic work as the creative conceptual designs indicated or projected in the drawings and models or reports are and shall remain the joint property of the **PROCURING ENTITY** and the **CONSULTANT**. Pursuant to R.A. 9266, the copyright for all designs, drawings, specifications, and copies thereof, prepared by the **CONSULTANT** belongs to the **CONSULTANT** if the work for which they are made is not executed unless the unexecuted designs, drawings and specifications have been paid by the **PROCURING ENTITY**.

9. **BINDING EFFECT.** This **Consultancy Contract** shall bind the successors, successors-in-interest, nominees, administrators, and permitted assigns of each of the **PROCURING ENTITY** and the **CONSULTANT**.

10. **SEPARABILITY.** Should any of the provisions of this **Consultancy Contract** be held or declared invalid, or unenforceable in any respect under any applicable law, rule, regulation, or decision of any court of competent jurisdiction, all remaining provisions not otherwise affected shall continue to have full force and effect.


Witness (Supreme Court)


ATTY. MARIFE M. LOMIBAO-CUEVAS
Supreme Court


Witness (Palafox Associates)


AR. ENP. FELINO A. PALAFOX, JR.
Palafox Associates

11. **AMENDMENTS.** That any modification or amendments of this **Consultancy Contract** shall only be by a duly executed mutual written consent of the **PROCURING ENTITY** and the **CONSULTANT** and shall be attached and form part of this **Consultancy Contract**.

12. **PENALTY CLAUSE.** This **Consultancy Contract** shall be implemented in accordance with the terms and conditions herein stipulated. Failure on the part of any party to comply with any provision of this **Consultancy Contract** shall warrant its revocation or rescission and shall give rise to the filing of appropriate administrative, civil, and/or criminal cases against the responsible officers and employees of the erring party.

13. **TERMINATION.** In the event that the Parties agree to terminate this **Consultancy Contract**, the same shall be made in accordance with the procedure under Annex I of the 2016 revised Implementing Rules and Regulation of R.A. 9184.

14. **AMICABLE SETTLEMENT OF DISPUTE.** Should any dispute related to the implementation of this **Consultancy Contract** and/or rights and obligation of the Parties arise, the same shall be submitted to good faith discussions of the Parties and if the dispute still subsist, the same shall be referred to mediation and/or arbitration in accordance with the Alternative Dispute Resolution Act and its Implementing Rules and Regulations (IRR). In all cases, however, when litigation arises, the venue shall be in the courts of competent jurisdiction in the City of Manila, to the exclusion of all other courts.

15. **GOVERNING LAW.** This **Consultancy Contract** shall be governed by the applicable laws of the Republic of the Philippines.


IN WITNESS WHEREOF, the parties thereto have caused this Consultancy Contract to be executed the day and year first before written.

**SUPREME COURT OF THE
PHILIPPINES**

PALAFox ASSOCIATES

(PROCURING ENTITY)

(CONSULTANT)

By: 
MARIFE M. LOMIBAO-CUEVAS
Clerk of Court

By: 
FELINO A. PALAFOX, JR.
Founder and Managing Partner

SIGNED IN THE PRESENCE OF:


IVY B. SILVA
SC Chief Judicial Staff Officer


MERRY ANN C. BORNALES
Contracts Manager

Witness (Supreme Court)

Supreme Court

Witness (Palafox Associates)

Palafox Associates

ACKNOWLEDGEMENT

Republic of the Philippines)
City of **MAKATI CITY**)S.S.

BEFORE ME, appeared the persons named below with their respective competent evidence of identity:

Name	Competent Evidence of Identity
FELINO A. PALAFOX, JR.	I.D. No. <u>0000015</u>

known to me to be the same person who executed the foregoing instrument, for and in behalf of the entity which he represents, and he acknowledges that the same are his free and voluntary acts and deeds and that he is duly authorized to sign the same.

This instrument, consisting of __ () pages, including this page in which this Acknowledgement is written, but excluding all the Annexes, has been signed on each and every page thereof by the representatives of the Parties, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL, this **31 MAY 2023** 2023
in the City of Manila, Philippines.

NOTARY PUBLIC

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Series of 2023.

ATTY. PELAGIO LAWRENCE N. CUISON
Notary Public City of Makati
Until December 31, 2024
Appt. No. M-176 (2023-2024)
Roll of Attorney's No. 54477
IBP No. 015561 LIFETIME MEMBER 01-04-17; Makati Chapter
PTR No. 9563766 01-03-23; Makati City
4th Flr. B & P Bldg. 843 Amaiz Avenue, Makati City, Philippines
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AR. ENP. FELINO A. PALAFOX, JR.
Palafox Associates

ACKNOWLEDGEMENT

Republic of the Philippines)
City of Manila)S.S.

BEFORE ME, appeared the persons named below with their respective competent evidence of identity:

Name Competent Evidence of Identity

MARIFE M. LOMIBAO-CUEVAS Supreme Court ID No.

known to me to be the same person who executed the foregoing instrument, for and in behalf of the entity which he represents, and he acknowledges that the same are his free and voluntary acts and deeds and that he is duly authorized to sign the same.

This instrument, consisting of __ () pages, including this page in which this Acknowledgement is written, but excluding all the Annexes, has been signed on each and every page thereof by the representatives of the Parties, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL, this 26th day of May 2023, in the City of Manila, Philippines.



MARIA CARINA A. MATAMMU-CUNANAN

Deputy Clerk of Court
Chief Administrative Officer
Office of Administrative Services
Supreme Court



Witness (Supreme Court)



ATTY. MARIFE M. LOMIBAO-CUEVAS
Supreme Court



Witness (Palafox Associates)



AR. ENP. FELINO A. PALAFOX, JR.
Palafox Associates