

**INVITATION TO APPLY FOR ELIGIBILITY  
AND TO SUBMIT A PROPOSAL**

**WATER AND WASTEWATER INFRASTRUCTURE PROJECT  
New Clark City**

The Bases Conversion and Development Authority (“**BCDA**”) invites all interested private sector participants (“**PSPs**”) to submit proposals for the purpose of entering into an incorporated joint venture (“**JV**”) with BCDA for the financing, design, and engineering, establishment, construction, development, operation and maintenance of the water and wastewater infrastructure for New Clark City over a proposed 30-year concession period, which may be extended for an additional period of 20 years subject to compliance with the conditions stipulated in the Concession Documentation (as defined below) (the “**Project**”).

Based on the projections for the development of New Clark City, the total Project cost is estimated to total approximately PhP 10,000,000,000 (Ten Billion Philippine Pesos) over the duration of the Project concession.

Water supply for the Project will be sourced from deep wells within the vicinity and surface water, which may include the Cutcut, O’Donnell and Bangut Rivers. Treatment of the surface water will be conventional coagulation-flocculation and filtration or other best practice water treatment processes as agreed in the Concession Documentation with post treatment to comply with current applicable Philippine National Standards for Drinking Water. The ground water from collector tanks and the treated surface water will be conveyed through transmission lines and distribution networks to residential, commercial, industrial, mixed use and institutional consumers. Based on the projections for the development of New Clark City, the water demand is estimated to be approximately 200,000 m<sup>3</sup>/day by the end of the proposed concession period.

The wastewater infrastructure for the Project will comprise sewers, pumping stations and sewage treatment plants. The treatment method will be a multi stage biological process incorporating biological nutrient removal or other best practice wastewater treatment processes as agreed in the concession documentation to remove nitrogen, phosphorus and other impurities from the effluent. Based on the projections for the development of New Clark City, the total sewage treatment plant capacity is estimated to be approximately 150,000 m<sup>3</sup>/day by the end of the proposed concession period.

It shall be the Winning PSP’s obligation, with the assistance from the BCDA, to secure the water rights/permits from the National Water Resources Board necessary for the Project.

It is anticipated that the Project will involve the design, implementation, operation and maintenance of water utility infrastructure and equipment with embedded sensing technologies for near real-time data acquisition, analysis and decision making and approaches to water utility development and management that protect, restore, or mimic the natural water cycle in order to sustainably utilize water resources, which will be further detailed in IPSP: Volume 2 - Competitive Selection Documents (“**Smart/Green City Requirements**”).

Pursuant to the 2017 Guidelines for the Privatization and Disposition of BCDA Properties - Procedures for Entering into Joint Venture (JV) Agreements with Private Entities (the “**BCDA Guidelines**”), BCDA, through its Joint Venture Selection Committee (“**JVSC**”), now wishes to undertake a competitive selection process by inviting PSPs to apply for eligibility to be the BCDA’s JV partner in connection with the Project.

Interested PSPs may download from <http://www.bcda.gov.ph/bids> IPSP Volume 1 – Eligibility Documents, which details the requirements for eligibility of interested PSPs to be found eligible to submit proposals for the Project, free of charge. PSPs may purchase from BCDA IPSP Volume 1 – Forms and Annexures, which details the forms and technical annexures that are required for interested PSPs to submit the Eligibility Documents as provided in IPSP Volume 1 – Eligibility Documents, upon submission of a letter of intent and payment of a fee in the amount of PhP 500,000.00, payable in cash or manager's check issued by a bank in the Philippines to BCDA, which payment shall be non-refundable.

IPSP: Volume 2 — Competitive Selection Documents details the requirements and procedures for the submission of Proposals and IPSP: Volume 2 - Forms and Annexures details the forms and annexures that are required for submission of Proposals, with the end-view of determining to whom the Project shall be awarded. IPSP: Volume 2 – Competitive Selection Documents and IPSP: Volume 2 – Forms and Annexes shall be made available free of charge to PSPs who have purchased IPSP: Volume 1 - Forms and Annexures and are determined by the BCDA to be eligible pursuant to the requirements of IPSP: Volume 1 – Eligibility Documents. In determining the eligibility and pre-qualification of a PSP, the non-discretionary "pass-fail" criterion shall be applied.

## **ELIGIBILITY REQUIREMENTS**

A PSP shall be considered eligible upon compliance with the following minimum eligibility requirements:

### **1. Legal Capacity**

The PSP must be a partnership, corporation, or consortium whose members are sole proprietorships, partnerships, corporations or any other juridical entity. The PSP must likewise meet the nationality and ownership requirements under the Constitution and other applicable laws and issuances

### **2. Technical Eligibility**

#### **2.1. Design and Construction Experience**

- a) The Design and Construction Experience Requirement may be fulfilled by the PSP, its Consortium Members, a Contractor or their Affiliates.
- b) The entity nominated to fulfill the Design Experience Requirement must have satisfactorily completed the design of all of the following eligible/similar projects, whether locally or abroad, within the past ten (10) years from the date of the IPSP: Volume 1 — Eligibility Documents:

### Design Experience Requirements

Category of Completed Similar Project	Minimum Requirement
a) Water well drilling and well development	20 no. wells to a depth of more than 100 m
b) Water treatment plant using surface water as source	1 no. WTP of minimum design capacity 25,000 m <sup>3</sup> /day
c) Sewage treatment plant with biological process	2 no. STP of minimum design capacity 10,000 m <sup>3</sup> /day

- c) The entity nominated to fulfill the Construction Experience Requirement must have satisfactorily completed the construction of all of the following eligible/similar projects, whether locally or abroad, within the past ten (10) years from the date of the IPSP: Volume 1 — Eligibility Documents:

### Construction Experience Requirements

Category of Completed Similar Project	Minimum Requirement
a) Water well drilling and well development	20 no. wells to a depth of more than 100 m
b) Water treatment plant using surface water as source	1 no. WTP of minimum design capacity 25,000 m <sup>3</sup> /day
c) Sewage treatment plant with biological process	2 no. STP of minimum design capacity 10,000 m <sup>3</sup> /day

- d) The combined project cost of the completed projects submitted in compliance with the Design Experience Requirement must be in the amount of at least PhP 2,500,000,000 (Two Billion Five Hundred Million Philippine Pesos) within the last ten (10) years from the date of the IPSP: Volume 1 — Eligibility Documents.
- e) The combined project cost of the completed projects submitted in compliance with the Construction Experience Requirement must be in the amount of at least PhP 2,500,000,000 (Two Billion Five Hundred Million Philippine Pesos) within the last ten (10) years from the date of the IPSP: Volume 1 — Eligibility Documents.

### 2.2. Operation and Maintenance Experience

The PSP or the Lead Member of the Consortium, must have completed at least 5 full years of operation and maintenance of the following facilities within the last ten (10) years from the date of issuance of the IPSP Volume 1 – Eligibility Documents:

Category of Operation and Maintenance	Minimum Requirement
a) Water supply	1 no. concessions with water supplied in excess of 100,000 m <sup>3</sup> /day
b) Wastewater	1 no. concessions with wastewater treated in excess of 50,000 m <sup>3</sup> /day
Combined water and wastewater concessions can count towards the Operation and Maintenance Experience Requirements under a) and b) above if they exceed the	

respective minimum capacities.

Each entity whose completed projects will be submitted to fulfill the Technical Requirements for Eligibility must certify that it has no Unsatisfactory Performance Record. The term “Unsatisfactory Performance Record” shall be defined in IPSP Volume 1 – Eligibility Documents.

### 2.3. Qualified Key Personnel

The PSP (or its Affiliates), Consortium Members (or their Affiliates) or a Contractor must have among their personnel, individuals with the following required qualifications and experience stipulated in IPSP: Volume 1 - Eligibility Documents.

The PSP shall ensure that personnel identified in its proposal submitted pursuant to IPSP: Volume 2 - Competitive Selection Documents shall have experience with Smart/Green City Requirements in design, construction and operations, as the case may be. IPSP: Volume 2 – Competitive Selection Documents shall provide for the specific Smart/Green City Requirements.

## 3. Financial Eligibility

The PSP should have the capability to finance the completion of the Project. To be eligible to bid for the Project, the PSP (or an Affiliate of the PSP that will guarantee the obligations of the PSP under the Concession Documentation in relation to the Project) or, in the case of a Consortium, any of the Consortium Members (or an Affiliate of the Consortium Member that will guarantee the obligations of the Consortium Member under the Concession Documentation in relation to the Project) must be able to demonstrate the minimum amount of equity for the Project through:

- a. a minimum net worth equivalent to at least PhP 2,500,000,000 (Two Billion Five Hundred Million Philippine Pesos) or its equivalent as of its audited financial statements for the previous three financial years, the latest of which must be dated not earlier than 31 December 2017;
- b. in case of natural person or sole proprietorship: Certified true copy of the latest income tax returns for the previous three financial years, the latest of which must be dated not earlier than 31 December 2017, stamped “received” by the BIR;
- c. in case the Financial Capability Requirement will be fulfilled through a set-aside deposit: a notarized certification from the relevant bank as proof of set-aside deposit indicating the name of the account holder and the amount of the set-aside deposit; and
- d. in case the Financial Capability Requirement will be fulfilled through debt: a notarized statement/certification from a domestic universal/commercial bank or any international bank recognized by the Bangko Sentral ng Pilipinas attesting that the nominated entity is banking with them, is in good financial standing, and is qualified to obtain credit accommodations from such banks to finance the Project; and
- e. each entity being submitted to fulfill the Financial Requirements for Eligibility must certify that it has no Unsatisfactory Performance Record. The term “Unsatisfactory Performance Record” shall be defined in IPSP Volume 1 – Eligibility Documents.

For the purpose of computing the minimum Net Worth of the PSP that is a Consortium, the minimum Net Worth of any Consortium Member or any Affiliate of a Consortium Member that will guarantee the obligations of a Consortium Member (as applicable) may be aggregated.

#### 4. Additional Eligibility Criteria

The PSP, all Consortium Members and PSP Industry Affiliate/s must likewise execute a Notarized Acceptance of Criteria and Waiver of Rights to Enjoin Activity, which shall contain a statement stipulating that such entity has:

- a. Accepted the qualification criteria established by the JVSC of BCDA; and
- b. Waives, to the fullest extent allowable by law, any right it may have to, and shall not seek or obtain, any writ of injunction or prohibition or restraining order, or any other form of coercive judicial, quasi-judicial or administrative writ, process or issuance, or any other similar remedy or course of action intended to have similar effect, including but not limited to any claim for payment of costs, fees, expenses or damages, in any jurisdiction, against BCDA, its JVSC, its Affiliates, or any of the BCDA Advisers as would prevent, suspend, restrain or in any manner forestall, hinder or render inconvenient any stage of the Competitive Selection Process, the award of the JV Agreement and other relevant Concession Documentation to the Winning PSP, or the carrying out of the awarded JV Agreement and other relevant Concession Documentation.

All requirements for eligibility are specified in IPSP: Volume 1 – Eligibility Documents and IPSP: Volume 1 – Forms and Annexures. All PSPs declared eligible shall be entitled to the IPSP: Volume 2 – Competitive Selection Documents and IPSP: Volume 2 – Forms and Annexes, which will contain the requirements in relation to the technical and financial proposals. The issuance of IPSP: Volume 2 – Competitive Selection Documents and IPSP: Volume 2 – Forms and Annexes shall be announced at a later date.

#### ACTIVITY SCHEDULE

The following schedules shall be strictly observed:

Activity	Schedule
1. Issuance and Purchase of IPSP: Volume 1 - Eligibility Documents and IPSP: Volume 1 - Forms and Annexures	16 May 2018
2. Pre-Eligibility Conference	29 May 2018
3. Deadline for Submission of Eligibility Documents	12:00NN, 18 June 2018
4. Opening of Eligibility Documents	2:00 PM, 18 June 2018
5. Announcement of Eligible PSPs	25 June 2018

BCDA, through its JVSC, reserves the right to reject, at any time prior to the signing of the JV agreement, any or all proposals without thereby incurring any liability to the affected PSPs, to waive any minor defects therein, and to accept the offer that it deems most advantageous to the Philippine government. For any queries, please contact:

**Nena D. Radoc**

**Chairperson, JVSC for the Water Infrastructure Project - New Clark City**

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