

TERMS OF REFERENCE

Project Title: *Procurement of Fuel through Fleet Card System for the Office of the Solicitor General (OSG) for CY 2022*

I. RATIONALE

The Fuel Fleet Card Program pertains to the use of fleet cards as payment for continuous supply of fuels (gasoline and diesel) and other related services. This is essential to meet OSG's operational and administrative requirements, including the delivery of services to the public. The Fuel Fleet Card Program likewise helps control spending by setting spending limits and tracking spending patterns such as grade of fuel, fueling frequency, time of fueling, and fuel location. To this end, the OSG intends to engage an entity which could provide such service.

II. PROJECT OBJECTIVES AND DESCRIPTION

1. To adopt fleet management by a service provider in fuel allocation, consumption and management;
2. To utilize the Fuel Fleet Card Program for easy monitoring of vehicle fuel consumptions through a fleet card's tamper-proof and cashless transaction feature and its accompanying assigned product restrictions and purchase limits.

III. APPROVED BUDGET FOR THE CONTRACT

The total Approved Budget for the Contract (ABC) for this procurement is **Two Million Nine Hundred Thousand Pesos (P2,900,000.00)**, inclusive of all applicable national and local taxes.

IV. COMPUTATION OF LOWEST CALCULATED BID

For bidding purposes, below is the method of determining the Lowest Calculated Bid:

DIESEL ENGINE		GASOLINE ENGINE	
A.1 Estimated	X.1	A.2 Estimated	X.2

Fuel Requirement (for one year)		Fuel Requirement (for one year)	
B.1 Offered discount per liter (The computation for the discount per liter should be pegged on prevailing pump prices)	₱ Y.1	B.2 Offered discount per liter (The computation for the discount per liter should be pegged on prevailing pump prices)	₱ Y.2
C.1 Total Price Discount	₱ Z.1 (X.1 multiplied by Y.1)	C.2 Total Price Discount	₱ Z.2 (X.2 multiplied by Y.2)
<p>Bid Price Evaluation:</p> <p>BID PRICE = ABC - (₱ Z.1 + ₱ Z.2)</p>			

V. CONTRACT DURATION AND REQUIREMENTS

1. The Contract shall be for a period of **twelve (12) months, or until such Contract Price is consumed, whichever comes first**, to commence **one (1) day after receipt by the Supplier of the Notice to Proceed (NTP)**.
2. In the event the Contract expires without a successful procurement for a new Fuel Fleet Card Program, the Contract may be extended for one (1) month, or for such period necessary, until the successful procurement of a new Fuel Fleet Card Program: *Provided*, that in no case shall the extension or renewal of the total contract exceed two years.
3. The extension or renewal shall be subject to a) the approval of the Solicitor General, as Head of the Procuring Entity (HoPE); b) the availability of funds as certified by the OSG’s Financial Management Service (FMS); and b) favorable assessment or evaluation of the contractor/supplier’s performance.
4. Within **three (3) years** prior to the deadline of submission of bids, the Supplier must have completed a single contract that is

similar to this project equivalent to at least fifty percent (50%) of the ABC;

VI. BASIS OF PAYMENT

1. To guarantee the faithful performance by the winning bidder of its obligations under the contract in accordance with the Bidding Documents, it shall post a **performance security** prior to the signing of contract.
2. Payment shall be computed at actual consumption based on prevailing pump prices subject to the discounts and additional services offered as part of the bid.
3. The Supplier shall provide a Statement of Account (SOA) or Billing Statement as basis for the payment of actual consumption per billing cycle. The SOA or its documentary attachments should contain the following information:
 - a. Date and Time of Purchase
 - b. Vehicle Plate No.
 - c. No. of liters
 - d. Name of Driver
 - e. Fuel Fleet Card No.
4. The OSG shall be given **thirty (30) calendar days** to settle its monthly obligations reckoned from receipt of the Billing/Statement of Account by the Administrative Division.

VII. SCOPE OF SERVICES AND DELIVERABLES

1. Fuels to be supplied must conform to the **latest** Philippine National Standards on Fuel, i.e., **a) PNS/DOE QS 008:2018**, with Research Octane Number (RON) of **91** minimum for **regular grade** gasoline **and RON of 95 for premium grade gasoline**; and **b) PNS/DOE QS 004:2017, with** Automotive Diesel Oil (ADO) **of 50** for diesel.
2. Fuels consumed are understood to be purchased by the OSG at pump prices;
3. The Contractor/Supplier must have a wide service station network nationwide, including, but not limited to, having service stations:

- a. Within Metro Manila, including at least one service station within the 10-kilometer radius of the OSG;
 - b. Along the regular routes of the OSG buses;
 - c. Along national primary roads, national secondary roads, national tertiary roads and expressways located within or near i) Baguio City; and ii) the provinces comprising Region III and Region IV-A (for use during official out-of-town trips).
4. The Contractor/Supplier must have a web-based program/application for data tracking or monitoring, which reflect the monthly purchases of OSG's shuttle buses and dispatch vehicles.
 5. The Contractor/Supplier must provide OSG with a vehicle specific fuel fleet card containing the following information, among others:
 - a. Card number
 - b. Office name
 - c. Vehicle details (type of vehicle and plate number)
 - d. Type of fuel
 - e. Must be protected from duplication and hacking
 - f. Deactivation and/or cancellation of card in case of loss
 - g. Expiry date
 6. Only the vehicles indicated in the fuel card shall be allowed to avail of the fuel within the limitations categorically stated therein.
 7. The Contractor/Supplier must:
 - a. Issue to OSG application forms and other relevant information to be filled out and signed by its customers. Terms and conditions governing the issuance and use of the fleet card shall be an integral part of the agreement;
 - b. Issue transaction slips reflecting the odometer and fuel allocation balance every time fuel is availed;
 - c. Provide a listing of gasoline service stations available in Metro Manila, with a fleet card Point-of-Sale terminal;
 - d. Assure the OSG of high-quality products and excellent services guaranteed by a Statement or Certification from the service provider that its products comply and/or conform

with existing Philippine National Standards for gasoline/diesel and other fuel-related products;

- e. Issue, within **ten (10) calendar days**, fleet cards which need replacement upon request of the OSG and upon confirmation thereof;
- f. Have a single invoice system for the OSG's monthly purchases for administrative expediency;
- g. Submit the **monthly billing statement** and **detailed transaction report** for all OSG vehicles within **five (5) working days** from the billing cut-off and ensure that the same is consistent with the transaction slips issued by stations and applying to the total bill the discount offered per supplier's bid.
- h. Waive the one-time joining fee and annual membership fee for each fleet card that will be issued and enrolled;
- i. In case of doubt in the authenticity of the fleet card, it may contest within a reasonable period of time the fleet card in question; reserve its right to refuse provision of fuel; and inform the OSG immediately on this matter;
- j. Provide, under the fleet card program, whenever required, a 24-hour towing and roadside privilege service free of charge, subject to the terms and conditions of the supplier's third-party agreement with towing partners/concessionaires, if applicable, and provided they are not contrary to law or detrimental to the best interest of the OSG.
- k. Provide discount on fuel price, if there be any, in the form of direct reduction on the current market price, whether in percentage or fixed peso amount basis, and the discount shall be applied throughout the duration of the contract; and
- l. Provide 24/7 availability in the provision of fuel requirements by the Contractor/Supplier's fuel stations, within the duration of the Contract and subject to any restriction that the national government or local governments may impose.

8. Issuance and submission of application forms and release of fleet cards will be handled by the OSG, through its Administrative Division. The OSG shall be allowed to revise the list of vehicles enrolled in the Fleet Card Program to include new vehicles and to cancel previously issued cards. In case of additions to the list, the Contractor/Supplier shall issue a new card within five (5) working days from notice. Cancellation of previously issued cards must be done within twenty-four (24) hours from notice.
9. Release of fleet cards will be given to an accountable officer of the end-user-department/office and as such he/she will have the full control and responsibility to the fleet cards for security measures.
10. Availability and replenishment of fuel based on the hereunder estimated volume/quantity:

Fuel allocation per vehicle on a month-to-month basis	
SKL 802 (Pacita bus)	600 liters (diesel)
SKL 815 (Cavite bus)	670 liters (diesel)
SKE 791 (Monumento bus)	460 liters (diesel)
SKE 781 (Fairview bus)	650 liters (diesel)
SAA 2851 (Marikina mini-bus)	350 liters (diesel)
Four (4) Admin Dispatch Vehicles	
SAB 6334 (Toyota Hi-Ace)	40 liters (diesel)
SJR 753 (Toyota Innova)	40 liters (gasoline)
SJR 763 (Toyota Innova)	40 liters (gasoline)
SJR 781 (Toyota Innova)	40 liters (gasoline)

VIII. PENALTIES FOR BREACH OF CONTRACT

Failure to deliver the services according to the standards and requirements set by the OSG shall constitute an offense and shall subject the Contract to applicable provisions of Republic Act (RA) No. 9184 and its Revised Implementing Rules and Regulations.

Any amendment or additional terms and conditions to the Contract must be in writing, signed and acknowledged by the Parties.

IX. LIQUIDATED DAMAGES

Where the Contractor/Supplier refuses or fails to satisfactorily

complete the work within the specified contract time, or in case of Supplier's delay in the delivery of goods and/or performance of services, the amount of the liquidated damages shall be at least equal to one-tenth of one percent (0.1%) of the cost of the unperformed portion of every day of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the procuring entity shall rescind the contract, without prejudice to other courses of action and remedies available to it.

X. CANCELLATION OR TERMINATION OF CONTRACT

Should there be any dispute, controversy or difference between the parties arising out of this TOR, the parties herein shall exert efforts to amicably settle such dispute or difference. However, if any dispute, controversy or difference cannot be resolved by them amicably to the mutual satisfaction of the parties, then the matter may be submitted for arbitration in accordance with existing laws, without prejudice for the aggrieved party to seek redress before a court of competent jurisdiction.

The extension or renewal of the Contract as described in Section V (2-3) shall be subject to termination upon thirty (30) day's written notice by one party to the other.

XI. RESERVATION CLAUSE

The OSG reserves the right to reject any and all bids, declare a failure of bidding or not award the contract at any time prior to contract award in accordance with Section 41 of RA No. 9184 and its IRR, without thereby incurring any liability to the affected bidder or bidders.