



Republic of the Philippines
OFFICE OF THE PRESIDENT
PALAWAN COUNCIL FOR SUSTAINABLE DEVELOPMENT



Excerpts from the Minutes of the 118th PCSD Regular Meeting
Palawan Sustainable Development Training Institute
Ramon V. Mitra Sustainable Development Center
Puerto Princesa City, Palawan
24 June 2005

Present:

- | | | |
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| 1. | Rep. Abraham Kahlil B. Mitra
Palawan Representative, 2 nd District | Chairman |
| 2. | Rep. Antonio C. Alvarez
Palawan Representative, 1st District | Member |
| 3. | Sec. Alfredo E. Abueg Jr.
Office of the President | Member |
| 4. | Hon. Lucena D. Demaala
President, League of Municipalities | Member |
| 5. | Hon. Evelyn V. Rodriguez
President, Liga ng mga Barangay | Member |
| 6. | Dir. Nelson P. Devanadera
Executive Director, PCSDS | Member |
| 7. | Hon. David A. Ponce De Leon
Vice-Governor, Province of Palawan
Presiding Officer, Sangguniang Panlalawigan | Member |
| 8. | P/SR Supt Rey L Lañada
Provincial Director, Palawan Police Provincial Office | Member |
| 9. | Hon. Evelyn B. Pantig
Senior Adviser to DOT Secretary, Project Director SEMP-NP | Member |
| 10. | Rev. Fr. Armando G. Limsa
NGO Representative | Member |
| 11. | Atty. Vicente Tan
Business Sector Representative | Member |
| 12. | Commissioner Lagtum Pasag
NCIP Representative | Member |

Absent:

- | | | |
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| 1. | USEC Cesar M. Drilon
Undersecretary for Fisheries, DA | Member |
| 2. | Dep Director-General Augusto B. Santos
Deputy Director General, NEDA | Member |
| 3. | Hon. Joel T. Reyes
Governor, Palawan | Vice Chairman |
| 4. | VADM. Ruben G Domingo
Commander, WESCOM | Member |
| 5. | Usec. Ramon B. Paje
Undersecretary for Forestry and Environment, DENR | Member |
| 6. | Hon. Edward S. Hagedorn
Mayor, Puerto Princesa City | Member |

Head Office

Metro Manila Liaison Office

PCSD Resolution No. 05-256

RESOLUTION APPROVING THE AMENDMENTS TO THE CONTRACT OF AGREEMENT FOR CONSULTING SERVICES FOR THE ECAN ZONING COMPONENT – SUSTAINABLE ENVIRONMENTAL MANAGEMENT PROJECT IN NORTHERN PALAWAN (SEMP-NP) UNDER JBIC SPECIAL YEN LOAN NO. PH-P225 BETWEEN THE PALAWAN COUNCIL FOR SUSTAINABLE DEVELOPMENT AND PACIFIC CONSULTANTS INTERNATIONAL IN ASSOCIATION WITH ALMEC CORPORATION; DARUMA TECHNOLOGIES, INC; CERTEZA SURVEYING AND AEROPHOTO SYSTEMS, INC.; AND GEO-SURVEY AND MAPPING INC.

WHEREAS, the PCSD has entered into a Contract Agreement dated 23 May 2002 with the joint venture comprising Pacific Consultants International in association with ALMEC Corporation, DARUMA Technologies, Inc., Certeza Surveying and Aerophoto Systems, Inc., and Geo-Surveys & Mapping, Inc. for the provision of consultant services for the ECAN Zoning Component of the Sustainable Environmental Management Project (hereinafter called the “Project”);

WHEREAS, the Pacific Consultants International (hereinafter called “PCI”) is the authorized representative of the joint venture project;

WHEREAS, implementation of the Project started on August 2002 and will end on December 2006 with a total of 52 months or four years and four months;

WHEREAS, the ECAN Zoning Component has a total Consultancy Loan Allocation of JPY 340M or Php 170M and JPY 196M or Php 98M for Procurement of Equipment (based on 1JPY = 2PHP JBIC Conversion factor as of May 2005).

WHEREAS, of the Php 170M Loan Allocation for Consultancy Services, Php 126,558,765 was contracted to PCI broken down as follows: Peso component is Php 88,484,598 and JPY 91,378,000 for Yen component;

WHEREAS, in November 2002 and December 2004, the Employer and PCSDS has entered in Supplemental Agreements No. 1 and 2 amounting to Php 17.033M and Php 34.969M for the immediate procurement of project equipment including but not limited to Satellite Images, and office and field equipment.

WHEREAS, as an effect, the original contracted amount of Php 126M for consultancy services (Remuneration and Reimbursables of Local and Foreign Cost) was increased to Php178.002M in which Php 51.972 (SA No.1 and 2) was reallocated to CONSULTANCY SERVICES from the ECAN Zoning Components EQUIPMENT ALLOCATION for procurement purposes.

WHEREAS, the Inception Report, which provides the details of the activities, tasks, outputs, schedule and allocation of man-months for consultants and staff, was approved by the PCSD on May 2003 and this supercedes the scope and details of work of the Consultants that are provided for in the Contract Agreement. The Inception Report also modified some of technical aspects of the project design and the allocation of man-months for the Project Manager and Deputy Project Managers as provided for in the original contract and these changes were followed by the Project Management and Consultants in their planning and implementation of the project;

WHEREAS, as of December 30, 2004, after 28 months of implementation, the Project has consumed 98.48% of the total peso budget allocated for consultancy services due to the following:

- a. **Adjustments in the man-months of consultants.** The allotted man-months for the consultants of the Project were not sufficient to complete their tasks because of inclement weather conditions, political and peace and order problems. This has prevented the survey teams to finish their field work as scheduled prompting them to spend more time in the field incurring more expenses and billable man-days. The survey teams' difficulty in accessing some sampling sites took more time for the consultants to finish their survey. Some intermediary activities undertaken that were not anticipated such as briefing seminars on the ECAN Zoning Project for LGU officials, series of consultation workshops and related activities entailed costs and additional man-days for project consultants.
- b. **Adjustments in the man-months of Research Assistants.** The Research Assistants were not allotted adequate man-months in the original contract. Moreover, the tasks that can be completely performed by Research Assistants were taken off from the duties of the project consultants to save on funds; and the large size of municipalities to be surveyed took more man-days for the Research Assistants to finish.
- c. **Adjustments in the number of man-months for the PMO administrative staff.** The allotted number of man-months for the administrative staff of PMO was extended to enable them to work full time on a regular basis until the project completion in 2006.
- d. **Higher costs incurred in operations.** The original contract's budget estimates for workshops and training of PCSDS and LGUs, per diems of consultants and Research Assistants, vehicle and boat rentals, supplies and materials were much lower than the actual costs incurred.
- e. **The above adjustments in cost are necessary to meet the objectives of the project, satisfy the requirements of the Employer and maintain the quality of outputs.**

WHEREAS, project's cost realignment for operations year 2004 included necessary adjustments in man-months of consultants.

WHEREAS, PCSDS approved in March 2005 the Work and Financial Plan including the Activity Budget of the Project for operations year 2005-2006 which entails additional cost on top of the original contracted amount amounting to Php 44.47M, now requested through a contract amendment.

WHEREAS, the approved Work and Financial Plan contains scope of work identified by PCSDS as necessary but were not originally included in the Inception Report, the adjusted man-months for consultants, Research Assistants and PMO administrative staff and adjusted budget for reimbursable expenditures for the period 2005-2006.

WHEREAS, That additional scope of work of the consultants are identified as follows:

Development of San Vicente Tourism Development Plan;
Development of an ECAN Zones Mapping Instructional Manual;
Technical and Mapping Support to Calaut Tourism Development Study;

Technical Validation, Stakeholders Consultation Workshops and subsequent ground validation of community recommendations to the ECAN Zones Maps, Management Frameworks and Guidelines;

Technical Assistance to municipalities in updating the Municipal Comprehensive Land and Water Use Plan (CLWUP);

Technical Reports per component (Mapping, Survey and Research, Institutional Capacity Building, Project Management) per Municipality in desktop publishing format with corresponding ISBN cataloguing number for library reference with 10 copies minimum reproduction per municipality

WHEREAS, the consultants with the agreement of its Employer (PCSDS) will complete the studies for the modified priority list of municipalities with due consideration to the requirements of the Sustainable Tourism Development Component of the SEMP-NP and remaining budget allocation

First Priority Municipalities – Busuanga and El Nido

Second Priority Municipalities – Coron, Culion, Taytay

Third Priority Municipalities – San Vicente, Puerto Princesa City and Linapacan

WHEREAS, scope of work for all other municipalities (Roxas, Dumarán, Araceli, Cuyo, Agutaya and Magsaysay) originally included in the Project Inception Report will be limited to procurement of Satellite Image Maps. The PCSDS ECAN-GIS Division upon completion of required training will do processing of said images for regular GIS Staffs as part of technology transfer objective of the ECAN Zoning Component to PCSDS Counterpart Staff.

WHEREAS, the project will undertake additional activities with a total budget requirement of Sixteen Million Pesos (Php 16,310,000) not included in the original contract which were considered priority activities of PCSDS vital for ECAN institutionalization and sustainability and continuity of project efforts in the municipalities identified as follows:

Organization and Development Study;

Establishment of Coastal Resource Management learning Centers;

Implementation of High Impact Livelihood Projects;

Project Development, Packaging and Marketing ; and

Multi-Partite Quick Response System for Monitoring of Environmental Changes, Violations and Compliances to Existing Environmental Laws

WHEREFORE, in consideration of the premises and covenants herein set forth, the parties hereto agree as follows:


1. A total amount of Php 60.78M is added to the Contract Amount of the Peso Component for Consultancy Services broken down as follows:
 - a. Remuneration and Reimbursables Php 44.47
 - b. ECAN Zoning Sustainability Efforts of PCSDS Php 16.31
2. The foregoing additional amount is necessary to finish the project, meet its target deliverables, sustain its operation in the municipalities and maximize its impact to its beneficiaries.
3. Additional fund requirement of Php 60.78 million will be sourced from the ECAN Zoning Components Loan Allocation balance of Php 44M (from the Php 170M allocation less Php 126 original contracted amount).

4. The balance of Php 16.31M will be sourced from equipment allocation of the project.
5. All other provisions of the original Contract Agreement for this Project shall remain valid and binding on all parties signatory to said Contract Agreement.


SO RESOLVED.

APPROVED and ADOPTED this 24th day of June 2005 in Puerto Princesa City

I hereby certify to the correctness and accuracy of the above quoted resolution.


EXEC. DIR. NELSON P. DEVANADERA
Secretary, PCSD

APPROVED FOR THE COUNCIL:


HON. ABRAHAM KAHLIL B. MITRA
Palawan Representative (2nd District), House of Representatives
Chairman, PCSD