



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
OFFICE OF THE SECRETARY  
MANILA

01 September 1989

DEPARTMENT ORDER )

NO. **132** *for 4*  
Series of 1989

SUBJECT: Submittal of Agency Estimate  
by Implementing Office to the  
PBAC Chairman

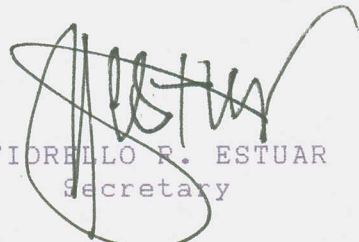
-----  
It has been observed that the prepared Agency Estimate by the Implementing Offices (IOs) are submitted very close to the day of bidding giving the approving officials concerned limited time to review/evaluate and finally determine/approve the agency estimate.

In order to ensure and come out with a reasonable approved agency estimates (AAE), it is hereby directed that, henceforth, IOs shall submit their prepared agency estimates at least two (2) weeks before the opening of bids. These will give ample time, to reconcile the discrepancies of estimates between the IOs and the PBAC Secretariat/Bureau of Construction if any. In this case, the PBAC Secretariat shall submit the evaluation report with discrepancy analyses to the approving officials concerned, who shall determine the mark-ups jointly with the PBAC's regular technical member, and the member representing the IO.

Furthermore, the following additional guidelines shall be observed in the preparation of the AAE.

1. The 1987 ACEL Rates shall be adopted in the detailed estimates, with no discount regardless of amount. This revokes the provisions in MO # 68, Series of 1982, that provides discount of 20 percent of the ACEL rates for projects costing P2.5 million and above.
2. Increases in labor rates by virtue of the passage of the Minimum Wage Law (R.A. 6715 dated May 24, 1989) or wages authorized by the Department of Labor shall be considered.
3. Unit costs which are above the prevailing price ceilings shall be justified by a detailed cost analysis showing the reasons why the particular cost components are high.
4. All items of works shall conform with the Specifications for Public Works & Highways 1988 Edition (Blue Book) Volume II - Highways, Bridges and Airports which is now being adopted for the implementation of all infrastructure projects of said categories per Department Order No. 58 dated 27 July 1988.

This Department Order supersedes all Department Orders, circulars, and memoranda or portions thereof inconsistent herewith, and shall take effect immediately.

*243*  
*245*  
  
FIORELLO R. ESTUAR  
Secretary

5.1/HBB/asg