



DEC 12 2023

DEPARTMENT ORDER)
NO. 148)
Series of 2023)

**SUBJECT: Guidelines for the Utilization of the
Prices of Construction Materials and
Equipment Rental Rates for Various
Infrastructure Projects**

dt 12/12/23

In line with the Department's Quality Policy to implement projects at the right cost and in order to strengthen the utilization of the quarterly approved Region Construction Materials Price Data (RCMPD) and Equipment Rental Rates in the latest Association of Carriers and Equipment Lessors (ACEL), Inc. Equipment Guidebook, the guidelines provided hereunder shall be observed and undertaken by all concerned parties.

1. Projects for Bidding

1.1. Prices of Construction Materials

- 1.1.1. In the preparation of the Program of Works (POW)/ Approved Budget for the Contract (ABC)/ Detailed Unit Price Analysis (DUPA) for infrastructure projects, all Implementing Offices (IOs) shall strictly utilize the prices reflected in the approved RCMPD. Utilizing material prices different from the approved RCMPD shall not be allowed.
- 1.1.2. For materials not included in the current list of construction materials in the RCMPD, the concerned Implementing Office (IO) shall provide valid canvassed prices, utilizing the survey form prescribed in the establishment of the RCMPD/formal quotation, from at least three (3) legitimate suppliers, along with attached documentation as proof (e.g., DTI Certification, Business Permit, etc.).
 - a. The lowest calculated material unit cost (i.e., unit cost derived from the canvassed prices, including their corresponding hauling costs, if any) shall be utilized in the material unit cost component in the DUPA.
 - b. Additionally, in cases where the concerned material has less than three (3) available suppliers, the IO shall also provide a certification signed by the Head of the IO, together with the survey forms.
 - c. The submitted canvassed prices, the name of the suppliers, the determined distance (km) from the supplier to the project site for each canvassed price, calculated hauling costs, and calculated material unit cost shall be tabulated and included as an attachment in the preparation of POW/ABC/DUPA.

1.2. Equipment Rental Rates

- 1.2.1. To have a uniform reference of equipment rental rates for all DPWH Infrastructure Projects, the current list of equipment provided by the Bureau of Construction through a memorandum signed by the Undersecretary for Technical Services shall be adopted. The said list of commonly used equipment and corresponding rental rates, based on the latest Equipment Guidebook of ACEL Inc., shall be used as a reference in the preparation, review/evaluation, and approval of POW/ABC/DUPA.
- 1.2.2. Operated dry rental rates, in addition to the cost of the fuel and oil/lubricant consumption (L/hr) of the concerned equipment, shall not be used as a reference in the preparation, review/evaluation, and approval of POW/ABC/DUPA for all DPWH Infrastructure Projects.
- 1.2.3. Equipment rental rates not indicated in the said Equipment Guidebook shall be taken from the rental rates prepared by the Bureau of Equipment. For simplicity in the computation, the operated rental rates are preferred over the bare rental rates as the former includes the operator's wage, fringe benefits, fuel, oil, lubricants, and equipment maintenance.

2. Ongoing and Completed Projects

- 2.1. The contractor may file a request for price escalation or other relief available under existing laws, rules, and regulations, subject to the review and recommendation of the Price Escalation and Extraordinary Claims Review Committee (PEECRC) and approval of the authorized DPWH Official.

This order shall take effect immediately and supersedes Department Order No. 63, Series of 2022, Guidelines in Addressing the Effect of the Increasing Prices of Construction Materials and Equipment Rental Rates Utilized for Infrastructure Projects.


MANUEL M. BONOAN
Secretary

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