

APR 10 2019

MEMORANDUM CIRCULAR NO. <u>10</u> Series of 2019

SUBJECT

GUIDELINES IN THE ISSUANCE OF MIAA CONSTRUCTION, EXCAVATION, RENOVATION OR REPAIR, AND UTILITY SERVICE PERMITS

GENERAL

1. The Manila International Airport Authority (MIAA) is mandated "to promulgate rules and regulations governing the planning, development, maintenance, operation and improvement of the Airport, and to control and/or supervise as may be necessary the construction of any structure or the rendition of any service within the Airport", and has the obligation to maintain and preserve the structural integrity and aesthetic design of its infrastructures and other facilities of the Ninoy Aquino International Airport (NAIA) Complex. The Authority also promotes transparency with regard to the manner of transacting with the public, which shall encompass a program for the adoption of simplified requirements and procedures that will reduce red tape and expedite transactions.

PURPOSE AND SCOPE

2. This Memorandum Circular prescribes the guidelines and procedures in the issuance of MIAA Permits for all non-MIAA projects. It is necessary that all works within the Airport Complex must conform to the existing rules, regulations, standards, specifications, safety, security and environmental requirements set by the Authority, and other pertinent laws.

DEFINITION OF TERMS

- 3. The following terms shall be construed to mean as follows:
 - a. Airport (NAIA) Complex refers to any property within MIAA-owned land.
 - b. Applicant refers to any bonafide proponent like concessionaire, lessee, airlines, government agency and utility service provider who submits a formal request to do construction, excavation, renovation or repair, and installation of utility service within the Airport Complex.
 - c. Compliance Monitoring Team refers to the team tasked to, among others, monitor, foresee and coordinate the on-going construction of all MIAA concessionaires under all engineering aspects, as per Department Order no. 02 s.2017 issued by the AGM for Engineering.
 - d. Construction refers to building or installation of new structure or non-existing structure. It covers site preparation, excavation, civil works, electro-mechanical installations and other necessary related works to be done to complete the work.
 - e. **Construction Bond** refers to a warranty either in the form of cash bond or surety bond issued in favor of MIAA.
 - f. **Head, Area of Responsibility (AOR)** refers to the Office that have the jurisdiction over work/activity in their respective areas:
 - 1) TM's Office Terminals
 - 2) General Aviation Operations Division General Aviation areas
 - 3) Business Development & Concessions Management Division (BDCMD) other areas

- g. Hot Works Permit refers to permit (S-TSS-F-003) issued by the Terminal Safety Services/Rescue & Firefighting Division to any activity entailing welding, electrical works, standing grinding, LPG and/or of any equipment/power tools producing flame, intense heat or spark.
- h. Ingress/Egress Permit refers to permit issued by the Terminal Management, through an Ingress/Egress Declaration Form, authorizing the delivery and/or pull-out of materials, tools & equipment, supplies, furniture, fixtures, construction debris, and other-related accessories and spare parts.
- Major Renovation or Repair refers to:
 - 1) All works that will affect multi-engineering discipline;
 - 2) All works that will require professional studies such as structural investigation;
 - 3) All works that are considered capital investment;
 - 4) All works that covers major cosmetic improvements.

All works are subject to final assessment of the Engineer-in-charge who issues the permit.

- j. **Minor Renovation or Repair** refers to installation of simple structure/equipment/facilities with no permanent utility requirements, which will not cause disturbance to the area. It covers minor cosmetic improvements to the architectural finishes of the existing structure.
- k. MIAA Permit refers to a permit issued by MIAA, authorizing work/activity project within the Airport Complex, which is separate and distinct from similar permits issued by National and Local Government Units. The following are kinds of permit issued by MIAA:
 - Construction or Renovation/Repair Permit refers to a permit issued by MIAA, through the Assistant General Manager for Engineering (AGME), authorizing the construction, renovation or repair project within the Airport Complex.
 - 2) Excavation Permit refers to a permit issued by MIAA, through the AGME, authorizing any digging project within the Airport Complex.
 - 3) **Utility Service Permit** refers to a permit issued by the AGME authorizing the installation work of utility services (power, water, telephone, etc.) within the Airport Complex.
- Notice to Proceed (NTP) refers to a written approval authorizing the start of work/activity to be done by the Permitee and the period of completion thereof, issued by MIAA, through the Office of the AGME.
- m. Order of Payment Slip (OPS) refers to a form issued to the Applicant and addressed to Manager/OIC, Collection Division, requiring payment by the Permitee of a specified amount for the permit applied for.
- n. Permitee refers to an Applicant/Concessionaire with approved MIAA Permit.
- o. **Unauthorized Work/Activity** refers to item of work being undertaken by the Concessionaire-Permitee without MIAA Permit or works not included in the Permit granted.
- p. Utility Services refers to the various electrical, water, and communications fixtures, devices and instruments intended for public and/or private use, including but not limited to the following:
 - 1) Power supply / tapping point;
 - 2) Water supply / tapping point;
 - 3) Telephone and cabling for data / LAN connection including Right-of-way for electronics and communications installation.
- Work/Activity refers to detailed description of works to be done during construction or repair/renovation works.

STATEMENT OF POLICIES

4. All work/activity projects at the Airport Complex shall be undertaken in accordance with standards and specifications prescribed under the National Building Code, National Structural Code of the Philippines, Philippine Electrical Code, Philippine Mechanical Engineering Code, Institute of Electronics and Communications Engineers of the Philippines Code and National Plumbing Code and approved House Rules of each terminal.

- 5. All work/activity projects at the Airport Complex shall be allowed to commence only when approved MIAA permits and Notice to Proceed (NTP) have been issued to the Permitee.
- 6. For construction, major renovation, and excavation, the posting of Construction Bond is mandatory prior to issuance of NTP for the following options with corresponding amount as prescribed hereunder:
 - a. Cash Bond ten percent (10%) of the total estimated cost of project
 - b. Surety Bond fifteen percent (15%) of the total estimated cost of the project to be issued on behalf of MIAA by GSIS or by any reputable surety company accredited by the Insurance Commission.
 - c. Bank Guarantee as approved by the MIAA Board, can be accepted as guarantee of payment, callable on demand, issued in favor and under the name of MIAA (for Concessions Agreement that was approved by the MIAA Board).
- 7. MIAA Permit Fee is non-refundable and is valid from the date of approval until the scheduled date of completion of the work/activity project. However, an approved Minor Renovation Permit and Utility Service Permit not utilized by the Applicant within three (3) months and an approved Construction/Major Renovation/Excavation Permit not utilized by the Applicant within six (6) months from approval shall be considered expired and subject for re-application at the option of the MIAA.
- 8. Applicants must submit all the requirements within ninety (90) calendar days (for new construction/major renovation) or fifteen calendar days (for minor repairs) upon completion of the joint inspection. Only applications with complete requirements submitted shall be received and processed. Incomplete applications shall not be accepted.

SYSTEMS AND PROCEDURES

9. Processing and Requirements

- A. Upon receipt of Letter of Intent/Request, preliminary documents, and verification if bonafide concessionaire, the BDCMD advises the office of AGME, Head AOR, and Lessee for joint actual site inspection within two (2) days. The preliminary documents are:
 - 1) Duly accomplished Application Form (2 copies)
 - ➤ E-AEN-F-002 for new construction, major renovation, or excavation
 - ➤ E-AEN-F-003 for minor renovation/repair
 - E-AEN-F-004 for each specified utility service installation
 - 2) Three (3) copies initial plans (A3 size), Scope of Work, timetable/timeframe, project cost, vicinity/location map;
 - 3) Copy of Notice of Award/Contract.
- B. On the day of joint inspection, and upon determination if major or minor renovation/repair, the OAGME issues Checklist Of Requirements and Inspection Report, which may be determined during inspection, to the Applicant. Upon completion, the Applicant submits complete documents to the BDCMD.

C. Final Requirements for Construction/Major Renovation/Excavation Permit

- 1) Detailed Engineering Drawings (5 sets) in 20" x 30" Blue Print plans for major construction/ renovation that includes:
 - Detailed Architectural and Civil Works plans
 - Detailed Plumbing & Sanitary Plans
 - Detailed Structural Plan (as necessary)
 - Electrical Plan
 - Mechanical Plan including Air-conditioning System, Exhaust System, FDAS and Gasline (as applicable)
 - Electronics & Communication Plans including cabling for LAN connections, CCTV and POS (as applicable)
 - Note: All plans must be signed and sealed by Lessees Engineer/Architect and concurred by the Lessee. Copy of PRC & PTR of professionals included.
- Duly accomplished Utility Service Application Form (for temporary connection for water and power supply);
- 3) Height Clearance from CAAP (for new construction or vertical improvements);

- 4) DENR Environmental Clearance Certificate (for projects indentified under Presidential Proclamation 2146);
- 5) Copy of Building Permit/Excavation Permit issued by the City Hall (as applicable);
- 6) Clearance Certificate and Traffic Management Plan approved by MMDA and DPWH (for excavation);
- 7) Payment of Construction/Renovation/Excavation Permit Fee (upon approval of MIAA Permit);
- 8) Posting of Construction Bond (upon approval of MIAA Permit)

Procedure for New Construction/MAJOR Renovation/Excavation Permit Application	Prescribed No. of Working Days	
1. AGME receives complete application documents from the BDCMD and reviews/evaluates plans and other submittals.	3	
2. AGME informs Lessee in writing on the result of the review either on the acceptability of submittals or on noted deficiencies. (In case of noted deficiencies-recommended correction will be reflected on submitted plans without returning the same to Lessee. Likewise, all plans will be returned to the Applicant in case of major deficiency)	1 1/2	
If the result of review is not acceptable to applicant, Applicant must inform AGME in writing within 48 hours upon receipt of the comments. A technical meeting shall be conducted to settle findings and identify appropriate corrective actions/measures. (Processing Time stops until the dispute is settled). Then, proceed with the approval of documents.		
 3. If the result of review is acceptable to both parties, AGME drafts Memo Brief (MB) for signature of the SAGM, coordination with Head, AOR, AGME and BDCMD for GM approval, attached are the following: Accomplished Application for MIAA Permit NTP Order of payment for MIAA Permit fees Construction/ Renovation Permit Plans (Sheet #1 will be signed by the GM) Building permit forms from City Hall (as applicable) 	AGME – 1 Head, AOR – 1 BDCMD – 1 SAGM – 1 GM – 1 (approval time included)	
Applicant pays necessary fees and charges.	*(min. of 2 CD; max of 5 CD)	
5. AGME issues to the Applicant the approved MIAA Permit and NTP upon receipt of copy of payment for fees and bonds, and schedule Pre-construction meeting.	1/2	
TOTAL	Ten (10) days	

D. Final Requirements for Minor Renovation Permit

- Detailed Drawings of work to be done (3 sets) in <u>A3 Size</u> for minor renovation/repair that includes material specifications and Location Plan, signed by the Owner and their Architect/Engineer (as applicable)
- 2) Duly accomplished Utility Service Application Form (for temporary connection for water and power supply and communication services)
- 3) Payment of Minor Renovation Permit Fee (upon approval)

Procedure for Minor Renovation Permit Application	Prescribed No. of Working Days	
1. AGME receives application documents from the BDCMD and reviews/evaluates plans and other submittals. inform applicant in writing on the result of the review either on the acceptability of submittals or on noted deficiencies. In case of noted deficiencies-recommended correction will be reflected on submitted plans without returning the same to applicant.	3	
2. AGME prepares NTP, Order of payment for MIAA Permit fees and MIAA Permit	1/2	

3. Applicant pays necessary fees and charges.	*(min. of 1 CD; max of 2 CD)
4. AGME issues to the Applicant the approved MIAA Permit and NTP upon receipt of copy of payment for fees	1/2
TOTAL	Four (4) days

E. Application Requirements for Utility Service Permit

- 1) Utility layout or Engineering Plan in A3 size with load schedule duly signed by a licensed Engineer.
- 2) For CCTV, cabling, antenna, and network installation, layout plans and single line diagram;
- 3) Minor Renovation/Repair or Excavation Permit, if needed

Procedure for Utility Service Permit Application	Prescribed No. of Working Days
1. BDCMD receives Letter of Intent with complete requirements for endorsement to AGME	1
AGME evaluates submitted requirements.	2
2.a. Applicant incorporates comments of AGME, if any. 2.b. AGME processes MIAA Permit and issues OPS.	1/2
3.a. Applicant pays corresponding fees and informs the AGME.3.b. AGME approves and releases Permit, copy furnish BDCMD.	1/2
TOTAL	Four (4) days

- 10. All approved Applications with stamped (or written) Permit and Series Nos. including validity period shall be recorded by AGME in a logbook for filing, controlling and monitoring purposes.
- 11. The applicable MIAA Permit shall be issued upon approval of application and payment of fees corresponding to the type of works applied for, rates of which are as follows (inclusive of VAT):

TYPES OF PERMIT	EXISTING RATES	ADJUSTED RATES
Construction/Major Renovation/Excavation	Php 1,218.00/application	Php 2,119.35/application
Minor Renovation/Repair	Php 365.40/application/terminal	Php 635.80/application/terminal
Utility Service Installation	Php 365.40/application/terminal	Php 635.80/application/terminal

- 12. **Pre-Construction Meeting/Briefing** The pre-construction meeting/briefing shall be scheduled and conducted by the AGME for construction, excavation or major renovation/repair. The briefing will cover the construction activities within the Airport Complex as prescribed herein including MIAA rules and regulations and AMA rules and regulations if the project is in the General Aviation/Airside Areas as well as the distribution of ID Application Forms and instruction to apply for Hot Works Permit and Ingress/Egress Permit. The following are required to attend and/or send their authorized representatives:
 - a. Permitee and Contractor/s (to bring the submitted PERT/CPM or Bar Chart)
 - b. AGME or authorized representative
 - c. Head, AOR
 - d. IDPCD
 - e. APD
 - f. Terminal Safety/RFD
 - g. Other office/s as determined by AGME
- 13. **Identification (ID) Card of Workers** A request for issuance of access pass shall be duly submitted by the Permitee containing the following:
 - a. List of names of the workers issued by the Permitee
 - b. Original copy of NBI Clearances (for project of more than 1 month)

- Duly accomplished ID Application Forms from IDPCD with their respective 2x2 pictures and their appropriate permits and NTP
- d. Attendance to the required Security Awareness Seminar from ID & PCD by personnel of the Permitee involved in the project (for project of more than 1 month)

The request for Access Pass together with other required documents should be submitted by the Permitee at the following offices:

OFFICE	TYPE OF WORK/ACTIVITY	SUBMISSION DATE	
	Construction Major Renovation/Repair Excavation	Not less than14 calendar days prior to start of project	
AGME	Utility Service Installation Not less than 7 caler prior to start of proje		
	Minor Renovation or Repair	Not less than 7 calendar days prior to start of project	

14. Office of the AGME/TM's Office shall endorse all complete ID Application Forms with 2x2 pictures and NBI Clearances of workers at least three (3) working days prior to start of the work/activity project to IDPCD who shall determine the applicable access pass to be issued to the workers based on type of MIAA Permit granted to the Permitee who shall pay the following rates (inclusive of VAT):

Timetable of Work/Activity Project	Type of Access Pass	RATE
1 month and above	Monthly w/ duration period	PhP 22.40/person
Less than a 1 month	Daily	PhP 5.60/person

Likewise, Permitee and Contractor/s are required to surrender all access passes of their workers to IDPCD as soon as the project works completed.

- 15. **Entry and Exit Points** Authorized entrance and exit points for the workers shall be prescribed by the APD in the space provided for in the MIAA Permit. All parties involved in the work/activity project shall be required to log in and log out with the MIAA guard-on-duty. During the work/activity period, a "No ID, No Entry" policy shall be strictly enforced at the Airport Complex.
- 16. **Guard Check** All workers shall present themselves to the MIAA guard-on-duty for frisking or body search upon entering and leaving the site. Likewise, they shall wear, aside from their access passes, a company ID card duly signed by the Permitee before they can be allowed to enter the airport premises. All workers shall likewise be in their company uniforms and observe the use of PPEs.
- 17. **Project Site Inspection** The Compliance Monitoring Team, with the APD shall undertake and plan regular inspection and monitoring of any on-going construction, excavation, major and minor renovation sites to ensure, among others, the following:
 - Compliance with the inter-phasing provisions of the terms and conditions of the Permit and the approved plans and specifications with adverse effects to MIAA such as power, water, etc.
 - b. Works are undertaken within the approved area and timetable.
 - Observance of security and safety regulations
 - d. Only the electrical and water facilities of the Permitee are used.
 - e. Noise abatement inside Terminal areas.
 - g. Compliance with this Circular and to other applicable MIAA Rules and Regulations including pertinent national and local laws, rules and regulations.
 - h. Roving Terminal Police/security to strictly monitor movement of workers to minimize, if not eliminate, passenger contact.
- 18. The Team shall prepare and submit pertinent Incident Report, as the need arises, to the AGME, and APD Office for their information and appropriate action.
 - Concerned MIAA Engineering Office shall monitor and inspect all utility service projects and likewise, shall prepare report for any violation committed while the project is still on-going and submit the same to the AGME and concerned APD Office for their information and appropriate action.
- 19. Release of Construction Bond The Construction Bond shall be released to the Permitee within thirty (30) working days based on any of the following circumstances:

- a. The project has been completed and all debris, equipment, scaffolding and anything that involves in the work/activity have been removed and hauled out of the site.
- b. No MIAA property was lost and/or damaged during the entire period of the work/activity and no extension, delay, and non-completion of a project occurred which requires deduction or forfeiture of the bond, accordingly.
- c. The release of the Construction Bond shall be the responsibility of Cashiering Division in case of Cash Bond or by AGME in case of Surety Bond.
- d. The certificate of completion of the project and three (3) copies of As-Built Plans duly signed and sealed by the Owner's Architect or Engineer shall be submitted by the Permitee to AGME. The Permitee shall get Clearance Form from the AGME.
- 20. Suspension of Project in case of project suspension, wholly or partly, the Permitee shall submit Letter Request for the approval to suspend the project addressed to the MIAA General Manager stating their reason/s. The said request shall be assessed by the AGME for recommending approval or disapproval.
- 21. Any unauthorized stoppage of work, abandonment or discontinuance for a period of more than ninety (90) calendar days shall be considered violation and will be subjected to forfeiture of construction bond and cancellation of leased contract.
- 22. In the event that the suspension of project was granted, the Permitee shall re-submit new timetable for the completion of the project accompanied by the Letter Request for resumption of work. However, no construction time extension is allowed without valid reason. The following reasons are not acceptable:
 - a. ordinary unfavorable weather conditions;
 - inexcusable failure or negligence of the Contractor to provide the required equipment, supplies or materials

PENAL PROVISIONS

- 23. Penalties for Delayed or Non-completion of a Work/Activity Project within Time Frame:
 - a. 1st extension (1 15 calendar days) deduction of 10% from construction bond
 - b. 2nd extension (16 30 calendar days) deduction of 20% from construction bond
 - c. 3rd extension (more than one month) forfeiture of construction bond
- 24. All work/activity projects shall be discontinued in case of non-compliance with the terms and conditions of the Permit with pecuniary liability in appropriate cases.
- Unauthorized work/activity shall not be allowed. The Owner of the project and the persons responsible for the unauthorized activity shall be penalized in the amount of TEN THOUSAND PESOS (PhP 10,000.00) jointly and severally.
- Other than inspection and/or consultation, any MIAA personnel should not be involved upon the commencement of work/activity otherwise they shall be processed in accordance with Civil Service Rules and Regulations and other applicable rules.
- 27. All other acts committed by the Permitee, Contractor/s and their employee/s inimical to good order at the Airport Complex shall be penalized accordingly.

TRANSITORY PROVISION

Existing rates for the issuance and approval of any MIAA Construction, Renovation/Repair, Excavation and Utility Service Permit and other fees, charges and fines for violations thereof shall continue to be imposed, charged and levied by the Authority until such time that new rates on Permit fees, charges and fines on violations imposed under this Memorandum Circular have been approved in accordance with law or regulations. Thereafter, the said new rates on fees, charges and fines on violations and penalties as provided and prescribed under this Memorandum Circular shall be imposed, charged and levied.

OTHER PROVISIONS

29. Nothing contained in this MC shall be construed or interpreted as a modification, substitution and/or repeal, whether express or implied, of the laws, rules and regulations of the national government or local government units issuing construction, renovation, excavation and utility service permits.

- 30. The disciplinary action/s and the imposition of the corresponding penalties specified in this MC shall not be a bar to the imposition of any penalty and fine to Permitee, Contractor/s and their employees for any violation of the laws, rules and regulations of the national government and/or local government units regarding any project of construction, excavation, renovation and utility service being undertaken within NAIA premises. It shall be understood that the disciplinary action/s provided in this MC shall be in addition to, or over and above, the penalties prescribed and imposed under pertinent national and local laws, rules and regulations.
- 31. In the event that the Leased Premises would be affected by any Airport Development Plan or any Government Infrastructure Project, the MIAA shall not be held liable for the costs incurred in improving the leased premises.

STATEMENT OF RESPONSIBILITY

- 32. The Permitee and the Contractor/s shall be held responsible for the conduct of their workers while inside the Airport premises, including payment of fines for each or any violation committed by his workers.
- 33. All damages to life, limb and property caused by the work/activity project and activities within the vicinity of work inside the Airport Complex aside from actual cost of damage to MIAA property and cost of maintenance of the property after work period shall be the sole responsibility of the Permitee and the Contractor/s.

SUPERSEDING CLAUSE

34. MC no. 03 dated May 23, 2013, all orders, memoranda, and/or other MIAA issuances in conflict herewith is hereby superseded and are modified accordingly.

EFFECTIVITY

35. This Memorandum Circular shall take effect immediately.

For strict compliance.

General Manager, MIAA

MEMORANDUM	Security Classification (if any)
File: A-SPI-19-0029	SUBJECT: REVISED MC ON THE GUIDELINES IN THE ISSUANCE OF MIAA CONSTRUCTION, EXCAVATION, RENOVATION OR REPAIR, AND UTILITY SERVICE PERMITS

FOR: GM

FROM:

SAGM

DATE:

AGME 07/16/19

AGMSES 00/19/19

AGMSES 00/19/19

TM-T1 02/21/19

TM-T2 2/11/19

TM-T3 2 22/19

MBDCMD 1/2/19

REFERENCES:

- 1. Memorandum from the MIAA OIC (July 12, 2016)/Department Order No. 2016-012 (TAB A)
- 2. Office Order No. 49a-M re: Recall of Personnel under the Terminal Engineering (TAB B)
- 3. RA 11032 Ease of Doing Business and Efficient Government Service Delivery Act 2018

SUMMARY:

- 4. An amendment to the MC No. 03 s. 2013 (Revised Guidelines and Procedures in the Issuance of MIAA Construction, Excavation, Renovation/Repair and Utility Service Permits) to reduce requirements and streamline the processing time (PCT) of office transactions as per Department Order No. 2016-012.
- 5. Key improvement on this guideline was at the systems and procedure which was aligned with the recently approved Republic Act 11032 Ease of Doing Business and Efficient Government Service Delivery Act 2018. The evaluation of Letter of Intent/Request with complete preliminary documents until the joint inspection could be considered simple transaction that would be completed within three (3) working days. However, the evaluation of complete final requirements until issuance of MIAA Permit will be considered highly technical application. The PCTs for the following applications have been reduced as:

MIAA Permit	From	То
New Construction / Major Renovation / Excavation	Fifteen (15) days	Ten (10) days
Minor Renovation / Repair	Seven (7) days	Four (4) days
Utility Service	Seven (7) days	Four (4) days

6. Other significant issues raised during several coordination meetings with Engineering, BDCMD Group, SPID, etc. to ensure a more expeditious action/approval on the application/request:

- a. Critical role or the Receiving Clerk/Employee that will perform preliminary assessment and to ensure that submitted supporting documents are complete prior to acceptance;
- Include strict monitoring of workers inside the passenger movement areas through Project Site Inspection and roving security;
- 7. Considering the recall of personnel under the Terminal Engineering, the AGM for Engineering (AGME) will be responsible for the majority of the processes contained in this Circular, including the evaluation of all applications for the abovementioned MIAA Permits. Responsibilities of other Offices are:
 - Terminal Management participates/attends site inspection/verification and preconstruction meeting, and endorses all applications/requests for security passes, Hot Works and Ingress/Egress permits.
 - BDCMD schedules site inspection/verification, ensure completeness of attached preliminary and final requirements to facilitate evaluation process, and also ensures compliance of Applicant to the terms and conditions of the Contract/Notice of Award.
 - c. Security and Emergency Bloc issues access passes to workers, hot works permit and assist/participate during pre-construction meeting/briefing and project site inspection

RECOMMENDATION:

8. For approval of the MC (TAB C).

ELENITA M. FERNANDO

APR 0 8 2019

GNAPPROVED/DISAPPROVED

