



POWER SECTOR  
ASSETS & LIABILITIES  
MANAGEMENT CORPORATION



Republic of the Philippines  
Power Sector Assets and Liabilities Management Corporation  
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**BAC RESOLUTION NO. SBAC-2021-067**

1. DECLARATION OF FAILURE OF BIDDING; AND
2. RECOMMENDATION FOR CONDUCT OF RE-BIDDING

**FOR THE PROCUREMENT OF JANITORIAL SERVICES FOR  
PSALM CORPORATION  
(PROJECT REFERENCE NO. 2021-PB-JSPC-019-01)**

WHEREAS, the Power Sector Assets and Liabilities Management (PSALM) Corporation is a government-owned and -controlled corporation duly established under Republic Act (RA) No. 9136 to manage the privatization of assets of the National Power Corporation (NPC) transferred to PSALM with the objective of liquidating all NPC financial obligations in an optimal manner;

WHEREAS, RA 9184, otherwise known as the Government Procurement Reform Act, was enacted to modernize, standardize and regulate procurement activities governed by the principles on transparency, competitiveness, system of accountability, public monitoring and streamlined process;

WHEREAS RA 9184 likewise provides that all procurement should be within the approved budget and contained in the approved Annual Procurement Plan (APP);

WHEREAS, on 18 December 2020, the PSALM Board of Directors approved the APP for CY 2021 which includes the Procurement of Janitorial Services for PSALM Corporation (the "Project") with an estimated budget of Eight Million Fifty-Six Thousand Seven Hundred Eighty-Five Pesos and 82/100 (PHP8,056,785.82);

WHEREAS, on 30 April 2021, the pre-procurement conference was conducted wherein the Bids and Award Committee (BAC) approved the Bidding Documents, the Approved Budget for the Contract (ABC) of Five Million Sixty-Five Thousand Pesos (PHP5,065,000.00) and the timeline for the Project;

WHEREAS, on 15 May 2021, the Invitation to Bid for the Project was posted at the websites of the Philippine Government Electronic Procurement System (<https://www.philgeps.gov.ph>) and PSALM (<https://www.psalm.gov.ph>) and at the PSALM Office for seven (7) consecutive days;

WHEREAS, on 25 May 2021, the pre-bid conference was held which was attended by nine (9) interest bidders, namely:

1. Cancu Enterprises & General Services, Inc.;
2. LSERV Corporation;
3. Omniworx, Inc.;
4. Starcom Manpower and Allied Services, Inc.;
5. Servicio Filipino, Inc.;
6. Excellent General Services, Inc.;
7. 3K.P Manpower Agency;
8. CMPT Manpower Services; and
9. One Merit Global Janitorial Services, Inc.

WHEREAS, on 08 June 2021, the online/electronic submission and opening of bids was conducted and six (6) bidders submitted their bids before the deadline at 10:00 AM, as follows:

	Date and Time of Submission	Bidders
1	05 June 2021 - 10:16 AM	Cancu Enterprise and General Services ("Cancu")
2	07 June 2021 - 03:56 PM	One Merit Global Janitorial Services Inc. ("One Merit")
3	07 June 2021 - 04:29 PM	Starcom Manpower & Allied Services, Inc. ("Starcom")
4	07 June 2021 - 05:28 PM	LSERV Corporation ("LSERV")
5	07 June 2021 - 06:36 PM	CMPT Manpower Services ("CMPT")
6	08 June 2021 - 09:28 PM	3K.P Manpower Agency ("3K.P")

WHEREAS, Starcom was disqualified in accordance with Annex A of the Bidding Documents which provides that if the password fails to open the file, the bidder should be given only three tries until the BAC could declare it to be disqualified;

WHEREAS, in the preliminary examination of the bids, the five remaining (5) bidders were rated as "passed" and were found compliant with the eligibility and technical requirements as provided in the Biddings Documents;

WHEREAS, the financial bids of the bidders were found to be compliant and within the ABC, as follows:

Bidder Identification/Name	Bid As Read Amount (PHP)	Rank
	ABC = PHP5,065,000.00	
Cancu	4,910,315.52	3
One Merit	4,561,472.56	2
LSERV	4,991,448.95	5
CMPT	4,450,989.86	1
3K.P	4,951,746.81	4

WHEREAS, the Bids Awards Committee (BAC) declared CMPT as the bidder with the lowest bid as read, subject to the detailed bid evaluation and post-qualification;

WHEREAS, the BAC, through the Technical Working Group (TWG), conducted a detailed evaluation of the bids with the following results:

Bidder Identification/Name	Bid As Calculated Amount (PHP)	Rank
	ABC = PHP5,065,000.00	
Cancu	4,910,315.52	3
One Merit	4,561,472.56	2
LSERV	4,991,448.95	5
CMPT	4,450,989.86	1
3K.P	4,951,746.81	4

WHEREAS, the BAC declared CMPT as the bidder with the Lowest Calculated Bid (LCB), as indicated in the Bid Evaluation Report dated 09 June 2021;

WHEREAS, on 09 June 2021, a Notice of Post-Qualification was issued to CMPT;

WHEREAS, in the post-qualification conducted by the TWG on 16 June 2021, CMPT was found not compliant with and non-responsive to all the requirements and conditions as specified in the Bidding Documents, particularly the non-submission of the 4<sup>th</sup> Quarter Value-Added Tax for CY 2020, as indicated in the Post-Qualification Evaluation Report dated 19 June 2021;

WHEREAS, on 21 June 2021, Notice of Post-Disqualification was issued to CMPT through electronic mail (email);

WHEREAS, on 21 June 2021, the Notice of Post-Qualification was issued to One Merit as the bidder with the second LCB;

WHEREAS, on 28 June 2021, Ms. Marissa F. Paz, the General Manager of CMPT, acknowledged the receipt of the Notice of Post-Disqualification with a Request for Reconsideration (RR);

WHEREAS, on 02 July 2021, the BAC issued a Decision denying CMPT's RR which was sent to CMPT through email and registered mail on the same date, and twice more thereafter;

WHEREAS, CMPT did not acknowledge the BAC's Decision nor did it file a Protest within the seven (7) calendar days prescribed period;

WHEREAS, in the post-qualification conducted by the TWG on 29 June 2021, One Merit was found non-compliant with and non-responsive to all the requirements and conditions as specified in the Bidding Documents, particularly the non-submission of Monthly Value-Added Tax Declaration (2550-M) for the month of April 2021 and

Quarterly Value-Added Tax Return (2550-Q) for the 1<sup>st</sup> Quarter of 2021, as indicated in the Post-Qualification Evaluation Report dated 01 July 2021;

WHEREAS, on 01 July 2021, Notice of Post-Disqualification was issued to One Merit through personal service which was acknowledged by Mr. Dennis R. Mescallado, the Marketing Manager of One Merit;

WHEREAS, on 01 July 2021, the Notice of Post-Qualification was issued to Cancu as the bidder with the third LCB;

WHEREAS, on 02 July 2021, One Merit sent a letter of RR stating that the non-submission of the Monthly Value-Added Tax Declaration (2550-M) for the month of April 2021 and Quarterly Value-Added Tax Return (2550-Q) for the 1<sup>st</sup> Quarter of 2021 was an inexcusable negligence on their part and decided to submit the said document;

WHEREAS, on 07 July 2021, the BAC issued a Decision denying One Merit's RR which Decision was sent to One Merit through personal service and received by Mr. Mescallado;

WHEREAS, PSALM did not receive any protest from One Merit within seven (7) calendar days from receipt of the notice;

WHEREAS, in the post-qualification conducted by the TWG on 07 July 2021, Cancu was found non-compliant due to misrepresentation in the Form No. ELIG-01 (*Statement of All On-going Government and Private Contracts, Including Contracts Awarded But Not Yet Started*) which they erroneously declared that the start of their project with the Municipality of Tanay was 01 February 2020 or one year before the contract was awarded. Also, when the TWG requested for the original copy of the contract with Greenrich Mansion, no contract was presented for inspection and evaluation of the TWG. In addition, the bidder also failed to submit the Sanitary Permit, as indicated in the Post-Qualification Evaluation Report dated 08 July 2021;

WHEREAS, on 26 July 2021, Notice of Post-Disqualification was issued to Ms. Ana Marie C. Navas, Director/Treasurer of Cancu, through email which was acknowledged on 29 July 2021;

WHEREAS, PSALM did not receive any RR from Cancu within the three (3) calendar days from receipt of the notice which lapsed on 02 August 2021;

WHEREAS, on 08 July 2021, the Notice of Post-Qualification was issued to 3K.P as the bidder with the fourth LCB;

WHEREAS, in the post-qualification conducted by the TWG on 13 July 2021, 3K.P was found non-compliant with the legal, technical, and financial capability requirements prescribed in the Bidding Documents. Based on the evaluation of the TWG, the Single Largest Completed Contract listed was not for the provision of janitorial services, instead, 3K.P provided a contract for One Thousand Five Hundred

(1,500) factory workers, as indicated in the Post-Qualification Evaluation Report dated 16 July 2021;

WHEREAS, on 03 August 2021, the Notice of Post-Qualification was issued to LSERV as the bidder with the fifth LCB;

WHEREAS, on 11 August 2021, Notice of Disqualification was issued to Mr. Christopher P. Dilig, General Manager of 3K.P, through email which was acknowledged on 12 August 2021 on the ground that the single largest completed contract listed by 3K.P Manpower Agency was not for the provision of janitorial services. Instead, 3K.P Manpower Agency provided 1,500 factory workers under said contract. Thus, 3K.P Manpower Agency's single largest completed contract was not in compliance with the requirement under the bidding documents that such must be of a similar nature to the procurement project under consideration;

WHEREAS, on 11 August 2021, the BAC issued a Notice of Cancellation of Post-Qualification to LSERV stating that the BAC has recommended to the PSALM President and CEO, as head of procuring entity, the declaration of failure of bidding for this procurement project due to the expiration of the 45 calendar-day period allowed under the 2016 Revised IRR of RA 9184 (the "Rules") within which to complete the post-qualification process. The BAC also cited Clause 12 of the Invitation to Bid which provides that PSALM 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 Sections 35.6 and 41 of the Rules without thereby incurring any liability to the affected bidder or bidders;

WHEREAS, on 16 August 2021, 3K.P filed its RR citing GPPB Non-Policy Matter Opinion No. 143-2017. It clarifies the interpretation of Section 23.5.2.5 of the 2009 IRR of RA 9184 (now Section 23.4.2.4 of the 2016 revised IRR). Item 3 of the said opinion states that: *"it is within the discretion of the procuring entity to further define the word "similar" in SLCC requirement because it is in the best position to do so as it knows the technical components needed in the contract to be bid."*

WHEREAS, on 17 August 2021, LSERV filed its RR praying that the post qualification be suspended only citing GPPB Resolution No. 09-2020 which allows temporary suspension of procurement activities adversely affected or interrupted by the declaration of State of Calamity, or implementation of community quarantine or similar restrictions;

WHEREAS, on 20 August 2021, the BAC issued a Decision denying 3K.P's RR which Decision was sent through email and was acknowledged by Mr. Dilig on 23 August 2021;

WHEREAS, on 23 August 2021, the BAC denied LSERV's RR which was acknowledged by LSERV through email on 27 August 2021;

WHEREAS, PSALM did not receive any protest from 3K.P within the seven (7) calendar days prescribed period;

WHEREAS, PSALM did not receive any protest from LSERV within the seven (7) calendar days prescribed period;

WHEREFORE, Section 41 (Reservation Clause) of the Rules provides that "(t)he HoPE reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract in the following situations: xxx b) (i)f the BAC is found to have failed in following the prescribed bidding procedures; xxx";

NOW, THEREFORE, for and in consideration of the foregoing, **We**, the Members of the Bids and Awards Committee, **RESOLVE**, as it is hereby **RESOLVED**, to recommend for approval by the Head of the Procuring Entity the following:

1. Declare a **FAILURE OF BIDDING** for the Procurement of Janitorial Services for PSALM Corporation; and
2. Conduct a re-bidding for the Project in accordance with the provisions of RA 9184 and its IRR.

*- signatories on the following page -*

RESOLVED, at the 24<sup>th</sup> Floor, Vertis North, Corporate Center 1, Astra corner Lux Drives, Vertis North, North Avenue, 1105 Quezon City this 3<sup>rd</sup> day of September 2021.




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**FREDERICK R. TAMAYO**  
Member

*(on Office Order - Planning)*

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**EDGAR C. CABRERA**  
Member



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**RONALD V. SIQUIOCO**  
Member

*(on official leave)*

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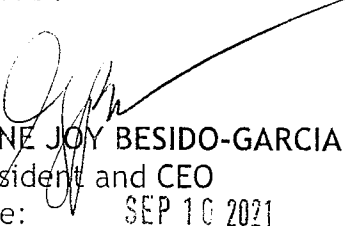
**GLENDA LEAH A. CARINGAL**  
Vice-Chairperson



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**GLENN B. SANTOS**  
Chairperson  
Bids and Awards Committee

NOTED:



**IRENE JOY BESIDO-GARCIA**  
President and CEO  
Date: SEP 10 2021