

POWER SECTOR
ASSETS & LIABILITIES
MANAGEMENT CORPORATION



Republic of the Philippines
Power Sector Assets and Liabilities Management Corporation
24th Floor Vertis North Corporate Center 1, Astra corner Lux Drives
Vertis North, North Avenue, Quezon City
Telephone Number (02) 8248-4861
<https://www.psalm.gov.ph>

BAC RESOLUTION NO. SBAC-2021-087

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

**FOR THE PROCUREMENT OF SECURITY SERVICES FOR PULANGI IV
HYDROELECTRIC POWER PLANT AND GENERAL SANTOS LAND PROPERTY
(PROJECT REFERENCE NO. 2021-PB-SS-P4HPP/GLP-049-01)**

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 Security Services for Pulangui IV Hydroelectric Power Plant and General Santos Land Property (the "Project") with an estimated budget of Twenty-Four Million Eight Hundred Seventy-Six Thousand Pesos (PHP24,876,000.00);

WHEREAS, on 21 July 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) in the amount of Seventeen Million Seven Hundred Thirty-Eight Thousand Pesos (PHP17,738,000.00) and the timeline for the Project;

WHEREAS, on 27 July 2021, the Invitation to Bid for the Project was posted at the websites of PSALM (<https://www.psalm.gov.ph>) and at the Philippine

Government Electronic Procurement System (<https://www.philgeps.gov.ph>) and at the PSALM office for seven (7) consecutive days;

WHEREAS, on 05 August 2021, the pre-bid conference was held which was attended by four (4) interested bidders, namely: (1) FM Tomawis Security Agency, Inc.; (2) Dependable Security Agency; (3) VV Security Agency, Inc.; and (4) Grand Meritus Security Agency, Inc.;

WHEREAS, on 18 August 2021, the online/electronic submission and opening of bids was conducted wherein one (1) bidder, Grand Meritus Security Agency, Inc., submitted its bid before the bid submission deadline at 9:00 AM, as follows:

Bidder	Date of Submission	Time of Submission
Grand Meritus Security Agency, Inc.	17 August 2021	04:05 PM

WHEREAS, Grand Meritus Security Agency, Inc. was rated as “passed” during the preliminary examination of the bids and was found compliant with the eligibility and technical requirements as provided in the Bidding Documents;

WHEREAS, the financial bids of Grand Meritus Security Agency, Inc. was likewise found to be compliant and within the ABC, as indicated below:

Bidder Identification/Name	Bid As Read	Remarks
	ABC = PHP17,738,000.00	
Grand Meritus Security Agency, Inc.	PHP14,421,060.84	Lone Bidder

WHEREAS, the BAC declared Grand Meritus Security Agency, Inc. as the bidder with the single 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	Remarks
	ABC = PHP17,738,000.00	
Grand Meritus Security Agency, Inc.	PHP14,421,060.84	Lone Bidder

WHEREAS, the BAC declared Grand Meritus Security Agency, Inc. as the bidder with the Single Calculated Bid upon the recommendation of the TWG, as indicated in the Bid Evaluation Report dated 24 August 2021;

WHEREAS, on 24 August 2021, the Notice of Post-Qualification was issued through electronic mail (email) to Grand Meritus Security Agency, Inc. to undergo post-qualification;

WHEREAS, upon post-qualification, Grand Meritus Security Agency, Inc. was found non-compliant and non-responsive to all the requirements and conditions specified

in the Bidding Documents, as indicated in the Post-Qualification Evaluation Report dated 31 August 2021;

WHEREAS, the BAC, upon the recommendation of the TWG, declared Grand Meritus Security Agency, Inc. as post-disqualified due to the following:

1. Grand Meritus Security Agency, Inc.'s incomplete List of Agency-Owned Motor Vehicles and Communications Equipment (Form No. PSALM-08):

Under the list of Communication Equipment submitted, only two (2) Cellular Phones were listed and no handheld radios were included which are required under Section VI Schedule of Requirements, Item F (D) Minimum Security Equipment/Monitoring Equipment:

“Each Security Guard-on-duty, Shift-in-Charge, Detachment Commander and Base shall have one handheld radio each with reserve batteries and chargers.

Base shall mean the base radio or over-all command post which is the strategic location within the Plant/Installations to be identified by the Supplier subject to approval by PSALM”.

2. GMSAI's non-submission of a Business Permit for its Regional Office at Misamis Oriental which is required under Section III Bid Data Sheet, ITB Clause 20.1, Item 12:

“Mayor's or Business Permit of the Regional Office within the Region of the location of the project (Region X Northern Mindanao), if applicable.”

WHEREAS, on 03 September 2021, the BAC served the Notice of Post-Disqualification to Grand Meritus Security Agency, Inc. and informed the said bidder that it has three (3) days to file its Request for Reconsideration (RR) from receipt of the notice, which was acknowledged by its Authorized Representative, Ms. Dennis R. Mescallado on 06 September 2021;

WHEREAS, on 06 September 2021, Grand Meritus Security Agency, Inc. sent its RR arguing that it should not be disqualified outright since it had faithfully and substantially complied with the minimum requirements as prescribed by the Government Procurement and Policy Board and RA 9184 and its IRR;

WHEREAS, on 13 September 2021, the BAC denied the RR of Grand Meritus Security Agency, Inc. and informed them that they may file a protest within seven (7) calendar days from receipt of the letter which was acknowledged by Mr. Mescallado on the same day;

WHEREAS, PSALM did not receive a protest from Grand Meritus Security Agency, Inc., within the seven (7) calendar days prescribed period;

WHEREAS, Section 35.1(c) of the 2016 Revised Implementing Rules and Regulations (IRR) of RA 9184 provides that the BAC shall declare the bidding a failure when all bids fail to comply with all the bid requirements or fail post-qualification.

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:

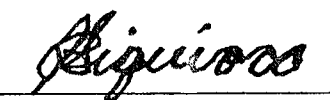
1. Declare a **FAILURE OF BIDDING** for the Pulangui IV Hydroelectric Power Plant and General Santos Land Property; and
2. Conduct a re-bidding for the Project in accordance with the provisions of RA 9184 and its IRR.

---- signatories on the following page -----

RESOLVED, at the 24th Floor, Vertis North, Corporate Center 1, Astra corner Lux Drives, Vertis North, North Avenue, 1105 Quezon City this 21st day of September 2021.



FREDERICK R. TAMAYO
Member



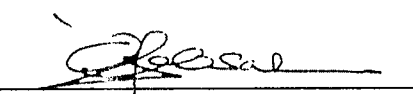
RONALD V. SIQUIOCO
Member



EDGAR C. CABRERA
Member

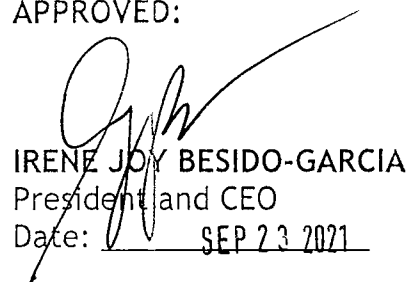


GLENDA LEAH A. CARINGAL
Vice-Chairperson



GLENN B. SANTOS
Chairperson
Bids and Awards Committee

APPROVED:


IRENE JOY BESIDO-GARCIA
President and CEO
Date: SEP 23 2021