

POWER SECTOR  
ASSETS & LIABILITIES  
MANAGEMENT CORPORATION



Republic of the Philippines  
Power Sector Assets and Liabilities Management Corporation  
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Telephone Number (02) 8248-4861  
<https://www.psalm.gov.ph>

**BAC RESOLUTION NO. SBAC-2021-093**

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

**FOR THE PROCUREMENT OF SECURITY SERVICES FOR AGUS 6 & 7  
HYDROELECTRIC POWER PLANTS  
(PROJECT REFERENCE NO. 2021-PB-SS-AGUS6/7-048-01)**

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 Agus 6 & 7 Hydroelectric Power Plants (the "Project") with an estimated budget of Twenty Million Seven Hundred Ninety-Seven Thousand Pesos (PHP20,797,000.00);

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 Sixteen Million Seventy-Four Thousand Pesos (PHP16,074,000.00) 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) VV Security Agency, Inc.; (2) Dependable Security Agency; (3) FM Tomawis 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 two (2) bidders, namely: (1) Grand Meritus Security Agency, Inc. (“GMSAI”); and (2) FM Tomawis Security Agency, Inc. (“FMTSAI”) submitted their bids before the bid submission deadline at 9:00 AM, as follows:

Bidder	Date and Time of Submission
GMSAI	17 August 2021; 2:39 PM
FMTSAI	18 August 2021; 6:43 AM

WHEREAS, both GMSAI and FMTSAI were rated as “passed” during the preliminary examination of the bids and were found compliant with the eligibility and technical requirements as provided in the Bidding Documents;

WHEREAS, the financial bid of both GMSAI and FMTSAI were likewise found to be compliant and within the ABC, as indicated below:

Bidder Identification/Name	Bid As Read	Rank
	ABC = PHP16,074,000.00	
GMSAI	PHP13,040,221.80	1
FMTSAI	PHP13,105,035.60	2

WHEREAS, the BAC declared GMSAI 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	Rank
	ABC = PHP16,074,000.00	
GMSAI	PHP13,040,221.80	1
FMTSAI	PHP13,105,035.60	2

WHEREAS, the BAC declared GMSAI as the bidder with the Lowest 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 GMSAI and was acknowledged by its Authorized Representative, Mr. Dennis R. Mescallado on 27 August 2021;

WHEREAS, upon post-qualification, GMSAI 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 GMSAI 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 02 September 2021, the Notice of Post-Qualification was issued through email to FMTSAI and was acknowledged by its Authorized Representative, Engr. Abdul Maomit M. Tomawis on 09 September 2021;

WHEREAS, on 03 September 2021, the BAC served the Notice of Post-Disqualification to GMSAI 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 Mr. Mescallado on 06 September 2021;

WHEREAS, on 06 September 2021, GMSAI 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 GMSAI 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 GMSAI within the seven (7) calendar days prescribed period;

WHEREAS, upon post-qualification, FMTSAI 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 21 September 2021;

WHEREAS, the BAC, upon the recommendation of the TWG, declared FMTSAI as post-disqualified due to the failure to submit the post-qualification documents within five (5) days from acknowledgement receipt of the Notice of Post-qualification on 09 September 2021;

WHEREAS, on 23 September 2021, the BAC served the Notice of Post-Disqualification to FMTSAI and informed the said bidder that it has three (3) days to file its RR from receipt of the notice, which was acknowledged by Engr. Tomawis on 27 September 2021;

WHEREAS, PSALM did not receive a Request for Reconsideration from FMTSAI within the three (3) 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 Procurement of Security Services for Agus 6/7 Hydroelectric Power Plants; 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 1<sup>st</sup> day of October 2021.




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FREDERICK R. TAMAYO  
Member



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RONALD V. SIQUIOCO  
Member



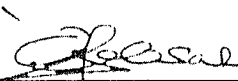
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EDGAR C. CABRERA  
Member



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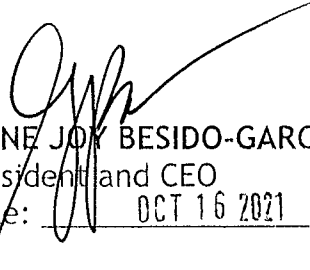
GLEND LEAH A. CARINGAL  
Vice-Chairperson



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GLENN B. SANTOS  
Chairperson  
Bids and Awards Committee

NOTED:



IRENE JOY BESIDO-GARCIA  
President and CEO  
Date:     OCT 16 2021