

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
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BAC RESOLUTION NO. SBAC-2021-094

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

FOR THE PROCUREMENT OF SUPPLY AND INSTALLATION OF GALVANIZED ROOFING AT PSALM BAGAC PROPERTY STRUCTURES IN BAGAC, BATAAN (PROJECT REFERENCE NO. 2021-PB-GRBPS-041-01)

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 Supply and Installation of Temporary Roofing for Guesthouse with an estimated budget of Two Million Seven Hundred Twenty Thousand Pesos (PHP2,720,000.00);

WHEREAS, on 10 June 2021, the PSALM President and CEO, as the Head of Procuring Entity, approved the Revised APP for CY 2021 which changed the scope of the project to Procurement of Supply and Installation of Galvanized Roofing at PSALM Bagac Structures located at Bagac, Bataan (the "Project") with an estimated budget of Seventeen Million Seven Hundred Twenty Thousand Pesos (PHP17,720,000.00);

WHEREAS, on 13 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 Pesos (PHP17,000,000.00) and the timeline for the Project;

WHEREAS, on 16 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 17 August 2021, the pre-bid conference was held which was attended by six (6) interested bidders, namely: (1) MN COLOMA Constructions; (2) CADO Construction; (3) Envirocare Management Precision, Inc.; (4) Dungan Construction and Trading Corp.; (5) Citron Builders and Supplies Corp.; and (6) Karpa Builders and Trading;

WHEREAS, on 31 August 2021, the online/electronic submission and opening of bids was conducted wherein two (2) bidders, namely, Karpa Builders and Trading and Envirocare Management Precision, Inc., submitted their bids before the bid submission deadline at 10:00 AM, as follows:

Bidder	Date of Submission	Time of Submission
Karpa Builders and Trading	30 August 2021	11:22 AM
Envirocare Management Precision, Inc.	31 August 2021	8:49 AM

WHEREAS, both bidders were 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 both bidders were likewise found to be compliant and within the ABC, as indicated below:

Bidder Identification/Name	Bid As Read	Rank
	ABC = PHP17,000,000.00	
Karpa Builders and Trading	PHP16,150,548.20	1
Envirocare Management Precision Inc.	PHP16,420,000.00	2

WHEREAS, the BAC declared Karpa Builders and Trading 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 = PHP17,000,000.00	
Karpa Builders and Trading	PHP15,375,548.20	1
Envirocare Management Precision Inc.	PHP16,420,000.00	2

WHEREAS, the BAC declared Karpa Builders and Trading as the bidder with the Lowest Calculated Bid upon the recommendation of the TWG, as indicated in the Bid Evaluation Report dated 02 September 2021;

WHEREAS, on 16 July 2021, the Invitation to Bid for the Project was posted at the websites of PSALM (<https://www.psalms.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 17 August 2021, the pre-bid conference was held which was attended by six (6) interested bidders, namely: (1) MN COLOMA Constructions; (2) CADO Construction; (3) Envirocare Management Precision, Inc.; (4) Dungan Construction and Trading Corp.; (5) Citron Builders and Supplies Corp.; and (6) Karpa Builders and Trading;

WHEREAS, on 31 August 2021, the online/electronic submission and opening of bids was conducted wherein two (2) bidders, namely, Karpa Builders and Trading and Envirocare Management Precision, Inc., submitted their bids before the bid submission deadline at 10:00 AM, as follows:

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WHEREAS, both bidders were 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 both bidders were likewise found to be compliant and within the ABC, as indicated below:

Bidder Identification/Name	Bid As Read	Rank
	ABC = PHP7,211,000.00	
Karpa Builders and Trading	PHP16,150,548.20	1
Envirocare Management Precision Inc.	PHP16,420,000.00	2

WHEREAS, the BAC declared Karpa Builders and Trading 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 = PHP17,000,000.00	
Karpa Builders and Trading	PHP15,375,548.20	1
Envirocare Management Precision Inc.	PHP16,420,000.00	2

WHEREAS, the BAC declared Karpa Builders and Trading as the bidder with the Lowest Calculated Bid upon the recommendation of the TWG, as indicated in the Bid Evaluation Report dated 02 September 2021;

WHEREAS, on 02 September, the Notice of Post-Qualification was issued through electronic mail (email) to Karpa Builders and Trading and was acknowledged by its Authorized Representative, Mr. Karl John Paguio, on 03 September 2021;

WHEREAS, upon post-qualification, Karpa Builders and Trading 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 14 September 2021;

WHEREAS, the BAC, upon the recommendation of the TWG, declared Karpa Builders and Trading as post-disqualified due to the following:

1. Karpa Builders and Trading's submitted Bid Form was distorted and was lacking a substantial provision stating: "We undertake, if our Bid is accepted, to deliver the Goods in accordance with the delivery schedule specified in the Schedule of Requirements";
2. Karpa Builders and Trading's submitted Bid Form contains a provision for an acknowledgment from the bidder that "... failure to sign each and every page of this Bid Form, including the attached Schedule of Prices, shall be a ground for the rejection of our bid." Unfortunately, the authorized signatory of Karpa Builders and Trading failed to sign the first page of its submitted Bid Form; and
3. Karpa Builders and Trading failed to submit documentary proof or evidence that its submitted Single Largest Completed Contract (SLCC) is for Galvanized Roofings, as required in the bidding documents.

WHEREAS, on 17 September 2021, the BAC served the Notice of Post-Disqualification to Karpa Builders and Trading through email 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. Paguio on 21 September 2021;

WHEREAS, PSALM did not receive a RR from Karpa Builders and Trading within the three (3) days prescribed period which lapsed on 24 September 2021;

WHEREAS, on 15 September, the Notice of Post-Qualification was issued through email to Envirocare Management Precision Inc. and was acknowledged by its Authorized Representative, Ms. Bianca V. Sinchioco, on the same day;

WHEREAS, upon post-qualification, Envirocare Management Precision 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 23 September 2021;

WHEREAS, the BAC, upon the recommendation of the TWG, declared Envirocare Management Precision Inc. as post-disqualified due to the following:

1. EMPI's submitted Business Permit indicates the kind of business as "MGT Consultancy SVCS" which is non-responsive to the kind of project that is being bid;

2. EMPI's submitted Amended Articles of Incorporation indicates that its primary purpose and secondary purposes seem to not authorize the bidder for the kind of project being bid, and that it has no indication that it is authorized to perform the required task indicated in the project. Its primary purpose states that it provides clerical services in the processing of documents, such as clearances, permits and other analogous papers prior to transport of used chemicals for treatment and proper disposal. Further, its secondary purposes only indicate that it is authorized to transport, treat, recycle, and dispose hazardous and non-hazardous waste in accordance with local regulations.
3. EMPI's submitted BIR Certificate of Registration states that its line of business/industry was "9001 Waste Collection, Disposal on a Fee/Contractual Basis" which is not the kind of project that is being bid; and
4. EMPI failed to provide the additional Post Qualification Documents required by the TWG which form part of the requirement in relation to their submitted Single Largest Completed Contract (SLCC) particularly: (i) the Contract, (ii) Progress Report and (iii) Bill of Quantities to support that the SLCC is similar to the project being bid and that the SLCC requirements of at least fifty percent (50%) of the ABC be complied with in accordance with Section 23.4.1.3 of the IRR of RA 9186.

WHEREAS, on 24 September 2021, the BAC served the Notice of Post-Disqualification to Envirocare Management Precision Inc. through email 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 Ms. Sinchioco on 27 September 2021;

WHEREAS, PSALM did not receive a RR from Envirocare Management Precision Inc. within the three (3) days prescribed period which lapsed on 30 September 2021;

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 Supply and Installation of Galvanized Roofing at PSALM Bagac Structures ; 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 1st day of October 2021.



FREDERICK R. TAMAYO
Member



RONALD V. SIQUIOCO
Member



EDGAR C. CABRERA
Member

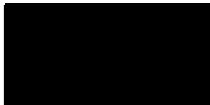


GLEND A LEAH A. CARINGAL
Vice-Chairperson



GLENN B. SANTOS
Chairperson
Bids and Awards Committee

NOTED:



IRENE JOY BESIDO-GARCIA
President and CEO
Date: OCT 14 2021