



REPUBLIC OF THE PHILIPPINES  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**BIDS AND AWARDS COMMITTEE**

**Resolution No. 2020-43**

**WHEREAS**, the Department of Budget and Management-Bids and Awards Committee (DBM-BAC) conducted a public bidding for the Project, "Replacement of Tiles and Repainting of the Interior Walls and Finishes of Budget Information and Training Service and Budget and Management Bureau-B Offices," which is composed of the following: Lot 1 - Replacement of Tiles and Repainting of the Interior Walls and Finishes of Budget and Management Bureau-B Office, and Lot 2 - Replacement of Tiles and Repainting of the Interior Walls and Finishes of Budget Information and Training Service Office, with Approved Budgets for the Contract of P2,000,000.00 and P1,800,000.00, respectively, with a total of P3,800,000.00, authorized under the FY 2020 General Appropriations Act;

**WHEREAS**, on August 11, 2020, the Invitation to Bid was posted on the Philippine Government Electronic Procurement System website, the DBM website, and all DBM bulletin boards;

**WHEREAS**, two (2) prospective bidders, namely: (i) MMEEN Construction (MMEEN); and (ii) Juan Carlos Construction Services (Juan Carlos), attended the Pre-bid Conference via videoconferencing on August 18, 2020;

**WHEREAS**, during the submission and opening of bids on September 1, 2020, three (3) bidders submitted their respective bids for Lot 1, namely: (i) Juan Carlos; (ii) Interworld Enterprises (Interworld); and (iii) MMEEN; and two (2) bidders submitted their respective bids for Lot 2, namely: (i) Juan Carlos; and (ii) MMEEN;

**WHEREAS**, after preliminary examination of the bids for Lot 1 and Lot 2, the BAC, using non-discretionary "pass/fail" criteria, determined the following:

- 1) the submissions of Juan Carlos for Lot 1 and Lot 2 as "passed" for complying with all the eligibility and technical requirements as stated in the Bidding Documents;
- 2) the submissions of MMEEN for Lot 1 and Lot 2 as "failed" for its failure to comply with the requirement for the Single Largest Completed Contract (SLCC), which should have been completed within two years from the date of submission and receipt of bids, as stated in item 2, Section I. Invitation to Bid of the Bidding Documents and Instructions to Bidders (ITB) Clause 12.1(a)(ii), Section III. Bid Data Sheet of the Bidding Documents; and
- 3) the submission of Interworld for Lot 1 as "failed" for its failure to attach a current and valid Tax Clearance Certificate, pursuant to Section 8.5.2 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, as reiterated in Section 23.1 (a) (iii).

**WHEREAS**, after evaluation of the financial proposals, the BAC declared the submission of Juan Carlos for Lot 1 as the Single Calculated Bid (SCB) in the amount of P1,820,240.00, and its submission for Lot 2 as the SCB in the amount of P1,589,721.00;

**WHEREAS**, after careful evaluation, validation and verification of the eligibility, technical and financial proposals of the bids, the DBM-BAC found that the submission of Juan Carlos failed the criteria for post-qualification, particularly because of its failure to comply with the requirements for the Single Largest Completed Contract, as stated in ITB Clause 5.4, Section III. Bid Data Sheet of the Bidding Documents.

**WHEREAS**, as stated in ITB Clause 5.4, Section III. Bid Data Sheet of the Bidding Documents for the Project, the bidder must have completed, within the period specified in the Invitation to Bid and ITB Clause 12.1(a)(ii), one of the following:

- (i) a single contract that is similar to the project and whose value must be at least fifty percent (50%) of the ABC to be bid; or
- (ii) (a) at least two (2) similar contracts and the aggregate contract amounts should be equivalent to at least fifty percent (50%) of the ABC to be bid; and  
(b) the largest of these similar contracts must be equivalent to at least half of the percentage of the ABC as required above.

**WHEREAS**, it was further stated in ITB Clause 5.4, Section III. Bid Data Sheet of the Bidding Documents that the Single Largest Completed Contract should refer to the replacement and/or installation of floor tiles. Replacement and/or installation of floor tiles included in a building construction project may be considered as a similar contract, provided that, for purposes of comparing the value thereof to the ABC, only the cost component of the replacement and/or installation of floor tiles shall be considered;

**WHEREAS**, in this regard, the two (2) contracts indicated in the submission of Juan Carlos to comply with the SLCC requirements are as follows:

1. Repair of Defective Floor Tiles entered into with the United Coconut Planters Bank, amounting to P368,015.50; and
2. Washroom Renovation entered into with the Department of Trade and Industry, amounting to P850,000.00;

**WHEREAS**, considering that the replacement and/or installation of floor tiles is merely a component of the second contract above-cited, particularly the Washroom Renovation, only the cost component pertaining to the replacement and/or installation of floor tiles was considered pursuant to ITB Clause 5.4, Section III. Bid Data Sheet of the Bidding Documents; Hence, only the total amount of P74,688.00 was determined as the cost component pertaining to the replacement and/or installation of floor tiles from the P850,000.00 total cost for the Washroom Renovation project;

**WHEREAS**, such amount (P74,688.00), added to the full amount of the first contract, Repair of Defective Floor Tiles (368,015.50), totaled to P442,703.50 only, thus, is short of the requirement prescribed under ITB Clause 5.4, Section III. Bid Data Sheet of the Bidding Documents that "at least two (2) similar contracts and the aggregate contract amounts should be equivalent to at least fifty percent (50%) of the ABC to be bid."; Likewise, the next

requirement in the same Clause that "the largest of these similar contracts must be equivalent to at least half of the percentage of the ABC as required above" was not met;<sup>1</sup>

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the BAC **RESOLVED**, as it hereby **RESOLVED**, the following:

- 1) to declare the post-disqualification of Juan Carlos Construction Services for the Project, "Replacement of Tiles and Repainting of the Interior Walls and Finishes of Budget Information and Training Service and Budget and Management Bureau-B Offices," for Lot 1 and Lot 2 in accordance with Section 34.3 of the 2016 Revised IRR of RA No. 9184, and to notify the said bidder in writing about its post-disqualification and the grounds for it, pursuant to Section 34.5 of the 2016 Revised IRR of the same law;
- 2) to declare the bidding for the Project as "failed" in accordance with Section 35.1(c) of the 2016 Revised IRR of the aforementioned law; and
- 3) to conduct a re-bidding, and reposting as provided for in Section 21.2 of the 2016 Revised IRR of RA No. 9184.

**ADOPTED**, this 11<sup>th</sup> day of September 2020 at the Department of Budget and Management, General Solano St., San Miguel, Manila.

Thea Marie  
Corinne F. Palarca


Digitally signed by Thea Marie Corinne F. Palarca  
DN: dc=ph, dc=gov, dc=dbm, dc=trn, ou=DBM Users,  
ou=Central Offices, ou=ADMINISTRATIVE SERVICE,  
ou=OTD-AS, cn=Thea Marie Corinne F. Palarca  
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**THEA MARIE CORINNE F. PALARCA**  
*End-user Representative*

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**VIRGILIO A. UMPACAN JR.**  
*B.U.D.G.E.T. Representative*

  
**JEANNE TERESITA V. IMPORTANTE**  
*Member*



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**ROWEL D. ESCALANTE**  
*Member*




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**ROSEMARIE D. PAGALA**  
*Alternate Member*



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**ANDREA CELENE M. MAGTALAS**  
*Vice Chairperson*



Digitally signed  
by Janet B.  
Abuel

**JANET B. ABUEL**  
*Chairperson*

ITB Clause 5.4 Requirements	Lot 1 (ABC-P2,000,000.00)	Lot 2 (ABC-P1,800,000.00)	Bidder's SLCC Amount
50% Requirement	P1,000,000.00	P900,000.00	P442,703.50
25% Requirement	P500,000.00	P450,000.00	P368,015.50