



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

**BIDS AND AWARDS COMMITTEE**

**MINUTES OF MEETING**

August 4, 10:00 a.m.

Bids and Awards Committee Conference Room

**I. Attendance**

Chairperson	Undersecretary Janet B. Abuel
Vice-Chairperson:	Director Andrea Celene Magtalas
Members:	OIC-Director Rowel D. Escalante OIC- Assistant Director Rosemarie Pagala Ms. Sheryll Grace Aromin
End-User Representatives/ Provisional Member	Dir. Thea Marie Corinne F. Palarca Mr. Argee Sta. Barbara
Technical Working Group:	Mr. Rainer Diaz Ms. Jhoana Marie Rull Atty. Keith Francis Briones Ms. Darlene Reyes
Secretariat:	Ms. Joyce Labao Ms. Rhonna Regina Puno Ms. Abegail Igna

**II. Call to Order**

The BAC Vice Chairperson called the meeting to order after determining that there is a quorum at 10:00 a.m.

The agenda for August 4, 2020 BAC Meeting is as follows:

<b>Agenda</b>	
A. Pre-procurement Conference	
1. Replacement of Floor Tiles and Repainting of the Interior Walls and Finishes (Lot 1 – BMB – B Office; and Lot 2 – BITS Office)	
B. Other Matters	
1. Honoraria for 2019 Projects	
2. Recommendation of BAC TWG and Secretariat on the Memorandum of Atty. Juan Emmanuel Reyes on Negotiated Procurement – Two-Failed Bidding Bare Minimum Documentary Requirements	

### III. Highlights of the Meeting

Topics/Issues	Comments/Decisions/Instructions	
<p><b>A. Pre-procurement Conference</b></p> <p><b>1. Replacement of Floor Tiles and Repainting of the Interior Walls and Finishes (Lot 1 – BMB – B and Lot 2 – BITS Offices)</b></p>	<ul style="list-style-type: none"> <li>- The BAC Secretariat provides the brief background of the project.</li> <li>- The BAC recognized Ms. Jhoana Marie Rull, the TWG in-charge of the project.</li> <li>- Ms. Rull explained the purpose of the conference which are: (1) to gather officials/personnel involved in the procurement meet and discuss all aspects of a specific procurement project, which includes the technical specifications, the ABC, the applicability of and appropriateness of the recommended method of procurement and the related milestones; and the bidding documents; and (2)The pre-procurement conference is conducted to determine the readiness of the Procuring Entity to procure goods and services in terms of the legal.</li> <li>- The TWG in-charge presented the Bid Documents for the project to the DBM-BAC for review.</li> </ul>	
	<b>Comments/ Suggestions/ Observations</b>	<b>Agreements</b>
	On the Invitation to Bid	<ul style="list-style-type: none"> <li>- on the project Title, spell out the name of Offices;</li> <li>- from Office to “Offices”</li> </ul>
	On the presentation of the ABC	<ul style="list-style-type: none"> <li>- the ABC is P3,800,000.00 broken down into two (2) lots as follows:</li> </ul> <p style="margin-left: 20px;">Lot 1: Replacement of Floor Tiles and Repainting of the Interior Walls and Finishes (BMB-B) – P2,000,000.00</p> <p style="margin-left: 20px;">Lot 2: Replacement of Floor Tiles and Repainting of the Interior Walls and Finishes (BITS) – P1,800,000.00</p>
	On the definition of “similar contracts”	Suggestions: (1) Similar contract shall refer to the replacement <b>and/or</b> installation of floor tiles. Replacement and/or installation of floor tiles included in a building construction project may be considered as a similar

Topics/Issues	Comments/Decisions/Instructions	
		<p>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.</p> <p>- The end-user confirmed that above definition is applicable. Further, Mr. Sta. Barbara added the phrase “and finishes” in the definition of SLCC and explained that this is specified in the Scope of Works.</p> <p>- Further in the discussion, Mr. Sta. Barbara said that “replacement of floor tiles” is sufficient since this is the main/major component of the project.</p> <p>- The BAC agreed, with the confirmation of the end-users, to maintain the definition: <i>“Similar contract shall refer to the replacement <b>and/or</b> 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.”</i></p> <p>- Dir. Magtalas also mentioned that the “costing” in relation to the second paragraph of the definition should be clear during the post qualification.</p>
	SLCC	<p>Whether aggregate contracts or Single Contract?</p> <p>- Dir. Thea Palarca decided to also include/accept “aggregate contracts” for the SLCC.</p>

Topics/Issues	Comments/Decisions/Instructions		
	On the deadline of submission of bids and opening of bids	Time to be reflected should be 10:00 a.m.	
	On the Scope of Works	Mr. Sta. Barbara said that “Scope of Works” is only applicable to Infrastructure projects, hence, the scope of the project may be found in the Technical Specification.	
	On the Bid Data Sheet	<p>- on 13.2, should read: “<i>the ABC of Three Million Eight Hundred Thousand, broken down into two lots as follows:</i>”</p> <p>- On the time of BAC Activities, replace 9:30 a.m. to 10:00 a.m.</p>	
<p><b>B. Other Matters</b></p> <p>1. Recommendation of BAC TWG and Secretariat on the Memorandum submitted by Atty. Juan Emmanuel Reyes on Negotiated – Two-Failed Bidding Bare Minimum Documentary Requirements</p>	<p>- Director Magtalas offered to guide the TWG and the end-users in finalizing the Bid Documents before routing it to the Members of the BAC for review and comments prior to the endorsement to the BAC Chairperson for signing.</p> <p>- The BAC Secretariat and the TWG reported that they met to discuss the memorandum sent by Att. Juan Emmanuel Reyes regarding the bare minimum requirements for a negotiated two-failed bidding.</p> <p>- Attached to this minutes is the power point presentation prepared by the BAC TWG and Secretariat. The following is a summary of the discussion:</p>		
	Atty. Reyes’ findings/ comments	BAC TWG and Secretariat’s Suggestions	BAC Discussion
	Create and maintain a registry of “accredited” suppliers and contractors.	Since this is just an option of the procuring entity (in order that re-submission of eligibility documents is no longer required) and given the amount of time and tedious task needed to maintain an updated file of all DBM suppliers and contractors,	<p>Since the maintenance of a separate supplier registry is not mandated by law, it is up to the end-user, based on their needs, if they maintain a registry apart from the PhilGEPS.</p> <p>Is there no other option?</p>

Topics/Issues	Comments/Decisions/Instructions		
		<p>taking into consideration that most documents expire yearly and the expiry dates of the documents vary, this is not recommended to be adopted.</p> <p>Further, the PhilGEPS functions as the single and centralized electronic portal that serves as the primary and definitive source of information on all government procurement, it is recommended that the PE maximize the use of the PhilGEPS.</p>	<p>- The option is the PhilGEPS registry. Hence, the BAC decided to make use of the already existing registry maintained by the PhilGEPS.</p>
	<p>The Conduct of Mandatory review is crucial</p>	<p>The mandatory review was recommended to be adopted but must exercise caution taking into consideration ethics and procurement law.</p>	<p>(1) The BAC, through the TWG and Secretariat, agreed to draft a simple questionnaire to know why a bidder did not participate in the bidding process with the end goal of determining the cause of failure.  (2) the Mandatory Review will be through a task team composed of the Implementing Unit, the BAC Member provisional member, the TWG in-charge, and the supplier/ contractors.</p>

Topics/Issues	Comments/Decisions/Instructions		
			The team shall use the feedback from the questionnaire.
	<p>Observation: Reliance in PhilGEPS Certificate of Registration and other sworn statement.</p>	<p>BAC TWG and Secretariat reply to the observation:  “The PhilGEPS registration is meant to supply some sort of presumptive legal guarantee as to the eligibility of a PhilGEPS registered supplier/ contractor.  It is strengthen further by the requirement of PhilGEPS of a Sworn Statement submitted by the supplier when applying for a PhilGEPS certificate.</p>	<p>The BAC said that it is following the rules as prescribed in RA No. 9184, its 2016 Revised IRR and related laws, rules and regulations.  The Chairperson said that the BAC is just complying with the rules.  The main guidance of the BAC is compliance with procurement laws, rules, and regulations.  As regards to the procurement timeline, the Legal Service (LS) shall review. If the LS decides to write the GPPB-TSO for guidance, the BAC Secretariat shall write to the GPPB-TSO.</p>
	<p>Adherence to the plain meaning of the consolidated guidelines (Annex H) of the 2016 IRR of RA 9184 and the GPM.  Suggestions: 1. More flexible procedure that focuses on substance rather than form, with view to expanding the procurement process within the prescribed timelines, but still</p>	<p>Legal basis: GPPB Resolution No. 30-2016 dated December 2016.  The Resolution provides: “Seven (7) days after the failure of bidding, the Procuring entity shall be able to post the procurement opportunity, either for re-bidding, or Negotiated Procurement in case of two-failed</p>	

Topics/Issues	Comments/Decisions/Instructions		
	<p>guided by the salient requirements of Annex H and the GPM.</p> <p>2. The process should be “free-flowing” and on a case-to-case basis, depending on the circumstances, such that flexibility of the negotiation process is maximized and not hindered.</p> <p>3. Refrain from using language and terminologies that are more appropriately used in the competitive bidding process such as “bids”, “bid bulletin”, “bidding documents”, and the like to promote clarity and avoid confusion on the part of the transacting public.</p>	<p>biddings for at least 3 calendar days. (Section 54.2). <b><u>The BAC shall still observe the same periods as that of the competitive biddings for the other procurement activities.</u></b> In exceptional cases, however, taking into consideration the nature and complexity of the project, the 7-day period may be extended for fifteen (15) days”</p> <p>GPPB Circular 05-2016 dated December 20, 2016:  “4.1.2 The same periods shall be observed for the conduct of Negotiated Procurement under Two-Failed Biddings modality reckoned from the declaration of the second failure of bidding”</p> <p>Annex C of the Revised IRR of RA No. 9184 – Period of Action on Procurement Activities:  “Follow the same period observed in Public Bidding as defined in Annex C of the Revised IRR,</p>	

Topics/Issues	Comments/Decisions/Instructions		
		except for the 3-day posting.	
	Adequate cover of the Audit Trail	The BAC through its BAC Secretariat and the TWG, ensures the existence and completeness of the relevant procurement documents as prescribed in the IRR of RA 9184 and following COA rules and guidelines.	The BAC instructed the BAC Secretariat to scan all BAC/ Procurement documents. Also, they were advised to check if there are older documents that may be in the custody of the Central Records Division.
	<p>- Further, the BAC Secretariat again discussed the bare minimum documentary requirements as was presented in the previous BAC meeting. The gist of that report/presentation is reiterated as follows:</p>		
	<b>Bid Component</b>	<b>Documents to be submitted</b>	
	Technical Component	<p>1. PhilGEPS Certificate of Registration Platinum with Annex A (If not submitted during bid opening, this can be submitted during Post Qualification stage provided other documentary requirements must be submitted as specified under Annex A)</p> <p>2. If not PhilGEPS Platinum or expired Annex A:</p> <p>a. SEC/DTI Registration – during opening</p> <p>b. Mayor’s permit – during opening. However, during a community quarantine, the updated Mayor’s Permit may be submitted before payment per GPPB Resolution No. 09-2020.</p> <p>c. Updated Tax Clearance – during opening of bids. If not during Post Qualification.</p> <p>d. Latest Audited Financial Statement (AFS) - during opening of bids or if bidder opted to submitted Committed Line of Credit (CLC), AFS may be dispensed with.</p>	



Topics/Issues	Comments/Decisions/Instructions	
		<p>3. Statement of All ongoing Contracts – during bid opening</p> <p>4. Single Largest Completed Contract – during bid opening. All attachments, such as the certificate of completion and contract, may be submitted during post-qualification stage.</p> <p>5. Bid Security – during opening of bids. This may be dispensed with pursuant to Section 54.4 of the 2016 Revised IRR of RA No. 9184.</p> <p>6. Section VI (Schedule of Requirements) – during bid submission.</p> <p>7. Section VII. Technical Specification – During Bid Submission.</p> <p>8. Omnibus Sworn Statement – During Bid Opening. This may be submitted before payment during Community Quarantine pursuant to GPPB Resolution No. 09-2020.</p> <p>9. Authority of the Signatory – During Bid opening and must be notarized.</p> <p>10. Net Financial Contracting Capacity or CLC- during bid submission.</p> <p>11. Joint Venture Agreement – during bid submission.</p>
	Financial Component	1. Bid Form – during opening of bids
2. BAC Honoraria	<ul style="list-style-type: none"> <li>- Ms. Jeana Caceres presented the materials for the Payment of Honoraria for CY 2019 Projects. She provided the BAC with information regarding FY 2019 Collections from the sale of bids; list of project; Relevant Office Orders establishing membership to the BAC; and the guidelines and related rules on the payment of honoraria.</li> <li>- The BAC Chairperson instructed the TWG to review the payroll in the following manner: prepared by the TWG and the rest of the TWG shall attest to the correctness; Reviewed by the BAC Chairperson; and approved by the BAC Chairperson.</li> <li>- The honoraria is approved in principle, subject to the review of the BAC members.</li> </ul>	

Topics/Issues	Comments/Decisions/Instructions	
3. BAC Action Items	Project	To Do
	Replacement of Floor Tiles and Repainting of the Interior Walls and Finishes (Lot 1 - BMB-B Office, Lot 2 - BITS Office)	Prepare bidding documents for posting
	PPMP Deadline	Coordinate with the Finance Service on PPMP action and report to BAC next meeting
	Memo of Atty. Reyes on Nego-2 Failed Bare Minimum Documentary Requirements	Recommendations Adopted with the following additional instructions: 1. Review when a mandatory review is necessary 2. Prepare Questionnaire for Bidders after failed (or 2-failed) bidding
	Administrative Matter: Management of Records	Review proper handling of BAC Records; Check if CRD has scanned copies of old files.
	Administrative Matter:	Inclusion in or Revision of SAPP
	Honoraria for 2019 Projects	Process Documents

#### IV. Adjournment

There being no other matters to be discussed, the meeting was adjourned at 12.15 noon.

Prepared by:

Noted by:

**Joyce D. Labao**  
Secretariat

**Director ANDREA CELENE MAGTALAS**  
Vice-Chairperson