



BIDS AND AWARDS COMMITTEE
BAC Resolution No. 37 Series of 2017

RESOLUTION RECOMMENDING THE AWARD OF CONTRACTS FOR THE PROCUREMENT OF: Lot 1- (3 units 4WD Tractor, 120 HP with mounted disc plow, trailing disc harrow and 5-tonner trailer); Lot 2- (9 units 4WD Tractor, 120 HP with mounted disc plow, trailing disc harrow and 5-tonner trailer); and Lot 3- (10 units 6-wheeler dump/hauling trucks); and FAILURE OF BIDDING for Lot 4- (2 units sugarcane loader) under the Sugarcane Block Farm Project

WHEREAS, the Department of Agrarian Reform (DAR) through its Support Services Office (SSO), in cooperation with the Sugar Regulatory Authority (SRA), is implementing the Sugarcane Block Farm Project (SBFP) as strategic intervention to help improve the sugar-based income of agrarian reform beneficiaries (ARBs) and sustain land ownership of smallholder beneficiaries and its contribution to the improvement of sugarcane industry;

WHEREAS, the SBFP was originally conceptualized with the following main strategies, namely: (1) farm management and technology consultancy, (2) equipment services, and (3) financial services;

WHEREAS, the catch-up planning workshop conducted with the regional and provincial implementors conveyed the requirements of the ARB Organizations (ARBOs) for pre- and post-harvest farm machineries to support the development of the targeted ninety two (92) sugarcane block farms at the end of the Project;

WHEREAS, in response to these development requirements of the ARBOs, provision of farm production inputs, appropriate equipment and machineries has been included as a component of the Project, to increase efficiency of production and address the pressing issues of lack of manpower/labor;

WHEREAS, in order to provide basis to make available the necessary equipment, the SBFP Guidelines was amended and consequently approved to provide a more comprehensive support, and facilitate the procurement of the above equipment;

WHEREAS, the following equipment were proposed as additional procurement under the SBFP, adopting the appropriate mode of procurement and following the procedures as provided for under R.A. 9184 and its IRR:

- Lot 1: 3 units 4WD Tractor, 120 HP with mounted disc plow, trailing disc harrow and 5-tonner trailer
- Lot 2: 9 units 4WD Tractor, 120 HP with mounted disc plow, trailing disc harrow and 5-tonner trailer
- Lot 3: 10 units Hauling/Dump Truck (6 wheeler)
- Lot 4: 2 units Sugarcane Loader

WHEREAS, on November 22, 2017 the Department of Agrarian Reform-Bids and Awards Committee (DAR-BAC) posted the Invitation to Bid (ITB) in the Philippine Government Electronic Procurement System (PhilGEPS) with reference no. 4983639 and DAR website/bulletin board, and the Philippine Daily Inquirer on 23 November 2017 (refer to Annex "A" for copy of ITB, PhilGEPS posting and PDI Ads);

WHEREAS, three (3) bidders acquired bidding documents, with only one (1) bidder for each lot as follows: (1) Equity Machineries and Equipment-Lots 1 & 2 ; (2) MAN Automotive Concessionaires Corporation- Lot 3; and (3) Agri-Component Corporation-Lot 4;

WHEREAS, on November 29, 2017, the DAR-BAC conducted a pre-bidding conference which was attended by four (4) interested bidders for Lots 1, 2, & 3, two (2) of which namely: Ford Tractors and Supertrade Enterprises have not acquired the bidding documents, and one (1) bidder for dump truck, Kolonwel Trading who likewise has not purchased bidding documents;

WHEREAS, as a result of the pre-bidding conference, Supplemental Bid Bulletin (SBB) No. 1 was issued on December 4, 2017 to address queries posed by interested bidders and clarify Section 20.3 of the Bid Data Sheet, modify certain specifications of the 4 WD 120 HP tractor, revise the additional requirements for Dump/Hauling Trucks and change the specifications of the Sugarcane Loader under Section VII. Technical Specifications of the bidding documents (refer to Annex "B", copy of SBB no. 1);

WHEREAS, on December 12, 2017, the deadline of submission of bids, the BAC opened the bids of three (3) bidders that submitted their bid proposals, namely: (1) Equity Machineries and Equipment for Lots 1 & 2 ; (2) MAN Automotive Concessionaires Corporation for Lot 3 ; and (3) Agri-Component Corporation for Lot 4. The bid of MAN Automotive was rejected for failure to comply with the templates for the Bid Securing Declaration and Omnibus Sworn Statement particularly on the requirement for the Community Tax Certificate (CTC) for the notarial requirements, while the other two (2) bidders qualified for the opening of the financial envelope as they all passed the eligibility and technical documents submission (refer to Annex "C" for copy of Abstract of Bids as read);

WHEREAS, on December 13, 2017, MAN Automotive Concessionaires Corporation filed a Motion for Reconsideration on the decision of the BAC to reject its bid on the ground stated above (refer to Annex "D" copy of MAN's MR);

WHEREAS, on December 18, 2017, the BAC-TWG reported that the single bidder for Lots 1 & 2 passed the detailed evaluation and the single bidder (Agri-Component Corporation) for Lot 4 did not comply with some of the required technical specifications. The bids of the said single bidder were checked as to the arithmetic computation with the findings summarized below (refer to Annex "D1" for the copy of detailed evaluation

Lot No.	Name of Bidder	Total Calculated Bid Price (PhP)	Approved Budget for the Contract	Rating
1	Equity Machineries and Eqpt.	12,294,000.00	13,500,000.00	SCB*
2	Equity Machineries and Eqpt.	37,782,000.00	40,500,000.00	SCB*
3	MAN Auto. Conscess. Corp.	Financial bid not opened		
4	Agri-Component Corporation	4,970,000.00	5,000,000.00	Disqualified

report):

*Single Calculated Bidder

WHEREAS, during the same BAC meeting, the OIC-Head of the BAC Secretariat reported that based on the GPPB's response to their query on the requirement for the CTC, it was clarified that the template uploaded in the GPPB website for the latest edition of the Philippine Bidding Documents is incorrect, thus, the disqualification of MAN Automotive Concessionaires Corporation has to be reconsidered;

WHEREAS, on December 18, 2017, the BAC responded favourably to the request of MAN Automotive Concessionaires Corporation for reconsideration and scheduled the opening of the financial proposal of said bidder on December 20, 2017, while the bidder for Lot 4, Agri-Component Corporation was notified of its disqualification (refer to Annex "E-1" and "E-2" for the copy of letters to MAN Automotive and Agri-Component Corp.);

WHEREAS, on December 20, 2017, the financial proposal of MAN Automotive Concessionaires Corporation was opened and recorded to be: Lot 3- 10 units of 6-wheeler dump/hauling truck- Php 35,225,000.00 which is below the ABC of Php 39,000,000.00 and was rated as the single calculated bidder (SCB) after checking the arithmetic computation to be correct;

WHEREAS, on the same meeting, the BAC instructed the BAC-TWG to undertake the post-qualification evaluation of the two (2) bidders declared as SCB as soon as possible;

WHEREAS, on December 22, 2017, the BAC-TWG with the end-user's representative conducted the post-qualification evaluation of the two (2) bidders mentioned above to verify and validate the documents and statements submitted;

WHEREAS, on December 27, 2017, the BAC-TWG reported that the two (2) bidders passed the post-qualification evaluation conducted and the end-user representative recommended to the BAC to award Lots 1, 2 & 3 to the respective bidders who were found responsive to the requirements of the procuring entity and declare failure of bidding for Lot 4 as the disqualified bidder has not filed any motion for reconsideration (refer to Annex "F" Post-qualification Evaluation Report);

WHEREFORE, premises considered, the BAC resolved to recommend to the Head of the Procuring Entity the award of contract for the following Lots under the Sugarcane Block Farm Project to the respective Single Calculated Responsive Bidders (SCRB) listed below:

Lot No.	Name of Bidder	Total Calculated Bid Price (Php)	Approved Budget for the Contract	Rating
1	Equity Machineries and Eqpt.	12,294,000.00	13,500,000.00	SCRB**

2	Equity Machineries and Eqpt.	37,782,000.00	40,500,000.00	SCRB**
3	MAN Auto. Conscess. Corp.	39,000,000.00	35,225,000.00	SCRB**
4	Agri-Component Corporation			Failed


**Single Calculated Responsive Bidder


Done this 27th day of December 2017 at DAR Central Office, Diliman, Quezon City.


HERMINIA FE B. SAN JUAN
 Chairperson


ATTY. JIM G. COLETO
 BAC Member


RENE E. COLOCAR
 BAC Member, Provisional


HENRY M. ZAPATA
 End-User Representative

Approved:

LUIS MEINRADO C. PANGULAYAN
 Undersecretary, Legal Affairs Office
 Head of Procuring Entity