



REPUBLIC OF THE PHILIPPINES

# DEPARTMENT OF AGRARIAN REFORM

Tunay na Pagbabago sa Repormang Agraryo

## BIDS AND AWARDS COMMITTEE (PRIMARY)

RESOLUTION NO. 34, SERIES OF 2018

### RESOLUTION RECOMMENDING THE AWARD OF CONTRACT FOR THE PROCUREMENT OF LOT 3- THIRTY EIGHT (38) UNITS 35 HP 4 WD TRACTOR WITH IMPLEMENTS AND TRAILER & LOT 4- TWENTY (20) UNITS 35 HP 4 WD TRACTOR WITH IMPLEMENTS AND TRAILER TO FILHOLLAND CORPORATION

**WHEREAS**, the Department of Agrarian Reform (DAR) is mandated to respond to the development requirements of the Agrarian Reform Beneficiary Organizations (ARBOs) through the provision of appropriate farm machineries and equipment that will enable them to become climate resilient;

**WHEREAS**, in response to these development requirements, the DAR through the Office of the Undersecretary for Support Services intends to apply from the General Appropriations Act (GAA) of 2018 the sum of Philippine Pesos One Hundred Seventy Two Million Four Hundred Sixty Thousand Pesos (PhP172,460,000.00) being the Approved Budget for the Contract (ABC) for payments under the contract for the supply and delivery of farm machineries and equipment comprising of six (6) lots for the "Climate Resilient Farm Productivity Support Project;

**WHEREAS**, on September 1, 2018, the Bids and Awards Committee (BAC)-Primary of the Department of Agrarian Reform posted the Invitation to Bid (ITB) in the DAR website, DAR bulletin board, and the Philippine Government Electronic Procurement System (PhilGEPS) website with reference no. 5602394, and published the same at the Philippine Daily Inquirer (refer to Annex "A" copy of newspaper advertisement and PhilGEPs posting);

**WHEREAS**, seven (7) bidders acquired bidding documents for lot 3, namely: 1) ADA Manufacturing Corp.; 2) Agricomponent Corp.; 3) All Certified Equipment Trading Corp., 4) Filholland Corp.; 5) For Tractor Phils., Inc.; 6) Go Traktora Trading; 7) Supertrade Mach. Global, and eight (8) for lot 4 same bidders to include as no. 8) Edwin S. Santiago Enterprises Corp. in JV with Suki Trading;

**WHEREAS**, on September 10, 2018, the DAR-BAC conducted a pre-bidding conference which was attended by sixteen (16) interested bidders;

**WHEREAS**, as a result of the pre-bidding conference, Supplemental Bid Bulletin (SBB) No. 1 was issued on September 17, 2018 to extend the deadline of bid submission. On October 1, 2018, SBB No. 2 was issued to extend the deadline for submission of bids to October 8, 2018, address queries posed by interested bidders and clarify Sections 5.4, 20.3, and 21 of the Bid Data Sheet, revise the delivery period under Section VI. Schedule of Requirements and modify certain specifications and additional requirements of the 4 WD 90 and 35 HP tractors and rice combine harvester and the additional requirements under Section VII. Technical Specifications of the bidding documents (refer to Annex "B", copy of SBB nos. 1 & 2);

**WHEREAS**, on October 8, 2018, the deadline of submission of bids, only six (6) of the seven (7) bidders that purchased bidding documents submitted their bid proposals for lot 3 & seven (7) bidders out of the eight (8) for lot 4 and the result of eligibility and preliminary check of their bid submission is shown below (refer to Annex "C" Abstract of Bids as Read):

Lot 3 - 38units; 35 hp 4 WD tractor with implements and 1 tonner trailer; and

Lot 4 - 20units; 35 hp 4 WD tractor with implements and 1 tonner trailer

Name of Bidder	Lots	Eligibility	Technical Envelope	Rating	Financial Bid (PhP)	Rank
Edwin S. Santiago(ESSEC)	4	P; lot 4	P; lot 4	Passed	NO BID	N/A
					19,800,000.00	LCB
Ford Tractor* Phils (FTP)	3 & 4	P; lots 3 & 4	F; lots 3 & 4	Failed	Not opened	DQ
					Not opened	DQ
Go Traktora Trading (GTT)**	3 & 4	P; lots 3 & 4	P; lot 3 F; lot 4	Passed Failed	42,617,204.06	LCB
					Not opened	DQ
Filholland Corp.(FHC)	3 & 4	P; 2 lots	P lots 3 & 4	Passed	47,918,000.00	3 <sup>rd</sup> LCB
					25,220,000.00	3 <sup>rd</sup> LCB
Agricomponent Corp.(AgC)***	3 & 4	P; 2 lots	F; 2 lots	Failed	Not opened	DQ
					Not opened	DQ
All Certified Eqpt. (ACE)	3 & 4	P; 2 lots	P; 2 lots 3 & 4	Passed	43,654,400.00	2 <sup>nd</sup> LCB
					22,976,000.00	2 <sup>nd</sup> LCB
ADA Manufacturing Corp. (ADAMCO)	3 & 4	P; 2 lots	F- Lot 3 P- Lot 4	Failed Passed	Not opened	DQ
					25,700,000.00	4 <sup>th</sup> LCB

\*FTP was disqualified during the bid opening due to the absence of the required certification from the manufacturer that spare parts will be made available for the next five (5) years from end of production

\*\*GTT was disqualified during bid opening for lot 4 because the required AMTEC Test result was not submitted

\*\*\*AgC was disqualified during bid opening for lots 3 & 4 because of the unsealed certification from a licensed Agricultural Engineer indicating that the specifications of the Implements as shown in the manufacturer's technical data conform to the end-user's requirements (statement of compliance form was signed and sealed)

\*\*\*\*ADAMCO submitted an unsigned original Schedule of Requirements.

**WHEREAS**, the four (4) disqualified bidders namely FTP, GTT, AgC and ADAMCO filed their respective Motions for Reconsideration on October 11 & 9 respectively, on the decision of the BAC to reject their bids on the ground stated above (refer to Annex "D" copy of MRs filed by the 4 bidders);

**WHEREAS**, on October 17, 2018, the BAC-Primary resolved to grant the motion filed AgC and scheduled the opening of its financial proposals on November 6, 2018, but denied the motion of FTP, GTT and ADA for lack of merit (refer to Annex "E" copy of BAC-P's reply to the MRs);

**WHEREAS**, on November 6, 2018, the BAC convened for the opening of the financial proposal of AgC that resulted to the following revision in the ranking of bids:

Lot 3 - 38units; 35 hp 4 WD tractor with implements and 1 tonner trailer; and

Lot 4 - 20units; 35 hp 4 WD tractor with implements and 1 tonner trailer

Name Bidder	of	Lots	Eligibility	Technical Envelope	Rating	Financial Bid (PhP)	Rank
Edwin Santiago	S.	4	P; lot 4	P; lot 4	Passed	NO BID	N/A
						19,800,000.00	LCB
Ford Phils	Tractor	3 & 4	P; lots 3 & 4	F; lots 3 & 4	Failed	Not opened	DQ
						Not opened	DQ
Go Traktora Trading (GTT)		3 & 4	P; lots 3 & 4	P; lot 3 F; lot 4	Passed Failed	42,617,204.06	LCB
						Not opened	DQ
Filholland Corp.(FHC)		3 & 4	P; 2 lots	P lots 3 & 4	Passed	47,918,000.00	3 <sup>rd</sup> LCB
						25,220,000.00	3 <sup>rd</sup> LCB
Agricomponent Corp.(AgC)		3 & 4	P; 2 lots	P; lot 3 & 4	P-MR granted	49,343,000.00	4 <sup>th</sup> LCB
						25,970,000.00	5 <sup>th</sup> LCB
All Certified Eqpt.(ACE)		3 & 4	P; 2 lots	P; 2 lots 3 & 4	Passed	43,654,400.00	2 <sup>nd</sup> LCB
						22,976,000.00	2 <sup>nd</sup> LCB
ADA Manufacturing Corp. (ADAMCO)		3 & 4	F - Lot 3 P - Lot 4	F - Lot 3 P- Lot 4	Failed	Not opened; MR denied	DQ
					Passed	25,700,000.00	4 <sup>th</sup> LCB

**WHEREAS**, during the same meeting, the BAC-Primary instructed the Technical Working Group (TWG) to complete the detailed technical evaluation of bidders which were ranked as Lowest Calculated Bid (LCB);

**WHEREAS**, on November 19, 2018, the BAC-Primary convened, deliberated and confirmed the detailed evaluation findings of the TWG

disqualifying the bid of GTT for lot 3 for failure to submit the: i) certification from the manufacturer that the bidder is the authorized dealer of the offered goods, and ii) certification from the manufacturer that spare parts will be available for the next five (5) years from end of production and the bid of ESSEC for lot 4 for failure to fully comply with the purchaser's required technical specifications and the submitted certifications were not signed and has no letterhead of the issuing firm which were found unacceptable by the TWG and the BAC-Primary. The BAC resolved to issue notices of disqualification to the said LCBs (refer to Annex "F.1" copy of detailed evaluation result and Annex "F.2"-notices of DQ to GTT & ESSEC);

**WHEREAS**, on November 23 & 26, 2018, GTT & ESSEC, respectively, filed a motion for reconsideration on their disqualification which was subsequently denied by the BAC-Primary during its regular meeting held on November 29, 2018 for lack of merit and noted the letter dated November 26, 2018 by ESSEC. (refer to Annex "G.1" copy of MRs and Annex "G.2" BAC-P's denial of MRs);

**WHEREAS**, on the same meeting, the BAC-Primary instructed the TWG to proceed with the detailed technical evaluation of the 2<sup>nd</sup> LCB and continue with the process of requesting clarifications from the bidder or AMTEC when necessary and report the evaluation results by December 7, 2018;

**WHEREAS**, on December 7, 2018, the BAC convened, deliberated and confirmed the detailed evaluation findings of the TWG on the 2<sup>nd</sup> LCB, All Certified Equipment & Trading Corporation (ACETC) and decided to:

1. Issue a Notice of Disqualification to the 2<sup>nd</sup> LCB (ACETC) for lots 3 & 4 for failure to comply with the direct injection combustion system of the diesel engine; and
2. Proceed with the detailed technical evaluation of the 3<sup>rd</sup> LCB, Filholland Corporation;

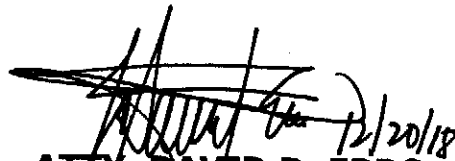
**WHEREAS**, on December 14, 2018, the BAC-Primary convened, deliberated and confirmed the detailed evaluation findings of the TWG on the 3<sup>rd</sup> LCB (Filholland Corporation) for lots 3 & 4 which was found to have fully complied with the requirements of the bidding documents; and

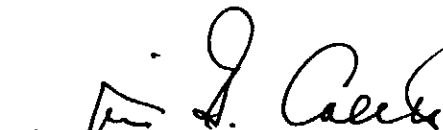
**WHEREAS**, on December 18, 2018, in the absence of any motion for reconsideration on the disqualification of the 2<sup>nd</sup> LCB (ACETC), the TWG together with the end-user's authorized representative conducted post-qualification evaluation of the 3<sup>rd</sup> LCB (Filholland Corporation) and reported in the BAC-Primary's special meeting on December 20, 2018 that the 3<sup>rd</sup> LCB is responsive to all the requirements of the bidding

documents issued by DAR (refer to Annex "H" Post-qualification Evaluation Report).

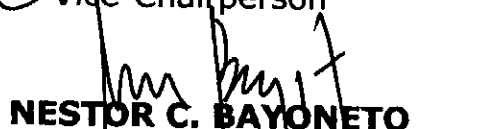
**WHEREFORE**, premises considered, the BAC-Primary resolved to recommend to the Head of the Procuring Entity (HoPE) the award of contract for Lots 3 & 4 described above to Filholland Corporation being the 3<sup>rd</sup> Lowest Calculated and Responsive Bidder (LCRB) in the total amount of **Philippine Pesos Seventy Three Million One Hundred Thirty Eight Thousand Only (PhP 73,138,000.00)** inclusive of all applicable taxes.


Done this 27<sup>th</sup> day of December, 2018 at the DAR Central Office, Diliman, Quezon City.

  
**ATTY. DAVID D. ERRO**  
Undersecretary  
Chairperson


  
**ATTY. JIM G. COLETO**  
Board Member-DARAB  
Vice-Chairperson

  
**SUSAN E. LEONES**  
Director  
Regular Member

  
**NESTOR C. BAYONETO**  
Director  
Alternate Provisional Member  
Goods & Services

  
**ATTY. EMILY O. PADILLA**  
Undersecretary  
Provisional Member, End-User

APPROVED BY:

  
**ATTY. LUIS MEINRADO C. PAÑGULAYAN**  
Undersecretary  
Head of Procuring Entity