



REPUBLIC OF THE PHILIPPINES

# DEPARTMENT OF AGRARIAN REFORM

Tunay na Pagbabago sa Repormang Agraryo

## BIDS AND AWARDS COMMITTEE (PRIMARY)

RESOLUTION NO. 33, SERIES OF 2018

### RESOLUTION RECOMMENDING THE AWARD OF CONTRACT FOR THE PROCUREMENT OF LOT 1- NINE (9) UNITS 90 HP 4 WD TRACTOR WITH IMPLEMENTS AND TRAILER & LOT 2- ELEVEN (11) UNITS 90 HP 4 WD TRACTOR WITH IMPLEMENTS AND TRAILER TO FORD TRACTOR PHILIPPINES

**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**, eight (8) bidders acquired bidding documents, namely: 1) Agricomponent Corp.; 2) All Certified Equipment Trading Corp., 3) Edwin S. Santiago Ent. Corp. in joint venture with Suki Trading Corp.; 4) Filholland Corp.; 5) Ford Tractor Phils., Inc.; 6) Go Traktora Trading; 7) Supertrade Mach. Global, Inc. 8) QSJ Motors Phils., Inc.;

**WHEREAS**, on September 10, 2018, the BAC-Primary 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 seven (7) of the eight (8) bidders that purchased bidding documents submitted their bid proposals for lots 1 & 2 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 1 – 9 units; 90 hp 4 WD tractor with implements and 3 tonner trailer; and

Lot 2 - 11 units; 90 hp 4 WD tractor with implements and 3 tonner trailer

Name of Bidder	Lots	Eligibility	Technical Envelope	Rating	Financial Bid (Php)	Rank
Edwin S. Santiago(ESSEC)	1 & 2	P; 2 lots	P; 2 lots	Passed	15,210,000.00	LCB
					18,590,000.00	LCB
Ford Tractor Phils	1 & 2	P; 2 lots	P; 2 lots	Passed	18,900,000.00	2 <sup>ND</sup> LCB
					23,100,000.00	2 <sup>ND</sup> LCB
Go Traktora Trading (GTT)*	1 & 2	P; 2 lots	F; 2 lots	Failed	Not opened	DQ
					Not opened	DQ
Supertrade Mach	1 & 2	P; 2 lots	P; 2 lots	Passed	21,492,000.00	3 <sup>RD</sup> LCB
					27,742,000.00	3 <sup>RD</sup> LCB
Filholland Corp.(FHC)**	1 & 2	P; 2 lots	P lot 1; F lot 2	Passed lot 1; Failed lot 2	22,698,000.00	4 <sup>TH</sup> LCB
					Not opened	DQ
Agricomponent Corp.(AgC)***	1 & 2	P; 2 lots	F; 2 lots	Failed	Not opened	DQ
					Not opened	DQ
All Certified Eqpt.(ACE)****	1 & 2	P; 2 lots	F; 2 lots	Failed	Not opened	DQ
					Not opened	DQ

\*GTT was disqualified during bid opening for lots 1 & 2 because: i) the brand offered was in the market since 2013 - requirement should be in the Philippine market for the last ten years, and ii) unsealed certification from a licensed Agricultural Engineer indicating that the specifications of the implements as shown in the manufacturer's technical data conform to end-user's requirement (statement of compliance form was signed and sealed)  
 \*\*FHC was disqualified during bid opening for lot 2 because the original and all copies of the statement of compliance on the Schedule of Requirements and Technical Specifications were both unsigned  
 \*\*\*AgC was disqualified during bid opening for lots 1 & 2 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 end-user's requirement (statement of compliance form was signed and sealed)  
 \*\*\*\*ACE was disqualified during bid opening for lots 1 & 2 because the required AMTEC Test result was not submitted

**WHEREAS**, three (3) of the four (4) disqualified bidders namely GTT, FHC, and AgC filed their respective Motions for Reconsideration on October 11, 10 & 9, respectively, on the decision of the BAC-Primary to reject their bids on the ground stated above (refer to Annex "D" copy of MRs filed by the 3 bidders);

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

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

Lot 1 - 9 units; 90 hp 4 WD tractor with implements and 3 tonner trailer; and

Lot 2 -11 units; 90 hp 4 WD tractor with implements and 3 tonner trailer

Name of Bidder	Lots	Eligibility	Technical Envelope	Rating	Financial Bid (PhP)	Rank
Edwin S. Santiago (ESSEC)	1 & 2	P; 2 lots	P; 2 lots	Passed	15,210,000.00	LCB
					18,590,000.00	LCB
Ford Tractor Phils	1 & 2	P; 2 lots	P; 2 lots	Passed	18,900,000.00	2 <sup>ND</sup> LCB
					23,100,000.00	2 <sup>ND</sup> LCB
Go Traktora Trading (GTT)	1 & 2	P; 2 lots	P; 2 lots	P-MR granted	20,806,451.55	3 <sup>rd</sup> LCB
					25,430,107.45	3 <sup>rd</sup> LCB
Supertrade Mach	1 & 2	P; 2 lots	P; 2 lots	Passed	21,492,000.00	4 <sup>th</sup> LCB
					27,742,000.00	4 <sup>th</sup> LCB
Filholland Corp.(FHC)	1 & 2	P; 2 lots	P lot 1; F lot 2	Passed lot 1; Failed lot 2	22,698,000.00	5 <sup>TH</sup> LCB
					Not opened	DQ
Agricomponent Corp.(AgC)	1 & 2	P; 2 lots	P; 2 lots	P-MR granted	23,377,500.00	6 <sup>th</sup> LCB
					28,572,500.00	5 <sup>th</sup> LCB
All Certified Eqpt.(ACE)	1 & 2	P; 2 lots	F; 2 lots	Failed	Not opened	DQ
					Not opened	DQ

**WHEREAS**, during the same meeting, the BAC-Primary instructed the Technical Working Group (TWG) to complete the detailed technical evaluation of bidder which was 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 the LCB (ESSEC) for failure to fully comply with the purchaser's required technical specifications and required certifications and resolved to issue a notice of disqualification to the said

bidder (refer to Annex "F.1" copy of detailed evaluation result and Annex "F.2"-notice of DQ to ESSEC);

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

**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 & 14, 2018, the BAC convened, deliberated and confirmed the detailed evaluation findings of the TWG on the 2<sup>nd</sup> LCB and decided to:


1. Issue a Notice of Post-qualification to the 2<sup>nd</sup> LCB (Ford Tractor Philippines) for lots 1 & 2; and
2. Proceed with the post-qualification evaluation of the 2<sup>nd</sup> LCB and inspection of the unit being offered to verify/validate the statement of compliance with the technical specifications; and

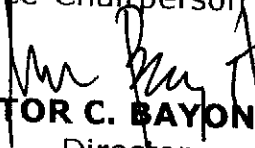
**WHEREAS**, on December 17 & 19, 2018 the TWG together with the end-user's authorized representative conducted post-qualification evaluation of Ford Tractor Philippines and reported in the BAC-Primary's regular meeting on December 19, 2018 that the 2<sup>nd</sup> LCB is responsive to all the requirements 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 1 & 2 described above to Ford Tractor Philippines, Incorporated being the Second Lowest Calculated and Responsive Bidder (LCRB) in the total amount of **Philippine Pesos Forty Two Million Only (PhP 42,000,000.00)** inclusive of all applicable taxes.

Done this 20<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

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

  
**SUSAN E. LEONES**  
Director  
Regular Member

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

APPROVED BY:

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