



PRIMARY BIDS AND AWARDS COMMITTEE (PBAC)

BAC Resolution No. 17 Series of 2022

SPLIT REF-057-PBD-22-05

**RESOLUTION RECOMMENDING THE AWARD OF CONTRACT FOR THE
PROCUREMENT OF 820 UNITS MOTORCYCLES UNDER THE SUPPORT
TO PARCELIZATION OF LANDS FOR INDIVIDUAL TITLING (SPLIT)
PROJECT TO THE LOWEST CALCULATED AND RESPONSIVE BIDDER
(LCRB), K SERVICIO TRADE, INC.**

WHEREAS, the Department of Agrarian Reform, through a Loan from the World Bank is currently implementing the SPLIT Project and needs to procure goods for the use of its various stakeholders;

WHEREAS, on 16 June 2022, the Department of Agrarian Reform-Bids and Awards Committee-Primary (DAR-BAC Primary) posted the Invitation to Bid (ITB) in the DAR website, DAR bulletin board, and the Philippine Government Electronic Procurement System (PhilGEPs) website with reference number 8759016, (refer to Annex "A" copy of PhilGEPs posting);

WHEREAS, on 01 July 2022, eight (8) bidders attended the pre-bidding conference conducted by the BAC-Primary face to face, namely: 1) ADAMCO; 2) Asia Prime Commodities; 3) Equity Machineries, Inc.; 4) iAuto, Inc.; 5) K Servico Trade, Inc.; 6) MCX International, Inc.; 7) Pro Motorsport Ph; and 8) Ropali Corporation;

WHEREAS, on 20 July 2022, the World Bank team sent an e-mail to the DAR Management and Procurement team that since the Specific Procurement Notice (SPN) was submitted in STEP only on 18 July 2022, the bid submission deadline should be extended from 26 July 2022 to 23 August 2022 to allow prospective bidders who just saw the SPN to prepare their bids and participate in the bidding (refer to Annex "B" copy of WB's e-mail and notice of the re-scheduling);

WHEREAS, on 30 August 2022, Supplemental Bid Bulletin Nos. 1 & 2 were issued to extend the deadline for submission and opening of bids from 23 August 2022 to 6 September 2022, clarify and amend certain provisions in the original bidding documents issued on June 16, 2022, and respond to queries raised by some bidders during the pre-bidding conference as well as written queries received (refer to Annex "C-1" copy of SBB No. 1- Amendments and Annex "C-2" SBB No. 2- Clarifications);

WHEREAS, on 06 September 2022, the deadline of submission of bids, only five (5) bidders who acquired the bidding documents and paid the

bidding documents fee submitted bid proposals, one of which did not attend the pre-bidding conference, Miltec Trading, details of which are reflected in Annex "D" Abstract of Bids as read, as follows:

Total Estimated Cost for Lots 1, 2 & 3: PhP 123,000,000.00

Name of Bidder	Lot	Eligibility	Technical Envelope	Financial Bid (PhP)	Ranking
MCX International, Inc.	1	Passed	Passed	87,999,940.00	LCB for 3 lots based on total bid price
	2	Passed	Passed	(total bid for 3 lots, no breakdown)	
	3	Passed	Passed		
	Total Bid Price, 3 lots			87,999,940.00	
K Servico Trade, Inc.	1	Passed	Passed	28,102,500.00	2 nd LCB for 3 lots based on total bid price
	2	Passed	Passed	32,598,900.00	
	3	Passed	Passed	41,716,600.00	
	Total Bid Price, 3 lots			102,418,000.00	
Miltec Trading	1	Passed	Passed	113,849,620.00	3 rd LCB for 3 lots based on total bid price
	2	Passed	Passed	(total bid for 3 lots, no breakdown)	
	3	Passed	Passed		
	Total Bid Price, 3 lots			113,849,620.00	
Ropali Corporation	1	Passed	Passed	31,275,000.00	4 th LCB for 3 lots based on total bid price
	2	Passed	Passed	37,062,000.00	
	3	Passed	Passed	47,762,000.00	
	Total Bid Price, 3 lots			116,099,000.00	
Pacific Phil Dist.Grp.,Inc.	1	Passed	Passed	30,375,000.00	5 th LCB for 3 lots based on total bid price
	2	Passed	Passed	37,192,500.00	
	3	Passed	Passed	48,847,500.00	
	Total Bid Price, 3 lots			116,415,000.00	

WHEREAS, on 09 September 2022, the BAC-TWG conducted the detailed technical evaluation of the LCB for lots 1, 2 & 3 and reported to the PBAC on September 12, 2022 that the bid submission of the LCB did not fully comply with the requirements of the bidding documents particularly on the availability of service centers per region of delivery, 4 items in the technical specifications and on the required bid on a per lot basis because the bid price is for the total of three (3) lots and no Price Schedule on a per lot was submitted, hence, the PBAC instructed the Secretariat to send notice of disqualification to said bidder and proceed with the detailed bid evaluation of the remaining four (4) bidders (refer to Annex "D-1" Detailed Bid Evaluation Report of the LCB and "D-2" Notice of Disqualification to MCX International, Inc.);

WHEREAS, on 13 September 2022, the Notice of Disqualification was sent to the LCB for Lots 1, 2 & 3 and said bidder filed a motion for reconsideration (MR) on 16 September 2022 which is within the prescribed period (refer to Annex "E" MR filed by MCX International, Inc);

WHEREAS, on 15 September 2022, the TWG conducted the detailed technical evaluation of the 2nd, 3rd, 4th and 5th LCBs and reported that of the four (4) bidders, two passed the detailed bid evaluation namely K Servico Trade, Inc.-2nd LCB and Ropali Corporation-4th LCB (refer to Annex "F" Detailed Bid Evaluation Report);

WHEREAS, on 21 September 2022, the PBAC discussed and deliberated on the merits of the MR filed by the LCB and resolved to deny the same for lack of merit and at the same time instructed the TWG to proceed with the post-qualification of K Servico Trade, Inc. (refer to Annex "G" PBAC's denial of MCX International, Inc.'s MR);

WHEREAS, on 03 October 2022, during the PBAC meeting, the TWG reported that on 28 September 2022, they had a virtual meeting with Honda Philippines, and confirmed that said manufacturer issued and authorization to both K Servico Trade, Inc. and Ropali Corporation to bid for the supply and delivery of 820 units motorcycles for the SPLIT Project (refer to Annex "H" Post-qualification Report);

WHEREAS, on 10 October 2022, during the PBAC meeting, the TWG reported the result of post-qualification of the 2nd LCB held on 7 October 2022 declaring that based on verification and validation conducted, they found K Servico Trade, Inc to be responsive to all the requirements of the bidding documents. However, since some questions were raised by the PBAC during the reporting, it instructed the TWG to validate the documents pertaining to the income tax and value added tax returns. On the other hand, the BAC Secretariat reported that MCX International, Inc. responded to the denial of its MR which is not in accordance with the protest mechanism provided for by law, thus, the PBAC instructed the Secretariat to acknowledge the letter and inform the bidder that PBAC can no longer act on its request (refer to MCX's letter and PBAC's reply);

WHEREAS, on 13 October 2022, the TWG continued its post-qualification evaluation as instructed by PBAC and reported on 20 October 2022, that the TWG was able to verify the authenticity of the documents filed and paid thru the Electronic Filing and Payment System at the Bureau of Internal Revenue including the inspection of the actual sample of the motorcycle offered, in lieu of the checking of the units supplied at the Philippine National Police (PNP), its client for its statement of single largest completed contract (SLCC) (refer to Annex "G" Post-qualification Report);

NOW THEREFORE premises considered, the PBAC resolved to adopt the recommendation of the TWG to recommend the award of contracts for the three (3) lots of motorcycles to the Lowest Calculated Responsive Bidder (LCRB), K Servico Trade, Inc. details as shown below, subject to the World Bank's No Objection (NOL):

Lot No.	Name of Bidder	Total Contract Award
1	K Servico Trade, Inc.	28,102,500.00
2	K Servico Trade, Inc.	32,598,900.00
3	K Servico Trade, Inc.	41,716,600.00

Done this 20th day of October 2022 at the DAR, Central Office, Diliman, Quezon City.

ABSENT

JOEY G. SUMATRA

Asst. Secretary, Field Operations
Office, End-User Representative

NESTOR C. BAYONETO

Director, MISS – Provisional Member
BAC-Primary for Goods and Non-
Consulting Services

LUCIENNE S. PULGAR

OIC - Director, PMS
Regular Member, BAC-Primary

ROMEO L. REYES, CPA

OIC-Director, Admin. Service
Regular Member, BAC-Primary

SUSANA R. SERRANO

Asst. Sec. and concurrent Director
ARCDS, Regular Member, BAC-Primary

ABSENT

Atty. EUGENE P. FOLLANTE, CESO III

Director, Legal Service
Vice-Chairperson, BAC-Primary

Atty. MARIA CELESTINA M. TAM, CESO III

Asst. Secretary, Legal Affairs Office
Chairperson, BAC-Primary

"Approved / Recommended By:

JEFFREY M. GALAN

Undersecretary, Finance, Management and Administration Office
Head of the Procuring Entity
re: SO No. 410, series 2022
in relation to GMO No. 1 series of 2017

Approved By:

CONRADO M. ESTRELLA III

Secretary
Head of the Procuring Entity"