

**BIDS AND AWARDS COMMITTEE**  
 Head Office-Engineering Projects  
 Resolution No. 013-2020  
 Series of 2020



**RESOLUTION DECLARING THE POST-DISQUALIFICATION  
 OF PREMIUM MEGASTRUCTURES, INC. AND DECLARATION  
 OF FAILURE OF BIDDING FOR THE PROPOSED DREDGING  
 OF NORTH HARBOR INNER BASIN, PORT AREA, MANILA**

WHEREAS, the Philippine Ports Authority (PPA) posted an Invitation to Bid for the Proposed Dredging of North Harbor Inner Basin, Port Area, Manila, in the website of the PPA, PhilGEPS and in the Bulletin Board located at the PPA Corporate Building, South Harbor, Port Area, Manila on 16 August 2019, continuously for seven (7) calendar days;

WHEREAS, the Approved Budget for the Contract to be bid as posted/advertised is **₱ 323,412,744.68**;

WHEREAS, in response to the said advertisement, three (3) bidders secured and submitted the Bid Documents in the amount of **₱ 50,000.00**, namely:

1. WTG Construction & Development Corporation
2. Hi-Tone Construction & Development Corporation/Khan Kon Chi Construction & Development Corporation/Joint Venture
3. Premium Megastructures, Incorporated

WHEREAS, during the opening of bids on 12 September 2019 at 10:00 a.m., the three (3) bidders were declared "passing" with the requirements of the First Envelope;

WHEREAS, the Financial Proposals of the three (3) bidders were opened and declared "passing" with the requirements of the Second Envelope, hence their financial bids were read by the Chairperson, as follows:

NAME OF BIDDER	BID AMOUNT (As Read)
1. WTG CONST. & DEV'T. CORP.	<p align="center"><b>309,936,758.48</b></p> <p>The contractor offered a 4% discount from the original bid of <b>₱ 322,850,790.08</b></p>

<p>2. HI-TONE CONST. &amp; DEV'T. CORP./KHAN KON CHI CONST. AND DEV'T. CORP./JV</p>	<p style="text-align: center;"><b>312,550,111.91</b></p> <p>The contractor offered a 2% discount from the ABC of ₱ 323,412,744.68</p> <p style="text-align: center;">₱ 319,018,366.80 - Bid Amount</p>
<p>3. PREMIUM MEGASTRUCTURES, INC.</p>	<p style="text-align: center;">322,988,698.80</p>

WHEREAS, Bid Evaluation was conducted on 17 September 2019 to determine if there were arithmetical or computational errors on the submitted bid, and the Bid Evaluation Report, as approved by the BAC on 18 September 2019, declared WTG Const. & Dev't. Corp. as the Lowest Calculated Bidder in the amount of ₱ 309,936,758.48, pursuant to Section 34.4 of the 2016 Revised IRR of R.A. 9184, as shown in the Table below;

NAME OF BIDDER	BID AMOUNT (AS READ)	DISCREPANCY	BID AMOUNT (AS CALCULATED)
1. WTG CONST. & DEV'T. CORP.	₱ 309,936,758.48	2,452.53	₱ 309,939,211.01

WHEREAS, post-qualification was conducted on 21 September 2019 to examine, validate and verify the eligibility, technical and financial requirements submitted by WTG Const. & Dev't. Corp. and in the Post-Qualification Report, as approved by the BAC on 24 September 2019, WTG Construction & Development Corporation was declared as the Lowest Calculated and Responsive Bidder;

WHEREAS, considering that the Lowest Calculated and Responsive Bidder, WTG Const. & Dev't. Corp. was blacklisted and suspended from participating in PPA's competitive bidding process for one (1) year, pursuant to BAC Resolution No. 048-2019 Series of 2019, dated 29 October 2019 and the Second Lowest Calculated Bidder, Hi-Tone Const. & Dev't. Corp./Khan Kon Chi Const. & Dev't. Corp./JV was likewise declared post-disqualified in BAC Resolution No. 012-2020 Series of 2020, dated 05 February 2020, post-qualification was conducted on the Third Lowest Calculated Bidder, Premium Megastructures, Inc., on 10-11 February 2020, to examine, validate and verify the eligibility, technical and financial requirements submitted by the contractor.

WHEREAS, in the Post-Qualification Report, as approved by the BAC on 12 February 2020, Premium Megastructures, Inc. was declared post-disqualified for submitting an expired MARINA Cargo Ship Safety Certificate for the equipment one (1) unit Self-Propelled Trailing Suction Dredger, MV "PMI 22" and the pledged Foreman and Construction Safety Health Officer were being used in the on-going project of Ormoc Port Expansion Project.

WHEREAS, Premium Megastructures, Inc. filed a request for reconsideration on their post-disqualification, and the BAC, in a meeting held on 26 February 2020, after due deliberation, agreed to deny said request for reconsideration;

WHEREAS, considering that the Lowest Calculated and Responsive Bidder was blacklisted and the two (2) other bidders were declared post-disqualified, the BAC agreed to declare the bidding a failure, pursuant to Section 35.1 of the 2016 Revised IRR of R.A. 9184, which provides, to wit:

"35.1 The BAC shall declare the bidding a failure when:

c) All bids fail to comply with all the bid requirements or fail post-qualification, xxx xxx xxx;

xxx xxx xxx."

NOW, THEREFORE, for and in consideration of the foregoing premises, the BAC hereby RESOLVE as it is hereby RESOLVED to recommend the following:

1. To declare PREMIUM MEGASTRUCTURES, INC. to be post-disqualified, for the following reasons:
  - a. The MARINA Cargo Ship Safety Certificate for the equipment one (1) unit Self-Propelled Trailing Suction Dredger, MV "PMI 22" was expired.
  - b. The pledged Foreman and Construction Safety Health Officer were being used in the on-going project of Ormoc Port Expansion Project.
2. To immediately notify PREMIUM MEGASTRUCTURES, INC. in writing of its post-disqualification and the grounds for it.
3. To recommend to the Head of the Procuring Entity that the bidding for the Proposed Dredging of North Harbor Inner Basin, Port Area, Manila, be declared a failure, pursuant to Section 35.1 (c) of the 2016 Revised IRR of R.A. 9184; and
4. To conduct a re-bidding with re-advertisement and/ or posting, as provided for in Section 21.2 of the 2016 Revised IRR of R.A. 9184.

ADOPTED AND APPROVED by the BAC on 26 February 2020

  
**DANAH S. JARAMILLO**  
Regular Member


  
**JOSEPHINE M. NAPIERE**  
Regular Member

  
**DIANE STEFFI T. GUILLAMON**  
Regular Member

  
**ROLANDO K. PEREZ**  
Provisional Member

*(O.B.)*  
**REYNAND C. PARAFINA**  
Provisional Member

  
**ANGELINA A. LLOSE**  
Vice-Chairperson

  
**MARK JON S. PALOMAR**  
Chairperson, BAC



06 March 2020

**MEMORANDUM**

**F O R : The General Manager**

**F R O M : The Chairperson, HO-BAC-EP**

**SUBJECT : BAC RESOLUTION DECLARING THE POST-DISQUALIFICATION OF PREMIUM MEGASTRUCTURES, INC. AND DECLARATION OF FAILURE OF BIDDING FOR THE PROPOSED DREDGING OF NORTH HARBOR INNER BASIN, PORT AREA, MANILA**

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This has reference to the Opening of Bids for the Proposed Dredging of North Harbor Inner Basin, Port Area, Manila, held on 12 September 2019. The Lowest Calculated and Responsive Bidder, WTG Construction and Development Corporation was blacklisted and suspended for one (1) year from participating in PPA's competitive bidding process while the Second Lowest Calculated and Responsive Bidder, Hi-Tone Construction & Development Corporation/Khan Kon Chi Construction & Development Corporation/JV was post-disqualified. The Third Lowest Calculated and Responsive Bidder, Premium Megastructures, Inc. was likewise post-disqualified for submitting an expired MARINA Cargo Ship Safety Certificate for the one (1) unit Self-Propelled Trailing Suction Dredger and the pledged Foreman and Construction Safety Health Officer were still being utilized in their on-going Ormoc Port Expansion Project. Considering the foregoing, the BAC agreed to declare the bidding a failure, pursuant to Section 35.1 of the 2016 Revised IRR of RA 9184, which provides that: "35.1 The BAC shall declare the bidding a failure when: c) All bids fail to comply with all the bid requirements or fail post qualification, xxx xxx xxx."

In view thereof, we are submitting herewith BAC Resolution No. 013-2020, Series of 2020, Declaring the Post-Disqualification of Premium Megastructures, Inc. and Declaration of Failure of Bidding for the Proposed Dredging of North Harbor Inner Basin, Port Area, Manila, and to conduct a re-bidding with re-advertisement and/or posting, as provided for in Section 21.2 of the 2016 Revised IRR of R.A. 9184, for consideration and approval of the General Manager as Head of the Procuring Entity.

  
MARK JON S. PALOMAR

APPROVED/DISAPPROVED. \_\_\_\_\_

  
JAY DANIEL R. SANTIAGO  
General Manager