



BIDS AND AWARDS COMMITTEE

Head Office-Engineering Projects

Resolution No. 051-2019

Series of 2019

RESOLUTION DECLARING THE POST-DISQUALIFICATION OF SUNWEST CONSTRUCTION & DEVELOPMENT CORPORATION AND DECLARATION OF FAILURE OF BIDDING FOR THE CONSTRUCTION OF BACK-UP AREA, PORT OF GETAFE, BOHOL LFP BHL NO. 016-2019

WHEREAS, the Philippine Ports Authority (PPA) posted an Invitation to Bid for the Construction of Back-Up Area, Port of Getafe, Bohol, in the website of the PPA, PhilGEPS and in the Bulletin Board located at the PPA Corporate Building, South Harbor, Port Area, Manila on 21 May 2019, continuously for seven (7) calendar days;

WHEREAS, the Approved Budget for the Contract to be Bid as posted/advertised is **₱ 163,296,490.50**;

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. Sunwest Construction & Development Corporation
3. Hi-Tone Construction & Development Corporation/L.N.R. Const./JV

WHEREAS, during the opening of bids on 11 June 2019 at 2:00 p.m., only two (2) bidders were declared "passing" with the requirements of the First Envelope, namely: WTG Construction & Development Corporation and Sunwest Construction & Development Corporation, Hi-Tone Construction & Development Corporation/L.N.R. Const./Joint Venture was declared "failed" and signified its intention to file a request for reconsideration, however, no request was filed by them;

WHEREAS, the Financial Proposal of the two (2) bidders were opened and declared "passing" with the requirements of the Second Envelope. WTG Const. & Dev't. Corp. submitted a financial proposal in the amount of ₱ 162,355,979.71 while Sunwest Const. & Dev't. Corp. has a financial proposal in the amount of ₱ 162,514,611.62;

WHEREAS, Bid Evaluation was conducted on 17 June 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 June 2019, declared WTG Const. & Dev't. Corp. as the Lowest Calculated Bidder in the amount of ₱ 162,355,979.71, pursuant to Section 34.4 of the 2016 Revised IRR of R.A. 9184;

WHEREAS, post-qualification was conducted on 25 June 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 26 June 2019, WTG Construction & Development Corporation was declared as the Lowest Calculated and Responsive Bidder;

WHEREAS, a Notice of Award was issued to WTG Const. & Dev't. Corp. on 04 July 2019, in the amount of P 162,355,979.71 and instructed them to formally enter into a contract with PPA and to post the required Performance Security in the form and the amount stipulated in the Instructions to Bidders;

WHEREAS, during the conduct of the Contract Review by the Legal Services Department (LSD) and upon further verification, it was found out that the Tax Clearance Certificate submitted by WTG Const. & Dev't. Corp. was not authentic;

WHEREAS, acting on the comments of LSD, the BAC-EP deliberated on the matter and discussed the issues involved therein, and after a motion duly made and properly seconded, adopted LSD's comments and ordered the revocation of BAC-EP Resolution No. 036-2019 Series of 2019, on the Award of Contract for the Construction of Back-Up Area, Port of Getafe, Bohol and to recommend to the Head of the Procuring Entity to recall the Notice of Award dated 04 July 2019, issued to WTG Const. & Dev't. Corp. and that post-qualification be conducted on the Second Lowest Bidder;

WHEREAS, in a letter dated 09 October 2019, WTG Const. & Dev't. Corp. was notified of the revocation of BAC-EP Resolution No. 036-2019 Series of 2019 on the Award of Contract for the Construction of Back-Up Area, Port of Getafe, Bohol and the recall of the Notice of Award dated 04 July 2019, in the amount of One Hundred Sixty Two Million Three Hundred Fifty Five Thousand Nine Hundred Seventy Nine and 71/100 Pesos (P 162,355,979.71) issued to WTG Const. & Dev't. Corp.;

WHEREAS, post-qualification was conducted on the Second Lowest Calculated Bidder, Sunwest Const. & Dev't. Corp. on 14 October 2019, 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 17 October 2019, Sunwest Const. & Dev't. Corp. was likewise declared post-disqualified for the following grounds:

1. No copy of the LTO Official Receipt for the one (1) unit Self Loader Truck (Cargo Truck) "Fuso", owned was presented.
2. No original copy of the valid and renewed DPWH Certificate of Accreditation of Flor C. Vinuya as Materials Engineer II was presented.
3. The contractor incurred a negative slippage of 32.105% as of 25 September 2019 for their on-going Matnog Port Expansion and Upgrading Project, Port of Matnog, Sorsogon.

WHEREAS, considering the recall of the Notice of Award issued to WTG Const. & Dev't. Corp. and the Post-Disqualification of Sunwest Const. & Dev't. Corp., the BAC after a motion duly made and properly seconded, declared the bidding for the Construction of Back-Up Area, Port of Getafe, Bohol, a "failure" pursuant to Section 35.1 of the 2016 Revised IRR of RA 9184 which provides that "The BAC shall declare the bidding a failure when:

xxx xxx xxx

- c. All bids fail to comply with all the bid requirements or fail post-qualification, or, in the case of Consulting Services, there is no successful negotiation; or

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 SUNWEST CONSTRUCTION & DEVELOPMENT CORPORATION to be post-disqualified, for the following grounds:
 - a. No copy of the LTO Official Receipt for the one (1) unit Self Loader Truck (Cargo Truck) "Fuso", owned was presented.
 - b. No original copy of the valid and renewed DPWH Certificate of Accreditation of Flor C. Vinuya as Materials Engineer II was presented.
 - c. The contractor incurred a negative slippage of 32.105% as of 25 September 2019 for the on-going Matnog Port Expansion and Upgrading Project, Port of Matnog, Sorsogon.
2. To immediately notify SUNWEST CONSTRUCTION & DEVELOPMENT CORPORATION 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 Construction of Back-Up Area, Port of Getafe, Bohol, be declared a failure, pursuant to Section 35.1 (c) of the 2016 Revised IRR of R.A. 9184 which states that:

xxx xxx xxx


- c. All bids fail to comply with all the bid requirements or fail post-qualification, or, in the case of Consulting Services, there is no successful negotiation; or

xxx xxx xxx."

4. To declare a failure of bidding following the recall of the Notice of Award of WTG CONSTRUCTION & DEVELOPMENT CORPORATION and the post-disqualification of SUNWEST CONSTRUCTION & DEVELOPMENT CORPORATION.

ADOPTED AND APPROVED by the BAC on 17 October 2019


DANAH S. JARAMILLO
Regular Member


JOSEPHINE M. NAPIERE
Regular Member

(ON-LEAVE)
JAN PEARL F. PORTUGAL
Regular Member


CARLITO M. CASTILLO
Provisional Member


REYNAND C. PARAFINA
Provisional Member


ANGELINA A. LLOSE
Vice-Chairperson


MARK JON S. PALOMAR
Chairperson, BAC

22 October 2019

MEMORANDUM

F O R : The General Manager

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

SUBJECT : **BAC-EP Resolution No. 051-2019 Series of 2019 on the Post-Disqualification of Sunwest Construction & Development Corporation and Declaration of Failure of Bidding for the Construction of Back-up Area, Port of Getafe, Bohol**
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This has reference to the Bidding for the Construction of Back-up Area, Port of Getafe, Bohol, held on 11 June 2019, where the Resolution of Award was revoked and the Notice of Award dated 04 July 2019 issued to the Lowest Calculated Responsive Bidder, WTG Construction & Development Corporation was recalled, considering that the Tax Clearance Certificate submitted by said bidder was not authentic. In view of the recall of the Notice of Award issued to WTG Construction and Development Corporation, the BAC recommended that post-qualification be conducted on the Second Lowest Calculated Bidder, Sunwest Construction & Development Corporation. However, Sunwest Construction and Development Corporation was declared post-disqualified for not submitting the LTO Official Receipt for the one (1) unit Self Loader Truck (Cargo Truck); not submitting the original copy of the valid and renewed DPWH Certificate of Accreditation of the pledged Materials Engineer II and Sunwest Construction and Development Corporation incurred a negative slippage of 32.105% as of 25 September for their on-going Matnog Port Expansion and Upgrading Project, Port of Matnog, Sorsogon.

Considering that the Notice of Award issued to WTG Construction and Development Corporation was recalled while Sunwest Construction and Development Corporation was declared post-disqualified, the BAC likewise declared a failure of bidding pursuant to Section 35.1 of the 2016 Revised IRR of R.A. 9184, which states that: "The BAC shall declare the bidding a failure when: xxx xxx c) All bids fail to comply with all the bid requirements or fail post-qualification xxx xxx."

In view thereof, we are submitting herewith BAC Resolution No. 051-2019 Series of 2019 Declaring the Post-Disqualification of Sunwest Construction and Development Corporation and Declaration of Failure of Bidding for the Construction of Back-up Area, Port of Getafe, Bohol, 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