BAGONG PILIPINAS

PHILIPPINE PORTS AUTHORITY

BIDS AND AWARDS COMMITTEE

Head Office-Engineering Projects
Resolution No. 080-2024
Series of 2024

Award of Contract for the
MASBATE PORT EXPANSION PROJECT, PORT OF MASBATE, MASBATE
HO-INFRA-PPDD-24-0064

WHEREAS, the Philippine Ports Authority (PPA) posted an Invitation to Bid for the Masbate Port Expansion Project, Port of Masbate, Masbate, in the website of the PPA, PhilGEPS and in the Bulletin Board located at the PPA Corporate Building, South Harbor, Port Area, Manila, on 02 October 2024, continuously for seven (7) calendar days;

WHEREAS, the Approved Budget for the Contract to be Bid as posted/advertised is **₱ 161,995,015.28**;

WHEREAS, in response to the said advertisement, eight (8) bidders secured the Bid Documents in the amount of ₱ 50,000.00 and submitted their Technical and Financial Proposals, namely:

1. Grace Construction Corporation
2. Khan Kon Chi Construction and Development Corporation
3. SB Construction Corporation
4. Sunwest Inc.
5. MAC Builders Corporation
6. JFAP Construction/NBCDC Corporation/JV
7. Luzviminda Engineering
8. Frey-Fil Corporation

WHEREAS, during the opening of bids on 30 October 2024 at 3:00 p.m., only Khan Kon Chi Construction and Development Corporation, SB Construction Corporation, Sunwest Inc., MAC Builders Corporation, Luzviminda Engineering and Frey-Fil Corporation were declared "passing" with the requirements of the First Envelope. Grace Construction Corporation and JFAP Construction/NBCDC Corporation/JV were declared "failed" with the requirements of the Technical Proposal, for the following reasons:

Grace Construction Corporation

a. Failed to submit the Cargo Ship Safety Certificate for the pledged one (1) unit Barge;

JFAP Construction/NBCDC Corporation/JV

a. The pledged one (1) unit Tug Boat was under Lease Agreement instead of Owned.

WHEREAS, JFAP Construction/NBCDC Corporation/JV signified its intention to file a request for reconsideration on their "failed" rating, hence its Second Envelope was retained by the BAC until the request for reconsideration is resolved;

WHEREAS, considering that there was no representative from Grace Construction Corporation who attended the opening of bids, the BAC presumed that the bidder will file a request for reconsideration, hence its Second Envelope was retained by the BAC until the request for reconsideration is resolved.

WHEREAS, the Financial Proposals of the six (6) 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. Khan Kon Chi Construction and Development Corporation	₱ 161,684,084.65
2. SB Construction Corporation	₱ 161,736,094.25
3. Sunwest Inc.	₱ 161,875,682.77
4. Frey-Fil Corporation	₱ 161,895,015.28
5. MAC Builders Corporation	₱ 161,895,015.29
6. Luzviminda Engineering	₱ 161,920,583.76

WHEREAS, JFAP Construction/NBCDC Corporation/JV did not file a request for reconsideration within the prescribed deadline for filing thereof, while Grace Construction Corporation, in a letter dated October 31, 2024, filed its request for reconsideration on their "failed" rating, and the BAC, in a meeting held on 05 November 2024, after due deliberation, denied the request for reconsideration;

WHEREAS, Bid Evaluation was conducted on 04 November 2024 to determine if there were arithmetical or computational errors on the submitted bids, and the Bid Evaluation Report, as approved by the BAC on 05 November 2024, showed discrepancies between the Total Bid Prices and Unit Bid Prices of Sunwest, Inc., MAC Builders Corporation and Luzviminda Engineering, as follows;

NAME OF BIDDER	BID AMOUNT (As Read)	DISCREPANCY	BID AMOUNT (As Calculated)
Sunwest, Inc.	₱ 161,875,682.77	(-) 40.32	₱ 161,875,642.45
MAC Builders Corporation	₱ 161,895,015.29	(+) 0.02	₱ 161,895,015.31
Luzviminda Engineering	₱ 161,920,583.76	(+) 12,185.95	₱ 161,932,769.71

WHEREAS, Khan Kon Chi Construction and Development Corporation was declared as the Lowest Calculated Bidder in the amount of ₱ 161,684,084.65;

WHEREAS, post-qualification was conducted on 08 November 2024 to examine, validate and verify the eligibility, technical and financial requirements submitted by Khan Kon Chi Construction and Development Corporation and in the Post-Qualification Report, as approved by the BAC on 20 November 2024, Khan Kon Chi Construction and Development Corporation was declared as the Lowest Calculated and Responsive Bidder;

NOW, THEREFORE, for and in consideration of the foregoing premises, the BAC hereby RESOLVE as it is hereby RESOLVED to declare, **KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION** as the Lowest Calculated and Responsive Bidder and to recommend the award of contract for the Masbate Port Expansion Project, Port of Masbate, Masbate, in the amount of **ONE HUNDRED SIXTY ONE MILLION SIX HUNDRED EIGHTY FOUR THOUSAND EIGHTY FOUR PESOS AND 65/100 (₱ 161,684,084.65)**, inclusive of taxes, to the said bidder.

ADOPTED AND APPROVED by the BAC on 20 November 2024.

DANAH S. JARAMILLO
Regular Member

JOSEPHINE M. NAPIERE
Regular Member

DIANE STEFFI T. GUILLAMON
Regular Member

CARLITO M. CASTILLO
Provisional Member

REYNAND C. PARAFINA
Provisional Member

ANGELINA A. LLOSE
Vice-Chairperson

MARK JON S. PALOMAR
Chairperson, BAC

BAGONG PILIPINAS

PHILIPPINE PORTS AUTHORITY

21 November 2024

MEMORANDUM

F O R : The General Manager

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

SUBJECT : **BAC RESOLUTION FOR THE AWARD OF CONTRACT/ NOTICE OF AWARD FOR THE MASBATE PORT EXPANSION PROJECT, PORT OF MASBATE, MASBATE**

==========

With reference to the Opening of Bids for the Masbate Port Expansion Project, Port of Masbate, Masbate, we are submitting herewith BAC Resolution No. 080-2024 Series of 2024, for the Award of Contract and Notice of Award to KHAN KON CHI CONSTRUCTION AND DEVELOPMENT CORPORATION as the Lowest Calculated and Responsive Bidder in the amount of P161,684,084.65 for consideration and approval of the General Manager as Head of the Procuring Entity, pursuant to Section 37 of the 2016 Revised IRR of R.A. 9184.

MARK JON S. PALOMAR

APPROVED/DISAPPROVED:

JAY DANIEL R. SANTIAGO
General Manager