



University of Southeastern Philippines
Bids and Awards Committee
Minutes Post-Qualification Evaluation

**PROJECT: Completion of Completion of 5-Storey Information Technology (I.T.)
Building**

Contract No. 2020-11/INFRA
January 08, 2021 at 2:00 pm.
Venue : Via Google meet
Obrero Campus, Davao City
ABC: 14,492,753.63

Present were:

Bids and Award Committee:

Dr. Emilia P. Pacoy	-	Chairperson
Engr. Eduardo Torrico Jr.	-	BAC Vice Chair
Ms. Estela S. Magandi	-	Member
Dr Anweda C. Mina	-	Member
Dr. Alma Mae Salinas	-	Member
Dr. Maureen Villamor	-	Alternate Member

BAC Secretariat/Staff:

Ms. Olivia D. Estremos	-	BAC Secretariat Head
Ms. Melanie C. Pagkaliwagan	-	BAC Secretariat
Ms. Emelle Embat	-	BAC Secretariat
Ms. Mary Aprilly P. Cimafranca	-	BAC Secretariat
Ms. Roxy Yen Juit	-	BAC Staff
Mr. Teodorico Tinaco	-	BAC Staff

TWG:

Engr. Florencio Chua	-	University Engineer
Rch. Ericson Europa	-	TWG/PDD Director
Mr. Bien Carlos Via	-	PDD Draftsman

Proceedings:

Ms. Estremos, the BAC Secretariat Head recognized the presence of the attendees, and proceeded with the preliminaries. After declaring a quorum, the BAC Chair called the meeting to order.

A. Reading of Minutes:

The Reading of the Minutes has been deferred as the minutes of the previous meeting was distributed prior to this Post-Qualification Evaluation.

51 **B. Business Matters:**

52
53 The meeting was conducted for the Post-Qualification Evaluation of the
54 Completion of 5-Storey Information Technology (I.T.) Building.

55
56 **C. Presentation**

57
58 **The Technical Working Group (TWG):**

59
60 The Physical Development Division (PDD) Representative proceeded in
61 presenting the Post-Qualification Report of the Completion of 5-Storey Information
62 Technology (I.T.) Building – Phase 6. In the report, it was presented that the lowest
63 bidder for the said project was MAG Corporation who has a bid amount of Php
64 12,709,833.57 with the following breakdown:

- 65 a) The Direct Cost amounts to Php 9,456,721.41;
- 66 b) Indirect Cost:
 - 67 a. OCM (12%) amounts to Php 1,134,806.57;
 - 68 b. Profit (8%) amounts to Php 756,537.71;
- 69 c) Marked Up Value amounts to Php 1,891,344.28; and
- 70 d) Tax (12%) amounts to Php 1,361,767.88.

71 The Evaluation of the Lowest Bid of MAG Corporation was also presented. In addition,
72 the Net Financial Contracting Capacity (NFCC) of the said corporation is computed to
73 be Php 1,013,519,879.19 (based from completed projects) and Php 1,037,558,576.41
74 (based from on-going projects). It was reported that the license of the contractor is
75 verified through the following eligibilities as well as passed all these necessary
76 documents:

- 77 a) PCAB License (Based from the PCAB list of Licensed Contractors for
78 CFY 2019-2020 as of 26 February 2020 as well as all information
79 from within the document);
- 80 b) BIR Records show a release of Tax Clearance to the Contractor under
81 the name of “MAG CORPORATION”, with a TIN number of 432-
82 766-020-000;
- 83 c) The contractor submitted a copy of Certificate of Incorporation, issued
84 by Securities and Exchange Commission;
- 85 d) The contractor submitted a certified true copy if Business Permit
86 issued by Davao City.
- 87 e) Availability of equipment;
- 88 f) Audited financial statements (with Attached Report of Independent
89 Auditor); and
- 90 g) NFCC or credit line or cash deposit certificate (NFCC Computation).

91
92 It was presented that the Single Largest Completed Project (SLCP) of the
93 aforementioned contractor is the Construction of Two-Storey Six Classroom School
94 Building at Balagunan National High School, Sto. Tomas Davao del Norte, with a value
95 of Php 15,160,130.24. This project was awarded on December 6, 2018 and was
96 completed on May 15, 2019 which totalled to One Hundred and Forty (140) Calendar
97 Days. The On-going and Awarded Contracts of the contractors were presented as follows:

- 98 a) **Construction of Additional Public Market Building**
99 Client: LGU
100 Location: Poblacion, Ising, Carmen, Davao del Norte

101 Contract Amount: 24,118,775.77
102 Calendar Days: 210 Calendar Days
103 Date Started: 29 June 2020
104 Status: On-going
105 b) **Construction of Slaughter House Category II**
106 Client: LGU
107 Location: Tuganay, Carmen, Davao del Norte
108 Contract Amount: 21,952,304.69
109 Calendar Days: 210 Calendar Days
110 Date Started: 29 June 2020
111 Status: On-going

112 The Completed Project/s of the contractor was also presented as follows:

113 a) **Construction of New CEDU Building**
114 Client: USEP Tagum
115 Location: Tagum, Davao del Norte
116 Contract Amount: 2,805,133.22
117 Calendar Days: 210 Calendar Days
118 Date Started: 21 March 2019
119 Date of Completion: 23 June 2019
120

121 In addition to this, the contractor submitted all necessary documents regarding their key
122 personnel for this project, such as the licenses of respective professionals, moreover, it
123 was discussed that the personnel in this project were also assigned to SAEC Building and
124 their on-going projects which are currently at 57.09% and 46.78% accomplishment.
125 Statement of Agreements and Projects with Messrs. Ronald Torquia, Francis C.
126 Bantique, Christian P. Gomez, Manuel Ursal, Rogelio Gallemasco, Judybert Quita, Mses.
127 Camila Jane Igloria, Lea Ann Donayre, and Welder were presented stating that the
128 aforementioned personnel will stay on the job site all the time to supervise and manage
129 the contract works.

130
131 The presenter added that the contractors were said to have submitted all necessary
132 documents regarding the following:

- 133 a) Bid Security;
- 134 b) Construction Schedule and S-Curve;
- 135 c) Manpower Schedule;
- 136 d) Construction Methods;
- 137 e) Organizational Chart;
- 138 f) List of Contractor's Key Personnel (with corresponding proof of
139 qualification);
- 140 g) List of Contractor's Equipment (with corresponding proof of
141 ownership and/or lease);
- 142 h) Equipment Utilization Schedule;
- 143 i) Certificate of Site Inspection (duly signed affidavit of site inspection
144 as issued by PDD University Engineer, Engr. Florencio Chua);
- 145 j) Construction Safety Certification; and
- 146 k) Certification of Compliance with Labor Laws – certified by DOLE
147 (duly signed Omnibus Sworn Statement and “Certification as to
148 Compliance of Existing Labor Laws and Standards”).

149 A response letter from the Municipality of Carmen was presented indicating that MAG
150 Corporation have complied all rules and regulations under Republic Act (R.A.) 9184, as

151 well as that the contractor has no negative slippage and no unsatisfactory performance.
152 The following documents were also presented with regards to the project on Renovation
153 of Nursery Building to become AFMTC (at USEP Tagum-Mabini Campus, Tagum Unit)
154 from the Campus Planning Office:

- 155 a) Statement of Time Elapsed and Work Accomplished;
- 156 b) Evaluation of Work Accomplishment;
- 157 c) Certificate of Final Completion; and
- 158 d) Final Completion Inspection Report.

159
160 **D. Comments and Suggestions:**

161
162 The BAC Chair addressed the issue of MAG Corporation since the contractor
163 attached the same key personnel for two (2) projects, which is the I.T. Building and the
164 SAEC Building. Ar. Europa confirmed and added that these same personnel are also the
165 ones assigned to MAG Corporation's on-going projects, namely: a) Construction of
166 Additional Public Market Building; and b) Construction of Slaughter House Category II,
167 both in Carmen, Davao del Norte.

168 The BAC Chair also addressed that these on-going projects are still estimate at
169 60%. Ar. Europa then expressed his reluctance of this set-up, since the on-going projects
170 are expected to end after two hundred and ten (210) days which is estimated to be from
171 June to January. Ar. Europa stressed that though it may be possible for these personnel
172 to immediately start after the on-going projects were completed, there are instances where
173 the contractors have a breather period or a period to evaluate the completed projects,
174 before starting on other projects, and these might cause delay for the commencement of
175 the two (2) projects of the university, i.e., the I.T. Building and the SAEC Building. Ar.
176 Europa also emphasized that the certificate submitted strictly states that one (1) personnel
177 should only handle one (1) contract at a time.

178
179 The BAC Chair expressed her hesitancy as well due to these statements and asked
180 the body on their opinion regarding this matter. Ms. Mina reiterated the thoughts that was
181 pointed out by Ar. Europa, and stated that despite the satisfactory performance of the
182 contractor, handling four (4) projects [two (2) on-going and two (2) possible projects
183 which is the I.T. Building and SAEC Building] may affect their performance. Ar. Europa
184 provided a suggestion if it would be possible for the contractor to two (2) different sets
185 of personnel for the I.T. Building and SAEC Building in accordance to the certificate they
186 submitted which strictly states that one (1) personnel should only handle one (1) contract
187 at a time.

188
189 The BAC Chair then asked what provisions are stated in the Notice to Proceed
190 that may be used to request the contractors the necessary documents to resolve the
191 aforementioned conflicts. Ms. Pagkaliwagan stated that MAG Corporation was not at
192 fault in providing the same key personnel for both projects, given that at the time of the
193 bidding, there was no assurance yet in their part if the contract would be awarded to them.

194
195 Ms. Pagkaliwagan also presented a case, dated May 2012, queried by the National
196 Housing Authority to the Government Procurement Policy Board (GPPB), wherein the
197 former asked if it was a ground for qualification if the bidder provided the same set of
198 key personnel for different projects, and GPPB answered that it is not a ground for
199 disqualification. The details for the said case are as follows:

201 (1) Whether the procuring entity may require the submission of different
202 sets of personnel for different projects of the National Housing Authority (NHA)
203 in different geographical locations as part of its project requirements.
204

205 [T]he determination on the assignment of personnel for a particular
206 project lies within the discretion of the concerned bidder. What is required is that
207 the manpower to be provided by the bidder should be included in the
208 aforementioned list. Requiring that the personnel be confined to a specific project
209 for the entire duration of a particular project may be too limiting on the part of
210 the contractor and may discourage participation since it will require contractors
211 to put in additional cost and resources, despite the uncertainty of winning in any
212 or all of the projects.
213

214 [W]hat is more important is the availability of these personnel when their
215 services are needed. While the procuring entity should not require the submission
216 of different sets of names in the list of contractor's personnel per project, it is
217 incumbent upon the BAC to determine during the evaluation of the bids as to
218 whether the bidder concerned may make available its personnel at the time they
219 are needed for the project in the event it is awarded to them.
220

221 (2) Whether the submission of a list of contractor's personnel containing
222 the same names by a bidder who participates in two (2) or more projects results
223 in his disqualification.
224

225 [T]he inclusion of the same personnel by the same bidder in several of its
226 bid proposals should not be a ground for disqualification for being too restrictive
227 and limiting.
228

229 Ms. Pagkaliwagan proposed that upon the recommendation of the Technical
230 Working Group, the BAC may define the list of personnel/designations that may serve
231 for both contracts, and which personnel/designations should be exclusive or different for
232 each projects. The BAC Chair asked if this letter of request be sent prior to the Notice to
233 Proceed, in which Ms. Pagkaliwagan clarified that it would indeed be sent prior to the
234 release of the resolution, if MAG Corporation were to be awarded of the contract. Ms.
235 Pagkaliwagan emphasized that this procedure would be done once it was confirmed that
236 there are no other issues on the contractor's part.
237

238 Ar. Europa raised the issue of the certificate that the contractor submitted which
239 strictly states that one (1) personnel should only handle one (1) contract at a time. The
240 BAC Chair responded that this would be the reference for the letter that will be sent to
241 the contractor in the event that they were indeed approved to do both contracts.
242

243 Ms. Pagkaliwagan added that given the case posted by the GPPB, MAG
244 Corporation would not be disqualified, however, the BAC should require a statement
245 from the contractors that should explain what compromise they would do regarding this
246 matter. The BAC Chair finalized the decision of the body regarding the issue on the
247 contractor's key personnel, wherein the BAC would write a letter under the tenor of the
248 aforementioned agreements to MAG Corporation and would expect a reply from the

249 latter within seventy-two (72) hours or three (3) working days from the time that the letter
250 was sent.

251
252 Ms. Pagkaliwagan then relayed a query to the Technical Working Group
253 regarding a wrong file name wherein it was addressed to another contractor's name which
254 is different from MAG Corporation. Engr. Chua responded that the name mentioned is a
255 member of MAG Corporation and not a different contractor compared to what Ms.
256 Pagkaliwagan mentioned.

257
258 Ms. Pagkaliwagan also asked if the contractor were able to meet the criteria set
259 by the BAC regarding the availability of equipments and manpower. Engr. Chua replied
260 and confirmed that the contractor was able to meet the said criteria for the equipments,
261 however, they were not able to check it personally yet since most of the equipments are
262 located a Carmen, Davao del Norte. As for the manpower, Engr. Chua replied that there
263 are designations whose qualifications were specified, however, the TWG did not know
264 what certain eligibilities must be presented, nevertheless, most of the key personnel
265 submitted necessary documents to verify their eligibility such as PRC licences, trainings,
266 etc.

267
268 Ms. Pagkaliwagan also asked if there are indeed no recorded negative slippages
269 or unsatisfactory performance by the contractor. Engr. Chua replied that there me be time
270 delays on the projects assigned to MAG Corporation, however the TWG would check
271 again the progress of the remaining on-going projects of the contractor to make sure.

272
273 Ms. Pagkaliwagan also asked for confirmation if the completed projects have no
274 lapses, such as the presented Single Largest Completed Contract (SLCC) by the
275 contractor. The PDD reviewed the SLCC and it was confirmed the the contractor has no
276 lapses on its SLCC in terms of Total Days of Completion. Ar. Europa also replied that
277 the Certificate of Completion of the SLCC might already be included in their submitted
278 documents.

279
280 On the other hand, as per review by the body, the on-going projects may have
281 time delays, as they are still estimately at 40% to 60% development, when it should be
282 atleast near completion. However, the BAC may just request a letter of explanation from
283 the contractor given that presumably, the pandemic started at that time and it may have
284 affected the work of MAG Corporation. Ms. Pagkaliwagan emphasized that this
285 explanation, together with necessary documents supporting it, is crucial given that this
286 time delays may be a ground for disqualification if not resolved or if proven that it was
287 the contractor's shortcomings that contributed to these lapses and not due to valid
288 reasons. Engr. Torrico agreed with the points mentioned by Ms. Pagkaliwagan, and
289 explained the possible courses of action that may be used to support the contractor's
290 explanation.

291
292 The BAC Chair finalized the idea of the body, wherein the BAC should also
293 specify in the letter to be sent to the contractor the following documents, such as
294 certification by the end user, notice of suspension, request of extension, etc., that would
295 suffice the explanation of the time delays of the on-going projects of MAG Corporation.
296 The BAC Chair reiterated the points that was mentioned in the earlier part of the meeting,
297 such as the issue on key personnel, for the benefit of Engr. Torrico who was not able to
298 participate in the former part of the meeting. With this, Engr. Torrico agreed with the

299 terms that the body had come up with. Engr. Torrico also added and proposed to request
300 the contractor some documents that would support necessary technical requirements,
301 aside from proof of no negative slippage, of Post-Qualification Evaluation. Ar. Europa
302 agreed with the said proposal of Engr. Torrico.

303

304 **E. Adjournment:**

305

306 With no further clarifications from the attendees, instructions from the BAC, and
307 there being no other matters to be discussed, the meeting was adjourned at 2:45 pm in
308 the afternoon. It was moved by Ms. Estremos and seconded by Ms. Mina.

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310

311 Prepared by:

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313

314 **OLIVIA D. ESTREMOS**

315 **BAC Secretariat Head**

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318 Approved by:

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321 **EMILIA PACOY**

322 **BAC Chairman/Infra**

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