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

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PROJECT: Completion of School of Applied Economics Building

Contract No. 2020-12/Infra
January 08, 2021 at 3:00 pm
Venue : Via Google meet
Obrero Campus, Davao City
ABC: 28.985,507.25

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Present were:

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Bids and Award Committee:

Dr. Emillia 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

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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

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TWG:

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

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Proceedings:

After declaring a quorum, the BAC Chair called the meeting to order.

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A. Reading of Minutes:

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

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B. Business Matters:

50 The meeting was conducted for the Post-Qualification Evaluation of the
51 Completion of School of Applied Economics Building.

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53 **C. Presentation**

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55 **The Technical Working Group (TWG):**

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57 The Physical Development Division (PDD) Representative proceeded in
58 presenting the Post-Qualification Report of the Completion of School of Applied
59 Economics (SAEc) Building. In the report, it was presented that the lowest bidder for the
60 said project was MAG Corporation. The bid amount for the said project is Php
61 23,472,338.61. The Evaluation of the Lowest Bid of MAG Corporation was also
62 presented. In addition, the Net Financial Contracting Capacity (NFCC) of the said
63 corporation is computed to be Php 1,013,519,879.19 (based from completed projects)
64 and Php 1,037,558,576.41 (based from on-going projects). It was reported that the license
65 of the contractor is verified through the following eligibilities:

- 66 a) PCAB License (Based from the PCAB list of Licensed Contractors for
67 CFY 2019-2020 as of 26 February 2020 as well as all information
68 from within the document);
69 b) The contractor submitted a copy of Certificate of Incorporation, issued
70 by Securities and Exchange Commission;
71 c) The contractor submitted a certified true copy if Business Permit
72 issued by Davao City; and
73 d) BIR Records show a release of Tax Clearance to the Contractor under
74 the name of “MAG CORPORATION”, with a TIN number of 432-
75 766-020-000.

76
77 It was presented that the Single Largest Completed Project (SLCP) of the
78 aforementioned contractor is the Construction of Two-Storey Six Classroom School
79 Building at Balagunan National High School, Sto. Tomas Davao del Norte, with a value
80 of Php 15,160,130.24. This project was awarded on December 6, 2018 and was
81 completed on May 15, 2019 which totalled to One Hundred and Forty (140) Calendar
82 Days. The On-going and Awarded Contracts of the contractors were presented as follows:

83 a) **Construction of Additional Public Market Building**

84 Client: LGU

85 Location: Poblacion, Ising, Carmen, Davao del Norte

86 Contract Amount: 24,118,775.77

87 Calendar Days: 210 Calendar Days

88 Date Started: 29 June 2020

89 Status: Work In-progress

90 b) **Construction of Slaughter House Category II**

91 Client: LGU

92 Location: Tuganay, Carmen, Davao del Norte

93 Contract Amount: 21,952,304.69

94 Calendar Days: 210 Calendar Days

95 Date Started: 29 June 2020

96 Status: Work In-progress

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

98 a) **Construction of New CEDU Building**

99 Client: USEP Tagum

100 Location: Tagum, Davao del Norte
101 Contract Amount: 2,805,133.22
102 Calendar Days: 210 Calendar Days
103 Date Started: 21 March 2019
104 Date of Completion: 23 June 2019
105

106 The contractors were said to have submitted all necessary documents regarding
107 the following:

- 108 a) Availability of key personnel (including licenses of respective
- 109 professionals);
- 110 b) Availability of equipment;
- 111 c) Audited financial statements (with Attached Report of Independent
- 112 Auditor); and
- 113 d) NFCC or credit line or cash deposit certificate (NFCC Computation).

114 In addition to this, it was discussed that the personnel in this project were also assigned
115 to I.T. Building (Phase 6) and their on-going projects which are currently at 57.09% and
116 46.78% accomplishment. Statement of Agreements and Projects with Messrs. Ronald
117 Torquia, Francis C. Bantique, Christian P. Gomez, Manuel Ursal, Rogelio Gallemasco,
118 Judybert Quita, Mses. Camila Jane Igloria, Lea Ann Donayre, and Welder were presented
119 stating that the aforementioned personnel will stay on the job site all the time to supervise
120 and manage the contract works.
121

122 The presenter added that the contractors were said to have submitted all necessary
123 documents regarding the following:

- 124 a) Bid Security;
- 125 b) Construction Schedule and S-Curve;
- 126 c) Manpower Schedule;
- 127 d) Construction Methods (duly signed Narrative of the Contractor's
- 128 Construction Methods);
- 129 e) Organizational Chart;
- 130 f) List of Contractor's Key Personnel (with corresponding proof of
- 131 qualification);
- 132 g) List of Contractor's Equipment (with corresponding proof of
- 133 ownership and/or lease);
- 134 h) Equipment Utilization Schedule;
- 135 i) Certificate of Site Inspection (duly signed affidavit of site inspection
- 136 as issued by PDD University Engineer, Engr. Florencio Chua);
- 137 j) Construction Safety Certification; and
- 138 k) Certification of Compliance with Labor Laws – certified by DOLE
- 139 (duly signed Omnibus Sworn Statement and "Certification as to
- 140 Compliance of Existing Labor Laws and Standards").

141 A response letter from the Municipality of Carmen was presented indicating that MAG
142 Corporation have complied all rules and regulations under Republic Act (R.A.) 9184, as
143 well as that the contractor has no negative slippage and no unsatisfactory performance.
144 The following documents were also presented with regards to the project on Renovation
145 of Nursery Building to become AFMTC (at USEP Tagum-Mabini Campus, Tagum Unit):

- 146 a) Statement of Time Elapsed and Work Accomplished;
- 147 b) Evaluation of Work Accomplishment;
- 148 c) Certificate of Final Completion; and
- 149 d) Final Completion Inspection Report.

150
151 **D. Comments and Suggestions:**
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153 After the presentation, the BAC Chair requested to review the response letter from
154 the Municipality of Carmen which was presented indicating that they have complied all
155 rules and regulations under R.A. 9184, as well as that the contractor has no negative
156 slippage and no unsatisfactory performance and asked Mr. Torrico if these are the
157 conditions required of the contractor. Mr. Torrico replied and confirmed that these kind
158 of certification or letter from the end user should be requested and/or provided by the
159 contractor especially if the inspection of the project has already been done. Mr. Torrico
160 emphasized that this was indeed stipulated under R.A. 9184.
161

162 The BAC Chair then asked if the response letter is already sufficient compared to
163 an official certificate from the End User, in this case, the Municipality of Carmen. Mr.
164 Torrico responded that, in his opinion, as long as the letter is verified to be from the
165 Municipality of Carmen, then there will be no issue regarding the matter.
166

167 The BAC Chair asked if the letter was officially signed by the responsible head
168 of office (given that the letter was cropped during the presentation), in which Mr. Europa
169 responded an affirmation to the question and said that it was signed by the Municipal
170 Engineer's Office of the Municipality of Carmen. Mr. Europa added that this was the
171 response on the email sent by the BAC to the Municipality of Carmen.
172

173 The BAC Chair proceeded in asking if these are the items mentioned by Mr.
174 Torrico from the Revised Implementing Rules and Regulations (RIRR). Mr. Europa
175 replied and confirmed this matter, however, he added that this will not sufficed the
176 requested document by Ms. Pagkaliwagan, as the scope of the letter only deliberates
177 completed projects of the contractor with the end user, and not the on-going projects.
178

179 The BAC Chair then stated that the BAC would require the contractor to present
180 a letter of explanation as to why their on-going projects were still at 57.09% and 46.78%
181 accomplishment, when it should atleast be on its 80% to 90% completion. Mr. Torrico
182 agreed with the statement of the BAC Chair given that there was already statement by
183 the end user regarding their satisfaction on the completed projects of the contractor,
184 however, the delays on the contractor's on-going projects should be elucidated by
185 providing necessary documents such as Request for Extension (since during the
186 pandemic, the workforce was forced to reduced from 100% to 50%) to explain the said
187 holdups. The BAC Chair proceeded in explaining to the end user that the BAC also
188 deliberated the I.T. Building infrastructure project and some concerns, such as the
189 required documents in accordance to the RIRR of R.A. 9184, mentioned during its
190 evaluation was also discussed for the SAEC Building infrastructure project given that the
191 same contractor was awarded as the lowest bidder for the two aforementioned projects.
192 The BAC Chair also reiterated that the personnel for the I.T. Building would be the same
193 personnel who would work on the SAEC Building.
194

195 Ms. Pagkaliwagan then requested the attention of the body to review the response
196 letter from the Municipality of Carmen, to confirm that the letter was actually referring
197 to the on-going projects of the contractor, in contrast to what was mentioned previously
198 that it was the completed projects of MAG Corporation. Ms. Pagkaliwagan added that
199 this response letter was in reference to the letter sent by the BAC to the Municipality of

200 Carmen, as they were the ones mentioned by the contractor as the end users of their on-
201 going projects, namely the Public Market Building and the Slaughter House. With this
202 confirmed, Ms. Pagkaliwagan emphasized to the body that the letter certifies the
203 Municipality of Carmen's satisfaction on MAG Corporation's on-going projects, and not
204 completed projects. Ms. Pagkaliwagan also added that there is no need to validate the
205 completed projects of a contractor, as stipulated in Section 34 of the RIRR of R.A. 9184.

206

207 With this, Ms. Pagkaliwagan asked for a clarification if the BAC would still
208 require the contractor the formerly mentioned requirements to explain the delays on their
209 on-going project. With this, the BAC Chair stated that the BAC, given this elucidation,
210 would only require the contractor their statement regarding the availability of their key
211 personnel for the two (2) projects, in which, they said that they would reconcile by
212 working on one project at a time.

213

214 Ms. Pagkaliwagan then requested for clarification since the received email of the
215 response letter from the Municipality of Carmen was not signed by the Municipal
216 Engineer's Office. This was clarified by Mr. Europa, in which he explained that indeed,
217 the first email sent by the Municipality of Carmen was not signed, however, after relaying
218 this matter to the responsible office, they sent another email with the letter attached
219 already signed by the Municipal Engineer's Office of the Municipality of Carmen. Mr.
220 Europa further explained that the reason why the first letter sent has a different signatory
221 compared to the second one, was because by the time that the BAC already needs the
222 letter to be signed, the responsible office inquired if it would be possible for the
223 Engineering Staff to sign it to represent the Municipal Engineer's Office, as the
224 Municipal Engineer himself/herself was not available at that time.

225

226 With this, the BAC Chair stated that the response letter from the Municipality of
227 Carmen may now suffice, however, the BAC would still require the contractor to provide
228 their statement regarding the availability of their key personnel for the two (2) projects.
229 Ms. Mina then shared her remarks that given the contractor was recognized to have the
230 Lowest Calculated Responsive Bid (LCRB) for the two (2) projects, the BAC would just
231 request the necessary requirements that have been mentioned during the I.T. Building
232 Evaluation for the SAEC Building project as well.

233

234 Mr. Europa asked, if ever MAG Corporation would be awarded as the official
235 contractor for both projects, given that they have the LCRB, would it be possible for them
236 to choose which project would the key personnel already presented be assigned, and the
237 other project would then hire a new set of key personnel to avoid conflicts in the future.
238 The BAC Chair confirmed that this is the response that the BAC would expect from the
239 contractor. The BAC Chair added the BAC should first wait on the said response before
240 proceeding to any decision regarding the projects presented.

241

242 Subsequently, Mr. Torrico stated his reluctance on the validity of the response
243 letter from the Municipal Engineer's Office of the Municipality of Carmen given that,
244 first, there is an existing document that shows that there is a definite slippage on the
245 contractors part, which is in contrast to what the response letter stated. Second, the letter
246 was just signed by a staff, and not the Municipal Engineer himself/herself. Mr. Torrico
247 added that, there is no definite basis, such as a Revised Schedule or Extension, for the
248 Municipality of Carmen's claim that the contractor indeed has no negative slippage. Mr.
249 Torrico emphasized that this contradictions should first be examined to make sure the

250 contractor's eligibility. With this, the BAC Chair stated that it is indeed right to require
251 the contractor the necessary documents that would resolve the said inconsistencies. Mr.
252 Torrico added that this procedure is for the proper documentation of the BAC which
253 would prove that MAG Corporation is duly eligible and has showed no irregularities to
254 be awarded as the official contractor.

255
256 The BAC Chair proceeded in asking the pleasure of the body regarding this
257 matter. In behalf of the body, Ms. Mina agreed to the terms and recommendations that
258 Mr. Torrico stated.

259
260 The BAC Chair finalized the decision of the body, that the BAC would attach the
261 response letter from the Municipality of Carmen as well as the document that states that
262 the on-going projects of the contractor were still at 57.09% and 46.78% accomplishment,
263 when it should atleast be on its 80% to 90% completion, and request the documents that
264 would reconcile the inconsistency of the aforementioned documents as well as the their
265 statement regarding the availability of their key personnel for the two (2) projects.

266
267 **E. Adjournment:**

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269 With no further clarifications from the attendees, instructions from the BAC, and
270 there being no other matters to be discussed, the meeting was adjourned at 4:00 pm in
271 the afternoon. It was moved by Ms. Mina and seconded by Engr. Torrico.

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275 Prepared by:

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279 **OLIVIA D. ESTREMOS**
280 **BAC Secretariat Head**

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283 Approved by:

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286
287 **EMILIA PACOY**
288 **BAC Chairman/Infra**

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