



# Philippine Economic Zone Authority

## BAC RESOLUTION NO. 2019-24FB

**WHEREAS**, the Bids and Awards Committee (BAC) posted an Invitation to Bid (ITB) for the **Security Services Requirement of PEZA (PEZA-HO-2019-04)** in the amount of PhP26,705,574.00 (ABC) through a competitive bidding pursuant to RA 9184.

**WHEREAS**, under Resolution No. 2019-06FB dated 23 May 2019, the BAC declared failure of bidding under Section 35 of RA 9184, specifically 35.1 (c) of the 2016 Implementing Rules and Regulations (IRR) as all the bids (of three bidders) were found non-responsive; Section 35 also provides that the contract shall be re-advertised and re-bid by observing the same process and setting the new periods according to the same rules followed during the first bidding;

**WHEREAS**, upon re-bidding, of the six (6) bidders who submitted their proposals, three (3) were disqualified for being non-responsive to the forms required in the bid documents, while Jantro Security Agency, Inc. (Jantro) was found to have the lowest calculated bid under BAC Resolution No. 2019-012, followed by NorthCom Security & Investigation Agency, Inc (NorthCom) and then Eliteblue Security Specialist, Inc. (EliteBlue). The post-qualification of Jantro showed that it used the old SSS Premium rate (the same rate used in the first bidding) which is no longer compliant (during the re-bidding) with the guidelines set by different government agencies considering that SSS Premium rate has been revised, while Northcom and Eliteblue used the *revised PADPAO rates* already indicating the new SSS Premium Rate;

**WHEREAS**, the Bid Documents provide, as additional requirements, in Section III. Bid Data Sheet (ITB Clause 13.1 (a) and b) that *“in the evaluation of the bids, the BAC shall strictly enforce the PADPAO rates for Amounts Due to the Guards and Amounts Due to the Government (as Annex E), and the submission of Add-Ons, if any (as Annex F)”*, respectively;

**WHEREAS**, although it appears that **Jantro** followed the Terms of Reference (TOR) set in the bid documents as required by the Procuring Entity under Annex E form which indicates that the bidder shall use the rate as of 22 November 2018 for NCR, 01 August for 2018 for Region XIII, and 20 August 2018 for CAR, awarding the contract to **Jantro** could subject PEZA to charges of possible violation of the labor standards and put the government on a disadvantageous position on the ground that non-compliance to the *revised PADPAO rates* would reduce the Total Amounts Due the Guards and the Amount Due the Government;

**WHEREAS**, the BAC consider the *revised PADPAO rates* as an intervening circumstance that created confusion as to the reckoning period to use in computing the bid price/offers so that bidders are no longer on equal footing and the BAC and the bidders are no longer on the same page; RA 9184 is based on the principle of fair play and transparency with the end in view that government procurement should always secure the best possible advantages to the public through open competition.

**WHEREAS**, the existence of the *revised PADPAO rates* should have been brought to the attention of the BAC by the bidders who already possess the information relative to the new

rate during the pre-bid conference on 09 July 2019, so that bid forms could have been amended accordingly through bid bulletin indicating already therein the words “revised rate based on SSS Memorandum Circular 2019-05 effective 01 April 2019. As it is the bidders’ responsibility to know the forms required, it is presumed that bidders know that the rates being required by the form Annex E has been superseded and it was incumbent upon them to properly inform the BAC;

**WHEREAS**, under Section 41(b), The Head of the Agency reserves the right to reject any and all Bids, declare a failure, or not award the contract for failure of the BAC to follow the prescribed bidding procedures, i.e., failure to properly prescribed “Annex E form”. In this instant case, clearly the PEZA process owner and the BAC failed to adopt the revised PADPAO rates in the bid documents during the rebidding. Thus, in order to preserve the integrity of the procurement process, the HoPE’s cancellation of this bidding is warranted and justified.

Further, to ensure that GPPB rules are followed, the BAC Secretariat sought advice from the GPPB which recommended the cancellation of the rebidding process under Section 41 of RA 9184;

**NOW, THEREFORE**, in view of the above premises, We, the Members of the Bids and Awards Committee, hereby **RESOLVE** as it is hereby **RESOLVED**, to **CANCEL** the rebidding process based on Section 41 (b) of RA 9184. As such, a mandatory review shall be conducted in order for the End-User (General Administrative Services Department) and the Technical Working Group to evaluate the Bid Documents and ensure that the required forms and TOR are updated and compliant with the existing guidelines set by concerned agencies, including the cost estimates and adjust the ABC, if necessary.

Bidders may retrieve their bidding documents and request for refund/reimbursement of payment of bid documents at our Finance Dept. from 8AM-5PM, Monday-Friday.

RESOLVED, at the PEZA Head Office, this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

  
**TERESO O. PANGA**  
Chairman

  
**ATTY. JESSICA P. PALISOC**  
Vice-Chairman

  
**ENGR. FLORIANO D. SARMIENTA**  
Member

  
**ALEX C. BARTOLOME**  
Member

  
**LUDWIG O. DAZA**  
Member

Approved:

  
**BGen CHARITO B. PLAZA MNSA, PhD**  
Director General/HoPE