

Republic of the Philippines
SENATE
Pasay City
BIDS AND AWARDS COMMITTEE (BAC)

CY 2011 ACCOMPLISHMENT REPORT

As mandated by Republic Act 9184 (Government Procurement Reform Act), the Senate Bids and Awards Committee (BAC) was reconstituted under Special Order No. 2011-002 (OSP) dated January 6, 2011.

In CY 2011, the Committee conducted competitive biddings for 27 projects. The corresponding BAC Resolutions were prepared and subsequently approved by the Office of the Senate President. Contracts were likewise prepared through the valuable assistance extended by the Office of the Senate Legal Counsel.

Also, through the valuable assistance of the Property and Procurement Service (PPS), 19 Purchase Orders and two (2) Job Orders were prepared and likewise approved.

Further, the Senate requested the Department of Budget and Management (DBM) for the approval of Multi-Year Obligational Authorities (MYOA) for procurement of some services primarily as cost-cutting measure and to expedite the bidding process. The MYOA as defined under DBM Circular No. 2010-9 dated December 30, 2010 is an authority issued by DBM to enable an agency to enter into a multi-year contract. The Senate was granted MYOA for eight (8) services and the appropriate notices to the bidders were subsequently issued.

I. ACCOMPLISHMENTS

In CY 2011, the BAC accomplished the following:

A. First Quarter- January to March 2011

Pursuant to approved BAC Resolution No. 001 - 004 of 2011, the BAC prioritized the conduct of competitive biddings for the required service contracts and other items listed below with the corresponding winning service providers:

SERVICE CONTRACTS	SERVICE PROVIDER/S
1. CY2011-2013 Subscription to Cable Television*	Sky Cable Corporation
2. CY2011-2013 Rental of Photocopying Machines*	U-BIX Corporation
PROJECTS	CONTRACTOR/ SUPPLIER
3. Female Senate Secretariat Uniform	Manila Embroidery Gold, Inc.
4. Male Senate Secretariat Uniform	Manila Embroidery Gold, Inc.

* 3- year contract through MYOA

B. Second Quarter- April to June 2011

The Committee completed the bidding for the following service contracts and projects which were subsequently approved by Senate President Juan Ponce Enrile:

SERVICE CONTRACTS	SERVICE PROVIDER/S
1. Supply and Delivery of Websense Web Filter with Security Filtering	Solutions Partner, Inc

2. Subscription to Local / International Newspapers and Magazines	JJJ Newspapers and Magazines
PROJECTS	CONTRACTOR/ SUPPLIER
3. Printing and Binding of the Journal of the Senate	Ernest Printing Corporation
4. Ink and Toner Cartridges for 2 nd Quarter Stock and Issue Supplies	ADECS International Corporation; Integrated Computer Systems, Inc.; Group 5 Audio Visual Systems Corporation; Precision Black Toner, Inc.; Solid Business Machines Center, Inc.
5. Printing and Binding of "Record of the Senate"	Ernest Printing Corporation

The committee declared a failure of bidding for the CY 2011 Subscription to Local / International Newspapers and Magazines for failure of the lone bidder, JJJ Newspapers and Magazines, to submit the required business tax return. A rebidding was conducted for the said undertaking. The lone bidder presented an opinion from the Bureau of Internal Revenue (BIR) indicating tax exemption of JJJ Newspapers and Magazines. The same was submitted in lieu of the required business tax return. The Committee accepted the BIR opinion after confirming its authenticity with the issuing agency (BIR).

C. Third Quarter- July to September 2011

The Committee conscientiously continued to pursue the conduct of competitive biddings for CY2012 service contracts and other items. These were advertised in the Philippine Daily Inquirer and the Government Electronic Procurement System (PhilGEPS) on various dates between May 19 to July 22, 2011. Same were posted at the Senate bulletin boards for the same period. The following projects were awarded and likewise approved by the head of Procuring Entity:

SERVICE CONTRACTS	SERVICE PROVIDER/S
1. Subscription to Local / International Newspapers and Magazines	JJJ Newspapers and Magazines; RV Crest International, Inc.
2. Subscription to Local / International Journal and Reviews	RV Crest International, Inc.
PROJECTS	CONTRACTOR/ SUPPLIER
3. Various Electrical Supplies	UP-Town Industrial Sales, Inc.; Arrow Electrical Supply
4. Supply of Roll-Up Blinds (Sunscreen) with installation	Distinctive Blinds and Office Systems, Inc.

It is worthy to note the significant steps taken by the BAC in fast-tracking the bidding of these requirements through:

1. Preparation of the Abstract of Bids for signature of members immediately after the opening of bids;
2. Signing of the Abstract of Bids immediately after the award;
3. Immediate preparation of BAC Resolutions for signature of members;
4. Close monitoring of BAC Resolutions from the time of preparation until its approval;
5. Close coordination with the Office of the Senate Legal Counsel for contract preparations; and
6. Close coordination with PPS on the preparation of Purchase Orders, Job Orders and documentation of delivered items

D. Fourth Quarter- October to December 2011

Senate President Juan Ponce Enrile approved the recommendation of the BAC to award the following service contracts and projects under competitive bidding:

CY2012 SERVICE CONTRACTS	SERVICE PROVIDER/S
1. CY 2012-2014 Supply of Shuttle Bus Service consisting of three (3) buses *	MG Pacific Trans Corporation
2. CY 2012-2014 Hauling and Disposal of Garbage Using a Compactor Type Garbage Truck with at least 10 cu. m. capacity *	L.E.G. Hauling Services Corporation
3. CY 2012-2014 Supply of Labor, Tools, Materials, Equipment and Supervision of Water Treatment Program for the three (3) Cooling towers *	ERA Integrated Corporation
4. CY 2012-2014 General Supervision and Provision of Technical Services, Labor, Tools and Equipment in the Preventive Maintenance of three (3) units 360 tonner York Chillers of the Senate *	ERA Integrated Corporation
5. CY 2012-2014 Supply of Labor, Materials, Equipment, Chemicals of Various Types and Other Concomitant items for the Total Quality Pest Control at the Senate *	Power House Pest Control Services
6. CY 2012-2014 Rental of Nine (9) Drinking Fountains*	Philippine Amusement Enterprises, Inc.
PROJECTS	CONTRACTOR/ SUPPLIER
7. Supply of Labor and Materials for the Repair of Chiller No. 1	ERA Integrated Corporation
8. Various Electrical Supplies	UP-Town Industrial Sales, Inc.; Innovalite Electrical Supply
9. Supply of Labor and Materials for the Proposed Renovation / Improvement of Audio, PABX and Telecom Section, General Services, Records and Mailing Management Services and the Office of the Sergeant-At-Arms	CHE-RISS Construction and Trading
10. Supply and Installation of New 100% Acrylic Cut Pile Carpet, 200 Quality with 3/8" Thick Rebounded foam underlay including accessories	SMJ Furnishings Philippines, Inc.
11. Supply of Materials for In-House Repair and Repainting Works of MPFS for 2011	UP-TOWN Industrial Sales, Inc.; Blim's General Merchandise Gravel and Sand
12. Supply of Audio System	Success Business Machines Corporation
13. Supply of Double Mast Aerial Platform	UP-TOWN Industrial Sales, Inc.;
14. Supply of Labor and Materials for the Repair of Basketball Court	Jakboa Builders

* 3-year contract through MYOA

Two (2) services were extended for CY 2012 per GPPB Resolution No. 23-2007 (Approving and Adopting the Revised Guidelines on the Extension of Contracts for General Support Services), namely:

1. Supply of fast moving items, spare parts and accessories
2. Provisions for Technical Services, Labor, Spareparts, Tools and Equipment in the maintenance and Repair of Senate Vehicle Aircon System

Due to the failure of bidding as a result of the absence of participating bidders and to prevent disruption of service, the BAC recommended that the following undertakings be

extended on a monthly basis for CY 2012 per GPPB Resolution No. 23-2007 (Approving and Adopting the Revised Guidelines on the Extension of Contracts for General Support Services), namely:

1. Supply of Gasoline and Diesel Fuel
2. Canteen Concession and Catering Services

The service contract for the Subscription on Internet Service was renewed for CY 2012 per GPPB Resolution No. 019-2006 (Guidelines on Procurement of Water, Electricity, Telecommunications and Internet Service Providers).

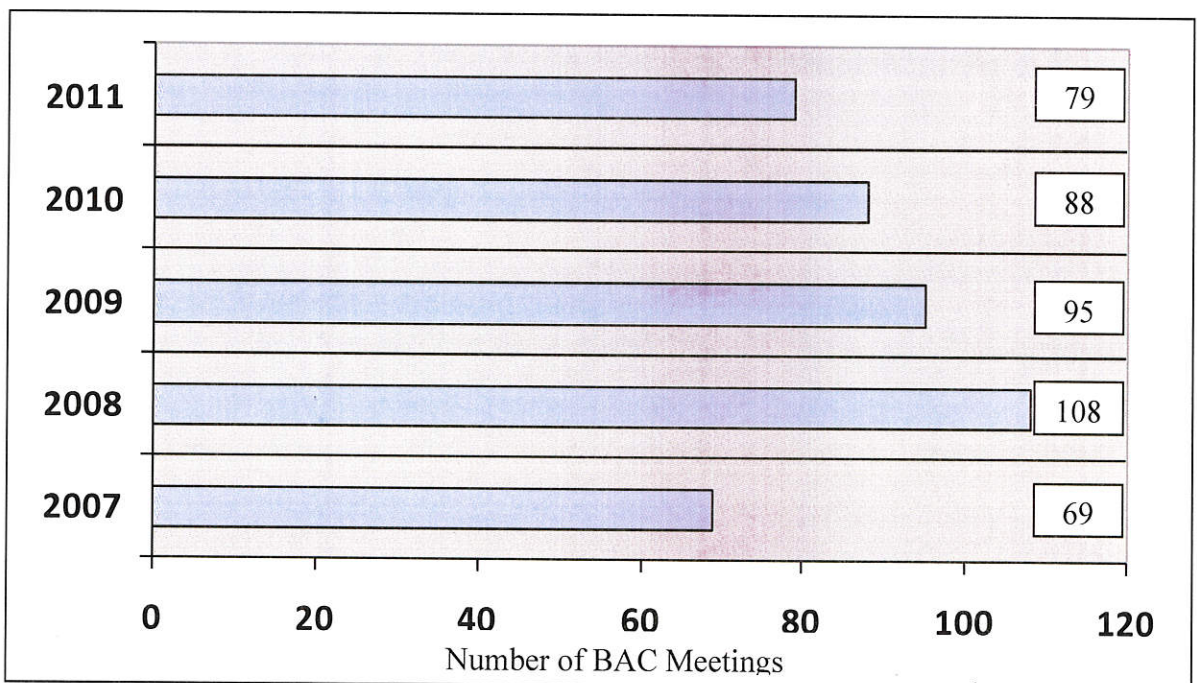
E. Recommendation for Alternative Mode of Procurement (AMP)

In 2011, the BAC acted on 166 various requests broken down as follows:

- 138 items were procured through “Shopping”
- 14 were purchased through negotiated procurement with Procurement Service-Department of Budget & Management (PS-DBM)
- Six (6) items procured through Direct Contracting
- Three (3) for Small Value Procurement
- Five (5) items which were originally proposed to be purchased through “Shopping” were reconsidered for competitive bidding

F. Meetings of the BAC

The BAC held a total of 79 meetings for CY2011 which was 10.22% or nine (9) meetings lower than 2010.



For various meetings held by the BAC in CY2011, records show that end-users and other interested parties attended the pre-procurement conferences and pre-bidding conferences wherein specifications and bidding procedures were discussed. The opening of bids were witnessed by concerned bidders and end-users.

G. Income of the BAC (2005- 2011)

Consistent with the provision under DBM Budget Circular No. 2007-3 dated November 29, 2007 re Amendments to Certain Provisions of Budget Circular (BC) No. 2004-5A RE: Guidelines on the Grant of Honoraria and Overtime Pay to Government Personnel Involved in Government Procurement, specifically item 3.1.1 which provides "proceeds from sale of bid documents..." as among the sources of the BAC from which to pay its expenses. It is worthy to note that for the period 2005 to 2011, the Senate through the Bids and Awards Committee generated a total of: Nine Hundred Twenty-Seven Thousand Seven Hundred Seventy-Nine Pesos and Thirty-Three Centavos (Php927,779.33) representing the sale of bid documents, protest fees and sale of Minutes of BAC Meeting. Said proceeds were remitted to the Bureau of Treasury by the Legislative Cash Management Service.

YEAR	BID DOCUMENTS	PROTEST FEES	MINUTES OF MEETING
2005	Php30,400.00		
2006	Php42,900.00		
2007	Php52,460.00		
2008	Php205,000.00		
2009	Php147,662.00		
2010	Php224,821.93	Php8,000.00	Php30.00
2011	Php186,505.40	Php30,000.00	
Sub-total	Php889,749.33	Php38,000.00	Php30.00
Grand Total - - - - -			Php927,779.33

II. CHALLENGES

A. Low number of participating bidders / no interested bidder

Despite advertisements in the newspaper, posting at the PhilGEPS, Senate bulletin boards, Senate website and faxed invitations made by the BAC Secretariat to prospective bidders, the low number of interested bidders joining the competitive biddings remained to be a challenge. On the basis of verbal feedback received from the bidders, their non-participation were due to the following:

- a) Bidders find the budget allocated for service contract/s unattractive
- b) High cost of preparing documentary requirements required under R.A. 9184
- c) More stringent requirements imposed by surety companies in application for bidder's security
- d) Prevailing economic condition affecting business which leads to suppliers preferring cash transactions
- e) Specifications / Scope of Work / Terms of Reference and item specifications are vague or incomplete
- f) Items under Purchase Request have limited stocks or are already phased out

B. Submission of insufficient bid documents

Notwithstanding the constant reminders of the Committee to the bidders for thorough review of their proposals, and after explaining to them the importance of complete submission of bid documents, the BAC continue to note insufficient preparation of bid documents. Particular to such are the income and business tax return and tax clearance as in the case of the CY2011 Subscription to Local and International Newspaper and Magazines, Printing and Binding of Journals of the Senate, CY2011 Canteen Concession and Catering Services, and Supply of Audio System.

C. Causes affecting delay in the award of contract or failure of bidding

Factors that caused the delay in the award of a service contract or failure in bidding include:

1. Item/s requested are no longer available in the market
2. Motion/s for Reconsideration filed by disqualified bidder/s
3. Disqualification of bidders who submitted insufficient documentary requirements
4. Incomplete/ inaccurate specifications
5. Late submission of Performance Securities

III. ACTIONS TAKEN BY THE BAC

To address the aforementioned challenges, the Committee continues to open all possible channels of communication with the bidders and end-users to assist them in their queries regarding R.A. 9184, its Implementing Rules and Regulations (IRR). To enhance transparency, the number of invited observers were increased from two (2) to five (5)*.

Also, the list of documentary requirements and the Instruction to Bidders for Goods and Infrastructure covering the regular biddings and negotiated procurements were frequently reviewed and simplified for easy comprehension of bidders.

During the pre-procurement conferences, the committee members reviewed the specifications, scope of works and plans viz a viz the approved budget for the contract (ABC). They also inquired if market researches were made by the end-users specifically on the availability of items requested, specifications and cost estimates. The BAC further determined the mode of procurement for the requested item/s and adopted a procurement schedule for the same.

The Committee gave suggestions to end-users to consider entering into multi-year contract for the service requirements of the Senate if allowed by existing rules.

For the purpose of attracting more participants to join the biddings, the BAC through its Secretariat sent invitations to prospective bidders through fax, emails, and phone calls. These are in addition to the newspaper advertisements, postings at the Philippine Government Electronic Procurement System (PhilGEPS), the Senate bulletin boards and the Senate website.

During pre-bidding conferences, the BAC took the opportunity to explain to the bidders the bidding process and requirements of the procurement law in both English and Filipino. Bid bulletins were sent to the bidders through fax for clarification of specifications/ queries/ other issues presented during the said meetings. The committee always reminded the bidders regarding the timely submission of their bids, review their documents before they submit them to the BAC, and post the required bid securities. The Committee encouraged the bidders to send responsible representatives who are familiar with the technical and legal aspects of the procurement process.

Consistent with the BAC policy on timely submission of bids, the Committee accepted bids only at the time as advertised.

*The following organizations regularly receive Invitations to BAC meetings as Observers- 1) Philippine Chamber of Commerce & Industry; 2) Transparency & Accountability Network; 3) Procurement Watch, Inc.; 4) Makati Business Club; and 5) Catholic Bishops' Conference of the Philippines- LAIKO

IV. BAC COMPOSITION

Pursuant to Sec. 11 of R.A. 9184 and Special Order No. 2011-002 (OSP) dated January 6, 2011, the BAC is composed of the following:

Chairman	:	Atty. Arnel Jose S. Bañas, Deputy Secretary, AFS
Vice-Chair	:	Dir.-Gen. Yolanda D. Doblón, LBRMO
Members	:	Atty. Andrew L. Arrieta, Executive Director, AFS Atty. Renato N. Bantug, Executive Director, Legislation Atty. Valentina S. Cruz, Senate Legal Counsel Dir. Diana Lynn Le-Cruz, Executive Director, EAR Col. Rasmia Aida V. Saber, Assistant Sergeant-At-Arms

Submitted by:


ROSARIO MARINA DE CASTRO
Head, BAC Secretariat

NOTED:


ATTY. ARNEL JOSE S. BAÑAS
Chairman, Bids and Awards Committee