

**SECTION 00200  
INSTRUCTIONS TO BIDDERS**

PROJECT : DESIGN AND BUILD - NATIONAL INSTITUTES OF HEALTH BUILDING

LOCATION : UP Manila Campus, Manila  
625 Pedro Gil St., Ermita, Manila

OWNER : UNIVERSITY OF THE PHILIPPINES

TO : \_\_\_\_\_ DATE : \_\_\_\_\_

**A. GENERAL**

**1.0 SCOPE OF BID**

- 1.1 The University of the Philippines through the Special Bids and Awards Committee – NIH Building Project invites bids for the design and construction of Works, as described in Drawings and Specifications.
- 1.2 The name of the contract is **DESIGN AND BUILD of the NATIONAL INSTITUTES OF HEALTH BUILDING.**
- 1.3 The Approved Period for the design and construction is Nine Hundred and Ten (910) calendar days starting seven (7) calendar days from the receipt by the Contractor of the Notice to Proceed.

**2.0 SOURCE OF FUNDS: FY2013 GAA (R.A. 10352)**

**3.0 CORRUPT, FRAUDULENT, COLLUSIVE, AND COERCIVE PRACTICES**

- 3.1 The Procuring Entity, as well as bidders and contractors, shall observe the highest standard of ethics during the procurement and execution of the contract. In pursuance of this policy, the Funding Source:
- (a) defines, for purposes of this provision, the terms set forth below as follows:
- (i) **"corrupt practice"** means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves, others, or induce others to do so, by misusing the position in which they are placed, and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; entering, on behalf of the Procuring Entity, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby, and similar acts as provided in Republic Act 3019;
  - (ii) **"fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring Entity, and includes collusive practices among Bidders (prior to or after Bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Procuring Entity of the benefits of free and open competition;
  - (iii) **"collusive practices"** means a scheme or arrangement between two or more bidders, with or without the knowledge of the Procuring Entity, designed to establish bid prices at artificial, non-competitive levels; and

Read and accepted as part of the Contract:

\_\_\_\_\_  
Bidder/Contractor

- (iv) **“coercive practices”** means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the execution of a contract;
  - (b) will reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the Contract; and
  - (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded Contract funded by the Funding Source if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing or, or in executing, a Contract funded by the Funding Source.
- 3.2 Further, the Procuring Entity will seek to impose the maximum civil, administrative, and/or criminal penalties available under the applicable laws on individuals and organizations deemed to be involved in any of the practices mentioned in **ITB Clause (a)**.
- 3.3 Furthermore, the Funding Source and the Procuring Entity themselves, or through the independent auditors, reserve the right to inspect and audit records and accounts of a contractor in the bidding for and performance of a contract as reflected in the General Conditions of Contract (**GCC**) **Clause 34**.

#### **4.0 CONFLICT OF INTEREST**

- 4.1 All bidders found to have conflicting interests shall be disqualified to participate in the procurement at hand, without prejudice to the imposition of appropriate administrative, civil, and criminal sanctions. A Bidder may be considered to have conflicting interests with another Bidder in any of the events described in paragraphs (a) through (c) and a general conflict of interest in any of the circumstances set out in paragraphs (d) through (g) below:
  - (a) A Bidder has controlling shareholders in common with another Bidder;
  - (b) A Bidder receives or has received any direct or indirect subsidy from any other Bidder;
  - (c) A Bidder has the same legal representative as that of another Bidder for purposes of this Bid;
  - (d) A Bidder has a relationship, directly or through third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder or influence the decisions of the Procuring Entity regarding this bidding process. This will include a firm or an organization who lends, or temporarily seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project if the personnel would be involved in any capacity on the same project;
  - (e) A Bidder submits more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid;
  - (f) A Bidder who participated as a consultant in the preparation of the design or technical specifications of the goods and related services that are the subject of the bid; or
  - (g) A Bidder who lends, or temporary seconds, its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

4.2 In accordance with Section 47 of the IRR of RA 9184, all Bidding Documents shall be accompanied by a sworn affidavit of the Bidder that it is not related to the Head of the Procuring Entity, members of the Special Bids and Awards Committee (SBAC), members of the Technical Working Group (TWG), members of the SBAC Secretariat, or the end-user unit head, and the project consultants, by consanguinity or affinity up to the third civil degree. On the part of the bidder, this Clause shall apply to the following persons:

- (a) If the Bidder is an individual or a sole proprietorship, to the Bidder himself;
- (b) If the Bidder is a partnership, to all its officers and members;
- (c) If the Bidder is a corporation, to all its officers, directors, and controlling stockholders; and
- (d) If the Bidder is a joint venture (JV), the provisions of items (a), (b), or (c) of this Clause shall correspondingly apply to each of the members of the said JV, as may be appropriate.

Relationship of the nature described above or failure to comply with this Clause will result in the automatic disqualification of a Bidder.

## **5.0 ELIGIBLE BIDDERS**

5.1 Unless otherwise indicated in the **BDS**, the following persons shall be eligible to participate in this Bidding:

- (a) Duly licensed Filipino citizens/sole proprietorships;
- (b) Partnerships duly organized under the laws of the Philippines and of which at least seventy five percent (75%) of the interest belongs to citizens of the Philippines;
- (c) Corporations duly organized under the laws of the Philippines, and of which at least seventy five percent (75%) of the outstanding capital stock belongs to citizens of the Philippines;
- (d) Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines; and
- (e) Persons/entities forming themselves into a JV, i.e., a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that, in accordance with Letter of Instructions No. 630, Filipino ownership or interest of the joint venture concerned shall be at least sixty percent (60%): Provided, further, that joint ventures in which Filipino ownership or interest is less than sixty percent (60%) may be eligible where the structures to be built require the application of techniques and/or technologies which are not adequately possessed by a person/entity meeting the sixty percent (60%) Filipino ownership requirement: Provided, finally, that in the latter case, Filipino ownership or interest shall not be less than twenty five percent (25%). For this purpose Filipino ownership or interest shall be based on the contributions of each of the members of the joint venture as specified in their JVA.

5.2 Government Corporate Entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the GOP or the Procuring Entity.

5.3 Unless otherwise provided in the **BDS**, the Bidder must have completed at least one contract within the past five years, similar to the Project, the value of which, adjusted to current prices

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

using the National Statistics Office consumer price index, must be at least equivalent to at least 50% of ABC of the project to be bid.

- 5.4 Unless otherwise provided in the **BDS**, the Bidder must submit a computation of its Net Financial Contracting Capacity (NFCC) using the following formula:

NFCC = [(Current assets minus current liabilities) (K)] minus the value of all outstanding or uncompleted portions of the projects under on-going contracts, including awarded contracts yet to be started coinciding with the contract for this Project.

Where:

K = 10 for a contract duration of one year or less, 15 for a contract duration of more than one year up to two years, and 20 for a contract duration of more than two years.

The NFCC must be at least equal to the ABC to be bid.

If NFCC is not sufficient, a commitment from a Universal or Commercial bank to extend a credit line in its favor if awarded the contract for this project Credit Line Certificate (CLC) shall be submitted.

The CLC must be at least equal to ten percent (10%) of the ABC for this Project. If issued by a foreign bank, it shall be confirmed or authenticated by a Universal or Commercial Bank.

## **6.0 BIDDER'S RESPONSIBILITIES**

- 6.1 The Bidder or its duly authorized representative shall submit a sworn statement in the form prescribed in Section 00420. Omnibus Sworn Statement as required in ITB Clause 7.1 (b)(iii).

- 6.2 The Bidder is responsible for the following:

- (a) Having taken steps to carefully examine all of the Bidding Documents;
- (b) Having acknowledged all conditions, local or otherwise, affecting the implementation of the contract;
- (c) Having made an estimate of the facilities available and needed for the contract to be bid, if any; and
- (d) Having complied with its responsibility to inquire or secure Supplemental/Bid Bulletin/s.
- (e) Ensuring that it is not "blacklisted" or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the GPPB;
- (f) Ensuring that each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct;
- (g) Authorizing the Head of the Procuring Entity or its duly authorized representative/s to verify all the documents submitted;
- (h) Ensuring that the signatory is the duly authorized representative of the Bidder, and granted full power and authority to do, execute and perform any and all acts

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

necessary and/or to represent the Bidder in the bidding, with the duly notarized Secretary's Certificate attesting to such fact, if the Bidder is a corporation, partnership, cooperative, or joint venture;

- (i) Complying with the disclosure provision under Section 47 of the Act in relation to other provisions of Republic Act 3019; and
- (j) Complying with existing labor laws and standards, if applicable.

Failure to observe any of the above responsibilities shall be at the risk of the Bidder concerned.

- 6.3 The Bidder, by the act of submitting its bid, shall be deemed to have inspected the site and determined the general characteristics of the contract works and the conditions for this Project. Unless otherwise indicated in the **BDS**, failure to furnish all information or documentation required in this Bidding Documents shall result in the rejection of the bid and the disqualification of the Bidder.
- 6.4 It shall be the sole responsibility of the prospective bidder to determine and to satisfy itself by such means as it considers necessary or desirable as to all matters pertaining to this Project, including: (a) the location and the nature of the contract, project, or work; (b) climatic conditions; (c) transportation facilities; (c) nature and condition of the terrain, geological conditions at the site communication facilities, requirements, location and availability of construction aggregates and other materials, labor, water, electric power and access roads; and (d) other factors that may affect the cost, duration and execution or implementation of the contract, project, or work.
- 6.5 The Procuring Entity shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the procuring entity.
- 6.6 Before submitting their bids, the Bidders are deemed to have become familiar with all existing laws, decrees, ordinances, acts and regulations of the Philippines which may affect the contract in any way.
- 6.7 The Bidder shall bear all costs associated with the preparation and submission of his bid, and the Procuring Entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 6.8 Bidders should note that the Procuring Entity will only accept bids only from those that have paid the nonrefundable fee for the Bidding Documents at the office indicated in the Invitation to Bid.

## **B. PREPARATION OF BIDS**

### **7.0 DOCUMENTS COMPRISING THE BID: ELIGIBILITY AND TECHNICAL COMPONENTS**

- 7.1 Unless otherwise indicated in the BDS, the first envelope shall contain the following eligibility and technical documents:
  - (a) Eligibility Documents –  
  
Class "A" Documents:
    - (i) Registration certificate from the Securities and Exchange Commission (SEC) for corporations, Department of Trade and Industry (DTI) for sole

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

proprietorship, or Cooperative Development Authority (CDA) for cooperatives, or any proof of such registration as stated in the **BDS**;

- (ii) Mayor's permit issued by the city or municipality where the principal place of business of the prospective bidder is located;
- (iii) Relevant Experience (Annex 3):  
Statement of all its ongoing and completed government and private contracts within five (5) years from the submission of bids, unless otherwise stated in the **BDS**, including contracts awarded but not yet started, if any. The statement shall include, for each contract, the following:
  - (iii.1) name and location of the contract;
  - (iii.2) date of the contract;
  - (iii.3) contract duration;
  - (iii.4) owner's name and address;
  - (iii.5) nature of work;
  - (iii.6) project size (area in sq.m.); number of stories
  - (iii.7) contractor's role (whether sole contractor, subcontractor, or partner in a JV) and percentage of participation;
  - (iii.8) total contract value at award;
  - (iii.9) date of completion or estimated completion time;
  - (iii.10) total contract value at completion, if applicable;
  - (iii.11) percentages of planned and actual accomplishments, if applicable;
  - (iii.12) value of outstanding works, if applicable;
  - (iii.13) the statement shall be supported by the notices of award and/or notices to proceed issued by the owners; and
  - (iii.14) the statement shall be supported by the Constructors Performance Evaluation System (CPES) rating sheets, and/or certificates of completion and owner's acceptance, if applicable;
- (iv) Unless otherwise provided in the **BDS**, valid Philippine Contractors Accreditation Board (PCAB) license and registration for the type and cost of the contract for this Project;
- (v) Audited financial statements, showing, among others, the prospective total and current assets and liabilities, stamped "received" by the BIR or its duly authorized and accredited institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission;
- (vi) NFCC computation/CLC.

Class "B" Document:

- (vii) If applicable, valid Joint Venture Agreement (JVA) or, in lieu thereof, duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful shall be included in the bid.
- (b) Technical Documents –
- (i) The Bidder may opt to submit the bid security in the form of:
    - (i.1) Cash, Manager's Check or Cashier's Check issued by a reputable commercial or universal bank; or
    - (i.2) Bank draft/guarantee or an irrevocable letter of credit issued by a foreign bank, it shall be accompanied by a confirmation from a Universal or Commercial Bank; or

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

- (ii) Project Requirements, which shall include the following:
  - (ii.1) Duly signed Contract Organizational Chart for the contract to be bid (One for Design and one for Construction);
  - (ii.2) Duly signed List of Contractor's Key Personnel: For Design (viz, Architects, Landscape Architect, Interior Architect, All Design Engineers and Associates); For Construction (viz, Project Manager, Project Engineers, Materials Engineers, Superintendent, Site Health and Safety Manager/ Trainer and Foremen), to be assigned to the contract to be bid, with their complete qualification and experience data;
  - (ii.3) Duly signed List of Contractor's Equipment Pledged to the Contract (owned, leased and/or under purchase agreement/s) supported by certification of availability of equipment from the equipment lessor/vendor for the duration of the project; and
- (iii) Sworn Statement in accordance with Section 25.2(b)(iv) of the IRR of RA 9184 and using the form prescribed in Section 00420.

## **8.0 SUBCONTRACTS**

- 8.1 Unless otherwise specified in the **BDS**, the Bidder may subcontract portions of the Works to an extent as may be approved by the Procuring Entity and stated in the **BDS**.
- 8.2 However, subcontracting of any portion shall not relieve the Bidder from any liability or obligation that may arise from the contract for this Project.
- 8.3 Subcontractors must submit the documentary requirements and comply with the eligibility criteria specified in the **BDS**. In the event that any subcontractor is found by the Procuring Entity to be ineligible, the subcontracting of such portion of the Works shall be disallowed.
- 8.4 The Bidder may identify the subcontractor to whom a portion of the Works will be subcontracted at any stage of the bidding process or during contract implementation. If the Bidder opts to disclose the name of the subcontractor during bid submission, the Bidder shall include the required documents as part of the technical component of its bid.

## **9.0 DOCUMENTS COMPRISING THE BID: FINANCIAL COMPONENTS**

- 9.1 Unless otherwise stated in the **BDS**, the financial component of the bid shall contain the following:
  - (a) Duly signed Financial Bid Form in accordance with the form prescribed in Section 00400. Bid Proposal Form; and
  - (b) Any other document required in the **BDS**.
- 9.2 Unless indicated in the **BDS**, all Bids that exceed the ABC shall not be accepted.

## **10.0 CLARIFICATION AND AMENDMENT OF BIDDING DOCUMENTS**

- 10.1 Bidders who have purchased the Bidding Documents may request for clarification(s) on any part of the Bidding Documents or for an interpretation. Such a request must be in writing and submitted to the Procuring Entity at the address indicated in the **BDS** at least ten (10) calendar days before the deadline set for the submission and receipt of Bids.

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

- 10.2 Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Bidding Documents not later than seven (7) calendar days before the deadline for the submission and receipt of Bids. Any modification to the Bidding Documents shall be identified as an amendment.
- 10.3 Any Supplemental/Bid Bulletin issued by the BAC shall also be posted on the Philippine Government Electronic Procurement System (PhilGEPS) and the website of the Procuring Entity concerned, if available. It shall be the responsibility of all Bidders who secure the Bidding Documents to inquire and secure Supplemental/Bid Bulletins that may be issued by the BAC. However, bidders who have submitted bids before the issuance of the Supplemental/Bid Bulletin must be informed and allowed to modify or withdraw their bids in accordance with ITB Clause 20.0.

#### **11.0 PRE-BID CONFERENCE**

- 11.1 To clarify and address the Bidders' questions on the technical and financial components of this Project, the Prebid conference shall be held on **7 November 2013 at 1:00 P.M. at the 8/F Board Room, PGH Central Block, UP-PGH Compound, Taft Avenue, Manila.**
- 11.2 Bidders are encouraged to attend the pre-bid conference to ensure that they fully understand the Procuring Entity's requirements. Non-attendance of the Bidder will in no way prejudice its bid; however, the Bidder is expected to know the changes and/or amendments to the Bidding Documents discussed during the pre-bid conference.
- 11.3 Any statement made at the pre-bid conference shall not modify the terms of the bidding documents unless such statement is specifically identified in writing as an amendment thereto and issued as a Supplemental/Bid Bulletin.

#### **12.0 BID PRICES**

- 12.1 The contract shall be for the whole Works, as described in **ITB Clause 0** based on the priced Bill of Quantities submitted by the Bidder.
- 12.2 The Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Bids not addressing or providing all of the required items in the Bidding Documents including, where applicable, bill of quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Government.
- 12.3 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, prior to the deadline for submission of bids, shall be included in the rates, prices, and total bid price submitted by the Bidder.
- 12.4 Unless otherwise provided in the **BDS**, all bid prices for the given scope of work in the contract as awarded shall be considered as fixed prices, and therefore not subject to price escalation during contract implementation, except under extraordinary circumstances as indicated in the **BDS** and specified in **GCC Clause 48** and its corresponding **SCC** provision.

#### **13.0 BID CURRENCIES**

---

Read and accepted as part of the Contract:

---

Bidder/Contractor



- 13.1 All bid prices shall be quoted in Philippine Pesos unless otherwise provided in the **BDS**. However, for purposes of bid evaluation, bids denominated in foreign currencies shall be converted to Philippine currency based on the exchange rate prevailing on the day of the Bid opening.
- 13.2 If so allowed in accordance with **ITB Clause 13.1**, the Procuring Entity for purposes of bid evaluation and comparing the bid prices will convert the amounts in various currencies in which the bid price is expressed to Philippine Pesos at the exchange rate as published in the BSP reference rate bulletin on the day of the bid opening.
- 13.3 Unless otherwise specified in the **BDS**, payment of the contract price shall be made in Philippine Pesos.

#### **14.0 BID VALIDITY**

- 14.1 Bids shall remain valid for the period specified in the **BDS** which shall not exceed one hundred twenty (120) calendar days from the date of the opening of bids.
- 14.2 In exceptional circumstances, prior to the expiration of the bid validity period, the Procuring Entity may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. The bid security should also be extended corresponding to the extension of the bid validity period at the least. A Bidder may refuse the request without forfeiting its bid security, but his bid shall no longer be considered for further evaluation and award. A Bidder granting the request shall not be required or permitted to modify its bid.

#### **15.0 BID SECURITY**

- 15.1 The bid security, issued in favor of the Procuring Entity, in the amount stated in the **BDS** shall be equal to the percentage of the ABC in accordance with the following schedule:

Form of Bid Security		Amount of Bid Security (Equal to Percentage of the ABC)
(a)	Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
(b)	Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	

- 15.2 The bid security should be valid for the period of 120 calendar days from date of opening of bids. Any bid not accompanied by an acceptable bid security shall be declared non-responsive and shall be rejected by the Procuring Entity.
- 15.3 No bid securities shall be returned to bidders after the opening of bids and before contract signing, except to those that failed or declared as post-disqualified, upon submission of a written waiver of their right to file a motion for reconsideration and/or protest. Without prejudice on its forfeiture, Bid Securities shall be returned only after the bidder with the Lowest Calculated Responsive Bid has signed the contract and furnished the Performance Security, but in no case later than the expiration of the Bid Security validity period.
- 15.4 The bid security may be forfeited:

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

- (a) if a Bidder:
  - (i) withdraws its bid during the period of bid validity
  - (ii) does not accept the correction of errors
  - (iii) fails to submit the requirements within the prescribed period, or a finding against their veracity, or any other reason stated in the **BDS**.
- (b) if the successful Bidder:
  - (i) fails to sign the contract
  - (ii) fails to furnish performance security
  - (iii) any other reason stated in the **BDS**

#### **16.0 FORMAT AND SIGNING OF BIDS**

- 16.1 Bidders shall submit their bids through their duly authorized representative using the appropriate forms provided in Section 00400. Bid Proposal Form on or before **28 November 2013**, in two (2) separate sealed bid envelopes, and which shall be submitted simultaneously. The first shall contain the technical component of the bid, including the eligibility requirements and the second shall contain the financial component of the bid.
- 16.2 Forms must be completed without any alterations to their format, and no substitute form shall be accepted. All blank spaces shall be filled in with the information requested.
- 16.3 The Bidder shall prepare an original of the first and second envelopes. In addition, the Bidder shall submit copies of the first and second envelopes. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 16.4 The bid, except for un-amended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the Bidder.
- 16.5 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the Bidder.

#### **17.0 SEALING AND MARKING OF BIDS**

- 17.1 Unless otherwise indicated in the **BDS**, Bidders shall enclose their original eligibility and technical documents in one sealed envelope marked "ORIGINAL - TECHNICAL COMPONENT", and the original of their financial component in another sealed envelope marked "ORIGINAL - FINANCIAL COMPONENT", sealing them all in an outer envelope marked "ORIGINAL BID".
- 17.2 Each copy of the first and second envelopes shall be similarly sealed duly marking the inner envelopes as "COPY NO. \_\_\_\_ - TECHNICAL COMPONENT" and "COPY NO. \_\_\_\_ - FINANCIAL COMPONENT" and the outer envelope as "COPY NO. \_\_\_\_", respectively. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 17.3 The original and the number of copies of the Bid as indicated in the **BDS** shall be typed or written in indelible ink and shall be signed by the bidder or its duly authorized representative/s.
- 17.4 All envelopes shall:
  - (a) contain the name of the contract to be bid in capital letters;
  - (b) bear the name and address of the Bidder in capital letters;
  - (c) be addressed to the Procuring Entity's BAC;

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

- (d) bear the specific identification of this bidding process indicated in the Invitation to Bid; and
- (e) bear a warning "DO NOT OPEN BEFORE..." the date and time for the opening of bids, in accordance with ITB Clause 0.

17.5 If bids are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the bid.

## **C. SUBMISSION AND OPENING OF BIDS**

### **18.0 DEADLINE FOR SUBMISSION OF BIDS**

Bids must be received by the Procuring Entity's BAC at UP MANILA **INTERNAL AUDIT OFFICE**, 8/F Central Block Building, UP-PGH Compound, Taft Avenue, Manila **on or before 12:00 NOON, 28 November 2013.**

### **19.0 LATE BIDS**

Any bid submitted after the deadline for submission and receipt of bids prescribed by the Procuring Entity, pursuant to ITB Clause 0, shall be declared "Late" and shall not be accepted by the Procuring Entity.

### **20.0 MODIFICATION AND WITHDRAWAL OF BIDS**

- 20.1 The Bidder may modify its bid after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids. The Bidder shall not be allowed to retrieve its original bid, but shall be allowed to submit another bid equally sealed, properly identified, linked to its original bid marked as "TECHNICAL MODIFICATION" or "FINANCIAL MODIFICATION" and stamped "received" by the BAC. Bid modifications received after the applicable deadline shall not be considered and shall be returned to the Bidder unopened.
- 20.2 A Bidder may, through a letter of withdrawal, withdraw its bid after it has been submitted, for valid and justifiable reason; provided that the letter of withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of bids.
- 20.3 Bids requested to be withdrawn in accordance with ITB Clause 20.1 shall be returned unopened to the Bidders. A Bidder may also express its intention not to participate in the bidding through a letter which should reach and be stamped by the BAC before the deadline for submission and receipt of bids. A Bidder that withdraws its bid shall not be permitted to submit another bid, directly or indirectly, for the same contract.
- 20.4 No bid may be modified after the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Financial Bid Form. Withdrawal of a bid during this interval shall result in the forfeiture of the Bidder's bid security, pursuant to ITB Clause 15.4, and the imposition of administrative, civil, and criminal sanctions as prescribed by RA 9184 and its IRR.

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

**21.0 OPENING AND PRELIMINARY EXAMINATION OF BIDS**

- 21.1 The BAC shall open the first bid envelopes of Bidders in public at **1:00 P.M., 28 November 2013** at the UP MANILA SOCIAL HALL, 8/F Central Block Building, UP PGH-Compound, Taft Avenue, Manila, to determine each Bidder's compliance with the documents prescribed in **ITB Clause 7.0**. For this purpose, the BAC shall check the submitted documents of each bidder against a checklist of required documents to ascertain if they are all present, using a non-discretionary "pass/fail" criterion. If a bidder submits the required document, it shall be rated "passed" for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as "failed". Otherwise, the SBAC shall rate the said first bid envelope as "passed".
- 21.2 Immediately after determining compliance with the requirements in the first envelope, the BAC shall forthwith open the second bid envelope of each remaining eligible bidder whose first bid envelope was rated "passed". The second envelope of each complying bidder shall be opened within the same day. In case one or more of the requirements in the second envelope of a particular bid is missing, incomplete or patently insufficient, and/or if the submitted total bid price exceeds the ABC, the BAC shall rate the bid concerned as "failed". Only bids that are determined to contain all the bid requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.
- 21.3 Letters of withdrawal shall be read out and recorded during bid opening, and the envelope containing the corresponding withdrawn bid shall be returned to the Bidder unopened. If the withdrawing Bidder's representative is in attendance, the original bid and all copies thereof shall be returned to the representative during the bid opening. If the representative is not in attendance, the Bid shall be returned unopened by registered mail. The Bidder may withdraw its bid prior to the deadline for the submission and receipt of bids, provided that the corresponding letter of withdrawal contains a valid authorization requesting for such withdrawal, subject to appropriate administrative sanctions.
- 21.4 If a Bidder has previously secured a certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class "A" Documents, the said certification may be submitted in lieu of the requirements.
- 21.5 Each partner of a joint venture agreement shall likewise submit the required documents.
- 21.6 A Bidder determined as "failed" has three (3) calendar days upon written notice or, if present at the time of bid opening, upon verbal notification within which to file a request for reconsideration with the BAC: Provided, however, that the request for reconsideration shall not be granted if it is established that the finding of failure is due to the fault of the Bidder concerned: Provided, further, that the BAC shall decide on the request for reconsideration within seven (7) calendar days from receipt thereof. If a failed Bidder signifies his intent to file a request for reconsideration, the BAC shall keep the bid envelopes of the said failed Bidder unopened and/or duly sealed until such time that the request for reconsideration or protest has been resolved.

**D. EVALUATION OF BIDS**

**22.0 PROCESS TO BE CONFIDENTIAL**

- 22.1 Members of the SBAC, including its staff and personnel, as well as its Secretariat and TWG, are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their bids until the issuance of the Notice of Award, unless otherwise allowed in the **BDS** or in the case of **ITB Clause 0**.

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

- 22.2 Any effort by a bidder to influence the Procuring Entity in the Procuring Entity's decision in respect of bid evaluation, bid comparison or contract award will result in the rejection of the Bidder's Bid.

### **23.0 CLARIFICATION OF BIDS**

To assist in the evaluation, comparison and post-qualification of the bids, the Procuring Entity may ask in writing any Bidder for a clarification of its bid. All responses to requests for clarification shall be in writing. Any clarification submitted by a Bidder in respect to its bid and that is not in response to a request by the Procuring Entity shall not be considered.

### **24.0 DETAILED EVALUATION AND COMPARISON OF BIDS**

First-Step Procedure:

The first step of the evaluation shall involve the review of the preliminary conceptual designs and track record submitted by the contractor as indicated in the Bidding Documents using a non-discretionary "pass/fail" criteria that involve compliance with the following requirements:

1. Adherence of preliminary design plans to the required performance specifications and parameters and degree of details;
2. Concept of approach and methodology for detailed engineering design and construction with emphasis on the clarity, feasibility, innovativeness and comprehensiveness of the plan approach, and the quality of interpretation of project problems, risks and suggested solutions;
3. Quality of personnel to be assigned to the project which covers suitability of key staff to perform the duties of the particular assignments and general qualifications and competence including education and training of the key staff;

For complex or unique undertakings, such as those involving highly specialized or advanced engineering technology, eligible bidders may be required, at the option of the agency concerned, to make an oral presentation within fifteen (15) calendar days after the deadline for submission of technical proposals.

Second-Step Procedure:

Only those bids that passed the above criteria shall be subjected to the second step of evaluation:

The BAC shall open the financial proposal of each "passed" bidder and shall evaluate it using non-discretionary criteria – including arithmetical corrections for computational errors – as stated in the Bidding documents, and thus determine the correct total calculated bid prices. The BAC shall automatically disqualify any total calculated bid price which exceeds the ABC. The total calculated bid prices (not exceeding the ABC) shall be ranked, in ascending order, from lowest to highest. The bid with the lowest total calculated bid price shall be identified as the Lowest Calculated Bid (LCB).

- 24.1 The SBAC and TWG will undertake the detailed evaluation and comparison of Bids which have passed the opening and preliminary examination of Bids in order to determine the Lowest Calculated Bid.
- 24.2 In evaluating the Bids to get the Lowest Calculated Bid, the Procuring Entity shall undertake the following:

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

- (a) The detailed evaluation of the financial component of the bids, to establish the correct calculated prices of the bids; and
  - (b) The ranking of the total bid prices as so calculated from the lowest to highest. The bid with the lowest price shall be identified as the Lowest Calculated Bid.
- 24.3 The Procuring Entity's SBAC shall immediately conduct a detailed evaluation of all bids rated "passed," using non-discretionary "pass/fail" criterion. Unless otherwise specified in the **BDS**, the BAC shall consider the following in the evaluation of bids:
- (a) Completeness of the bid. Unless the **ITB** specifically allows partial bids, bids not addressing or providing all of the required items in the Schedule of Requirements including, where applicable, bill of quantities, shall be considered non-responsive and, thus, automatically disqualified. In this regard, where a required item is provided, but no price is indicated, the same shall be considered as non-responsive, but specifying a "0" (zero) for the said item would mean that it is being offered for free to the Procuring Entity; and
  - (b) Arithmetical corrections. Consider computational errors, omissions, and other bid modifications, if allowed in the **BDS**, to enable proper comparison of all eligible bids. Any adjustment shall be calculated in monetary terms to determine the calculated prices.
- 24.4 Based on the detailed evaluation of bids, those that comply with the above-mentioned requirements shall be ranked in the ascending order of their total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, to identify the Lowest Calculated Bid. Total calculated bid prices, as evaluated and corrected for computational errors, discounts and other modifications, which exceed the ABC shall not be considered.
- 24.5 Unless otherwise indicated in the **BDS**, the SBAC and TWG evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form.
- 24.6 Bids shall be evaluated on an equal footing to ensure fair competition. For this purpose, all bidders shall be required to include in their bids the cost of all taxes, such as, but not limited to, value added tax (VAT), income tax, local taxes, and other fiscal levies and duties which shall be itemized in the bid form and reflected in the detailed estimates. Such bids, including said taxes, shall be the basis for bid evaluation and comparison.

## **25.0 POST QUALIFICATION**

- 25.1 The Procuring Entity shall determine to its satisfaction whether the Bidder that is evaluated as having submitted the Lowest Calculated Bid (LCB) complies with and is responsive to all the requirements and specified conditions.
- 25.2 Within a non-extendible period of three (3) calendar days from receipt by the Bidder of the notice from the BAC that it submitted the LCB, the Bidder shall submit the following documentary requirements:
- (a) Tax clearance per Executive Order 398, Series of 2005;
  - (b) Latest income and business tax returns in the form specified in the **BDS**;
  - (c) Certificate of PhilGEPS Registration; and
  - (d) Other appropriate licenses and permits required by law and stated in the **BDS**.

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

Failure of the Bidder declared as LCB to duly submit the requirements under this Clause or a finding against the veracity of such, shall be ground for forfeiture of the bid security and disqualification of the Bidder for award.

- 25.3 The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted as well as other information as the Procuring Entity deems necessary and appropriate, using a non-discretionary "pass/fail" criterion.
- 25.4 If the BAC determines that the Bidder with the Lowest Calculated Bid passes all the criteria for post-qualification, it shall declare the said bid as the Lowest Calculated Responsive Bid, and recommend to the Head of the Procuring Entity the award of contract to the said Bidder at its submitted price or its calculated bid price, whichever is lower.
- 25.5 A negative determination shall result in rejection of the Bidder's Bid, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily. If the second Bidder, however, fails the post qualification, the procedure for post qualification shall be repeated for the Bidder with the next Lowest Calculated Bid, and so on until the Lowest Calculated and Responsive Bid is determined for contract award.
- 25.6 Within a period not exceeding seven (7) calendar days from the date of receipt of the recommendation of the SBAC, the Head of the Procuring Entity shall approve or disapprove the said recommendation.

## **26.0 RESERVATION CLAUSE**

- 26.1 Notwithstanding the eligibility or post-qualification of a bidder, the Procuring Entity concerned reserves the right to review its qualifications at any stage of the procurement process if it has reasonable grounds to believe that a misrepresentation has been made by the said bidder, or that there has been a change in the Bidder's capability to undertake the project from the time it submitted its eligibility requirements. Should such review uncover any misrepresentation made in the eligibility and bidding requirements, statements or documents, or any changes in the situation of the Bidder which will affect its capability to undertake the project so that it fails the preset eligibility or bid evaluation criteria, the Procuring Entity shall consider the said Bidder as ineligible and shall disqualify it from submitting a bid or from obtaining an award or contract.
- 26.2 Based on the following grounds, the Procuring Entity reserves the right to reject any and all Bids, declare a Failure of Bidding at any time prior to the contract award, or not to award the contract, without thereby incurring any liability, and make no assurance that a contract shall be entered into as a result of the bidding:
- (a) if there is *prima facie* evidence of collusion between appropriate public officers or employees of the Procuring Entity, or between the BAC and any of the bidders, or if the collusion is between or among the bidders themselves, or between a bidder and a third party, including any act which restricts, suppresses or nullifies or tends to restrict, suppress or nullify competition;
  - (b) if the Procuring Entity's SBAC is found to have failed in following the prescribed bidding procedures; or
  - (c) for any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the Government as follows:
    - (i) If the physical and economic conditions have significantly changed so as to render the project no longer economically, financially or technically feasible as determined by the head of the procuring entity;

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

- (ii) If the project is no longer necessary as determined by the head of the procuring entity; and
- (iii) If the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.

26.3 In addition, the Procuring Entity may likewise declare a failure of bidding when:

- (a) No bids are received;
- (b) All prospective bidders are declared ineligible;
- (c) All bids fail to comply with all the bid requirements or fail post-qualification; or
- (d) The bidder with the Lowest Calculated Responsive Bid refuses, without justifiable cause to accept the award of contract, and no award is made.

## **E. AWARD OF CONTRACT**

### **27.0 CONTRACT AWARD**

27.1 Subject to **ITB Clause 25.0**, the Procuring Entity shall award the contract to the Bidder whose Bid has been determined to be the Lowest Calculated and Responsive Bid (LCRB).

27.2 Prior to the expiration of the period of Bid validity, the Procuring Entity shall notify the successful Bidder in writing that its Bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.

27.3 Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:

- (a) Submission of the following documents within the prescribed period from receipt by the Bidder of the notice that it has the Lowest Calculated and Responsive Bid:
  - (i) Valid JVA, if applicable, within ten (10) calendar days;
  - (ii) Valid PCAB license and registration for the type and cost of the contract to be bid for foreign bidders, within thirty (30) calendar days, if allowed under a Treaty or International or Executive Agreement.
- (b) Posting of the performance security in accordance.
- (c) Signing of the contract as provided in **ITB Clause 28.0**; and
- (d) Approval by higher authority, if required.

### **28.0 SIGNING OF THE CONTRACT**

28.1 At the same time as the Procuring Entity notifies the successful Bidder that its Bid has been accepted, the Procuring Entity shall send the Contract Form to the Bidder, which Contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.

---

Read and accepted as part of the Contract:

---

Bidder/Contractor



- 28.2 Within ten (10) calendar days from receipt of the Notice of Award, the successful Bidder shall post the required performance security, sign and date the contract and return it to the Procuring Entity.
- 28.3 The Procuring Entity shall enter into contract with the successful Bidder within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
- 28.4 The following documents shall form part of the contract:
- (a) Contract Agreement;
  - (b) Bidding Documents;
  - (c) Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
  - (d) Performance Security;
  - (e) Credit line in accordance with **ITB Clause 5.4**, if applicable;
  - (f) Notice of Award of Contract; and
  - (g) Other contract documents that may be required by existing laws and/or specified in the **BDS**.

**29.0 PERFORMANCE SECURITY**

- 29.1 To guarantee the faithful performance by the winning Bidder of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
- 29.2 The performance security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
(a) Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Ten percent (10%)
(b) Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	

- 29.3 Failure of the successful Bidder to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security, in which event the Procuring Entity shall initiate and complete the post qualification of the second Lowest Calculated Bid. The procedure shall be repeated until the Lowest Calculated and Responsive Bid is identified and selected for contract award. However if no Bidder

---

Read and accepted as part of the Contract:

---

Bidder/Contractor

passed post-qualification, the BAC shall declare the bidding a failure and conduct a re-bidding with re-advertisement.

**30.0 NOTICE TO PROCEED**

- 30.1 Within three (3) calendar days from the date of approval of the Contract by the appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Bidder.
- 30.1 The Approved Period for the design and construction is Nine Hundred Ten (910) calendar days starting seven (7) calendar days from the receipt by the Contractor of the Notice to Proceed.

*END OF SECTION 00200*

---

Read and accepted as part of the Contract:

---

Bidder/Contractor