



**ENTERPRISE SERVICES GROUP
PROCUREMENT DEPARTMENT**

MEMORANDUM
February 16, 2022

FOR : THE CHIEF OF STAFF
FROM : THE ASSISTANT VICE-PRESIDENT
**SUBJECT : BIDS AND AWARDS COMMITTEE (BAC) 1 RESOLUTION
RECOMMENDING THE FAILURE OF THE NEGOTIATED
PROCUREMENT (TWO-FAILED BIDDINGS) AND THE RE-
CONDUCT THEREOF**

May we forward for your approval the BAC 2 Resolution recommending the Failure and the Re-conduct of the Negotiated Procurement (Two-Failed Biddings) of the Supply, Delivery and Installation of Attendance Capturing Machines under ITB No. FB21-08-008COR.

Thank you.

CHRISTINE ROSE J. FERNANDEZ

RBD / angel



BIDS AND AWARDS COMMITTEE (BAC) 2

PROJECT DETAILS

Invitation to Bid Number	FB21-08-008COR
Project Title	Supply, Delivery and Installation of Attendance Capturing Machines
Mode of Procurement	Negotiated Procurement (Two-Failed Biddings)
End User	Human Resource Development Group
Approved Budget for Contract (ABC)	One Million Eight Hundred Five Thousand Five Hundred Pesos (Php1,805,500.00), VAT Exclusive, Zero-Rated Transaction
Date of APP Approval	June 23, 2021
Budget Authorization Number	21060348

RESOLUTION DECLARING THE FAILURE OF NEGOTIATED PROCUREMENT (TWO-FAILED BIDDINGS) AND THE RECONDUCT THEREOF

WHEREAS, the Bids and Awards Committee (BAC) 2 has been tasked to handle the procurement of the Philippine Amusement and Gaming Corporation (PAGCOR) with the project details presented above;

WHEREAS, the Procurement Processing Request, approved Annual Procurement Plan (APP) for CY 2020, quotations and other pertinent documents were received on October 4, 2019, by the Procurement Department (PD), acting as the BAC Secretariat;

WHEREAS, this project was previously handled by the BAC 4 but was declared a failure due to the following reasons:

MODE	ITB No.	DATE OF DECLARATION OF FAILURE	REMARKS
First (1 st) Public Bidding	PB20-01-017COR	July 6, 2020	Failed. The BAC 4 declared a failure of bidding pursuant to Section 35.1 (a) of the 2016 Revised Implementing Rules and Regulation (IRR) of Republic Act (R.A.) 9184 since no bids were received.
Second (2 nd) Public Bidding	PB20-01-017CORa-08	October 5, 2020	Failed. BAC 4 declared a failure of bidding pursuant to Section 35.1 (a) of the 2016 Revised IRR of R.A. 9184 since since no bids were received. The BAC Resolution for the Failure of Rebidding and the conduct of the Negotiated Procurement (Two-Failed

			<p>Biddings) and the Revision/Updating of the 2021 APP to reflect the change in the Mode of Procurement from Public Bidding to Negotiated Procurement (Two-Failed Biddings) was approved by the Chairman and Chief Executive Officer on October 5, 2021.</p> <p>The BAC Recommendation for the conduct of the Negotiated Procurement (Two-Failed Biddings) despite the lapse of the fifteen (15) and Thirty (30) calendar day period from the date of the BAC 4's declaration of the failure of rebidding was approved by the Board of Directors on February 3, 2021.</p>
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WHEREAS, on March 10, 2021, a revised/updated APP for CY2021 was approved for the change of the mode of the procurement process from public bidding to Negotiated Procurement (Two-Failed Biddings) with a budget of One Million Seven Hundred Thirty-Eight Thousand Eight Hundred Pesos (PhP1,738,800.00).

WHEREAS, on April 8, 2021, the Board of Directors approved the abolition of BAC 4 and redistribution of the Human Resource Development Group's projects to BAC 2;

WHEREAS, in a meeting held on April 14, 2021, the PD presented to the BAC 2 the status of the project, as follows:

1. The Pre-procurement Conference has been scheduled under BAC 4 for the conduct of the Negotiated Procurement (Two-Failed Biddings);
2. The Board Approved Budget dated September 5, 2019 is One Million Five Hundred Four Thousand Seven Hundred Five Pesos and 38/100 (PhP1,504,705.38) against the approved revised/updated APP for CY2021 amounting to One Million Seven Hundred Thirty-Eight Thousand Eight Hundred Pesos (PhP1,738,800.00).

WHEREAS, the end-user also informed the BAC 2 that the quotation already increased to more than One Million Eight Hundred Thousand Pesos (PhP1,800,000.00) based on the new quotation submitted by a supplier;

WHEREAS, the BAC 2 resolved that the end-user shall submit a new Board Approved Budget and revised/updated APP prior to the conduct of the Negotiated Procurement (Two-Failed Biddings);

WHEREAS, on May 12, 2021, the Board of Directors approved the increase in budget for the project amounting to One Million Eight Hundred Five Thousand Five Hundred Pesos (PhP1,805,500.00);

WHEREAS, on June 23, 2021, the revised/updated APP for 2021 was likewise approved;

WHEREAS, the process for Negotiated Procurement (Two-Failed Biddings) was reprised under ITB No. FB21-08-008COR and was handled by the BAC 2;

WHEREAS, the Request for Quotation (RFQ) was posted at the websites of PAGCOR and the Philippine Government Electronic Procurement System (PhilGEPS) and in a conspicuous place within the premises of PAGCOR Corporate Annex Office from September 20, 2021 to October 4, 2021;

WHEREAS, copies of the RFQ were also sent through email to prospective bidders from the PAGCOR's Registry of Suppliers;

WHEREAS, during the Negotiations held on September 27, 2021, no prospective bidder attended said procurement activity;

WHEREAS, only Chase Technologies Corporation bought the RFQ;

WHEREAS, on October 4, 2021, the BAC 2 convened for the Opening and Preliminary Examination of the Quotations/Best Offers of the lone participating bidder, Chase Technologies Corporation;

WHEREAS, after the Opening and Preliminary Examination of the Quotation/Offer, Chase Technologies Corporation got a "Passed" rating;

WHEREAS, upon conclusion of the Opening and Preliminary Examination of the Quotations/Best Offers, Chase Technologies Corporation complied with the requirements prescribed in the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) 9184;

WHEREAS, the financial quotation/offer, as read, of the lone qualified bidder is in the amount of One Million Eight Hundred Five Thousand Five Hundred Pesos (PhP1,805,500.00), VAT Exclusive, Zero-Rated Transaction;

WHEREAS, in another meeting held on the same date, October 4, 2021, the BAC 2 discussed the results of the detailed bid evaluation conducted by the Technical Working Group (TWG) from HRDG and ITD, for the lone bidder, Chase Technologies Corporation, in the total amount of One Million Eight Hundred Five Thousand Five Hundred Pesos (PhP1,805,500.00), VAT Exclusive, Zero-Rated Transaction;

WHEREAS, according to the TWG from ITD and HRDG, the computations were arithmetically correct and within the approved budget;

WHEREAS, the BAC 2 identified the quotation/offer of Chase Technologies Corporation as the Single Calculated Quotation (SCQ), detailed as follows:

BIDDER	FINANCIAL BID, AS CALCULATED VAT EXCLUSIVE, ZERO-RATED TRANSACTION	% VARIANCE FROM ABC (PhP1,805,500.00)
Chase Technologies Corporation	One Million Eight Hundred Five Thousand Five Hundred Pesos (PhP1,805,500.00)	0%

WHEREAS, on October 11, 2021, the Notice as the SCQ was sent to Chase Technologies Corporation and was acknowledged on the same date;

WHEREAS, per Evaluation Report dated October 18, 2021, of the TWG from HRDG and ITD, the documents submitted by Chase Technologies Corporation were found to be in order and compliant with the requirements and the financial offer was found to be arithmetically correct and within the ABC;

WHEREAS, the PD also verified the Notarized Omnibus Sworn Statement and Secretary's Certificate, and their contents were found complete and in the appropriate format;

WHEREAS, the eligibility and post-qualification documents of Chase Technologies Corporation were verified valid and authentic based on the Verification Report dated November 15, 2021, of the Procurement Planning Monitoring and Supplier Division - Procurement Department (PPMSD-PD);

WHEREAS, in a Deliberation Meeting held on November 22, 2021, the BAC 2 discussed the results of the verification and validation of the documents submitted by Chase Technologies Corporation;

WHEREAS, the TWG stated the following evaluation of the Technical Specifications:

Documents	Remarks
1. Accomplished Request for Quotation xxx xxx xxx b) Technical Specifications xxx xxx xxx	Evaluation Date: October 18, 2021 xxx xxx xxx Complied with observation that demo unit did not match with the brand submitted in the bidding documents. xxx xxx xxx

WHEREAS, the BAC 2 took note that one of the conditions stated in the Additional Requirements of the posted Request for Quotation for the project, it stated that, "*The Lowest Calculated Bidder shall provide a demo unit of the same offered equipment for testing purposes within a period of one (1) week after the opening of bids;*"

WHEREAS, the BAC 2 resolved to post-disqualify Chase Technologies Corporation based on the aforesaid ground;

WHEREAS, the Notice of Post-Disqualification was sent to Chase Technologies Corporation on November 25, 2021 and its receipt was acknowledged on December 14, 2021;

WHEREAS, on December 14, 2021, Chase Technologies Corporation submitted a Request for Reconsideration (RR);

WHEREAS, on December 20, 2021, the BAC 2 discussed said RR containing the following justification;

Ground for Disqualification	Justification
<p>Evaluation date: October 18, 2021</p> <p style="text-align: center;">xxx xxx xxx</p> <p>Demo unit did not match with the brand submitted..</p> <p style="text-align: center;">xxx xxx xxx</p>	<p style="text-align: center;">xxx xxx xxx</p> <p>... the brand AHEAD has always been our house brand for the Software and Hardware which are developed and assembled by Chase Technologies.</p> <p style="text-align: center;">xxx xxx xxx</p>

WHEREAS, the BAC 2 reiterated that one of the conditions stated in the Additional Requirements of the posted Request for Quotation for the project, provides that "*The Lowest Calculated Bidder shall provide a demo unit of the same offered equipment for testing purposes within a period of one (1) week after the opening of bids;*"

WHEREAS, the BAC 2 resolved to deny with finality the RR of Chase Technologies Corporation, based on the aforesaid ground for disqualification;

WHEREAS, on January 5, 2022, the Resolution to the RR was sent to Chase Technologies Corporation, in which, its receipt was acknowledged on January 20, 2022;

WHEREAS, in a meeting held on January 26, 2022, the BAC Secretariat presented the signed Waiver to File a Protest along with the acknowledged Resolution to the RR;

WHEREAS, in the same meeting, the BAC 2 resolved the following:

1. Declaration of a Failure of the Negotiated Procurement (Two-Failed Biddings) and the re-conduct thereof, using the same terms and conditions, and
2. The end-user shall submit an updated quotations as basis of costing for the re-conduct of the Negotiated Procurement (Two-Failed Biddings).

NOW, THEREFORE, We, the Members of the Bids and Awards Committee (BAC) 2 hereby **RESOLVE** as it is hereby **RESOLVED**:

1. To declare a Failure of Negotiated Procurement (Two-Failed Biddings) for the Supply, Delivery and Installation of Attendance Capturing Machines under ITB No. FB21-08-008COR pursuant to Section 35.1 (c) of the 2016 Revised IRR of R.A. 9184 since the lone bidder was post-disqualified;
2. The re-conduct of Negotiated Procurement (Two-Failed Biddings) for the Supply, Delivery and Installation of Attendance Capturing Machines with re-posting as provided for in Section 54.2 and Annex H of the 2016 Revised IRR of R.A. 9184, after the conduct of mandatory review and evaluation of the terms, conditions and specifications in the Request for Quotation, including its cost estimates.

RESOLVED, at the Corporate Lounge, Sixth (6th) Floor, New Coast Hotel Manila, 1588 M.H. Del Pilar corner Pedro Gil Streets, Malate, Manila, this 12th day of January 2022.



RODERICK R. CONSOLACION
Chairperson, LG



GENE R. DOCTOR
Vice-Chairperson, ACD



JANICE A. GODORNES
Member, LG

NOT PRESENT

ROBERT C. LUCQUIAO
Member, CMED

CARLOS C. CANLAS
Member, FG



RYAN F. CORDETA
Member, SSD



NELIA S. LORENZO
Alternate Provisional Member,
End-user, HRDG

APPROVED BY:



ALBERTO O. REGINO, JR.
Chief of Staff

RBD / angel

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DEPARTMENT
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