Republic of the Philippines
APO PRODUCTION UNIT, INC.
2/F PIA Building, Visayas Avenue, Brgy. VASRA, Quezon City,
Metro Manila, Philippines 1128

APO PRODUCTION UNIT, INC.

**BIDS AND AWARDS COMMITTEE (BAC)**
**BAC RESOLUTION NO. 07-026-18**
**PB-11-18-A**

**RECOMMENDING DECLARATION OF FAILURE OF BIDDING FORTHE LEASE OF VARIOUS CONTINUOUS 6-COLOR CONTINUOUS FORMS PRESS, VARIOUS SHEET FED PRESSES AND FINISHING EQUIPMENT WITH TECHNICAL AND OPERATIONAL SUPPORT SYSTEM THROUGH CONDUCT OF PUBLIC BIDDING UNDER SECTION 10 OF THE REVISED IMPLEMENTING RULES AND REGULATIONS (IRR) OF REPUBLIC ACT (RA) NO. 9184**

**WHEREAS,** on 10 January 2018, Ms. Angelique S.A. Abadilla, Officer-in-Charge, as Head of the Procuring Entity, approved the Annual Procurement Plan ("*APP*") for CY 2018 of APO Production Unit, Inc. ("*APO*") upon favorable recommendation of the Bids and Awards Committee ("*BAC*");

**WHEREAS**, in accordance with the pertinent provisions of the revised IRR of RA No. 9184, the BAC posted the Invitation to Bid ("*IB*") for the Lease of Various Continuous 6-color Continuous Forms Press, Various Sheet Fed Presses and Finishing Equipment with Technical and Operational Support System (PB-11-18-A) with an Approved Budget for the Contract ("*ABC*") amounting to Eight Million Pesos **(PhP 8,000,000.00)**;

**WHEREAS**, in compliance with the pertinent provisions of Republic Act ("*RA*") No. 9184, otherwise known as the "Government Procurement Reform Act", the BAC Secretariat advertised the Invitation to Bid for the Lease of Various Continuous 6-color Continuous Forms Press, Various Sheet Fed Presses and Finishing Equipment with Technical and Operational Support System under Public Bidding No. 11-18-A (PB-11-18-A) in the Philippine Government Electronic Procurement System (PhilGEPS), APO Website (www.apo.gov.ph), in conspicuous place at the premises of the APO Production Unit, Inc. dated 13 June 2018;

**WHEREAS**, likewise in furtherance with the pertinent provisions of the revised IRR of RA 9184, representatives from the Commission on Audit ("*COA*")Resident Auditor, as well as observers from private sectors, were invited to observe and witness the conduct of the Pre-Bid Conference and the Submission and Opening of Bids as scheduled;

**WHEREAS**, on 21 June 2018, BAC convened for the scheduled Pre-Bid Conference. Subsequently, one (1) prospective bidder attended the said proceeding, **Ernest Printing Corporation** represented by Lauro Q. Gravela and Filemon Cruz;

**WHEREAS**, on 4 July 2018, the scheduled deadline for the Submission and Opening of Bids, the BAC received one (1) bid proposal from **Ernest Printing Corporation.** During the preliminary examination of bids, the BAC checked the submitted documents against the checklist of required documents to ascertain if they are all present;

**BAC Resolution No. 07-026-18**

**WHEREAS**, the BAC using a non-discretionary "pass/fail" criterion found and rated passed the 1st envelope containing the Technical Components of **Ernest Printing Corporation** respectively for complying with the all the requirements stated in the bidding documents and the provisions of RA No. 9184;

**WHEREAS**, BAC proceeded with the opening of the 2nd envelope using a non-discretionary "pass/fail" criterion and therefore found and rated passed the 2nd envelope containing the Financial Components of **Ernest Printing Corporation** respectively with bid proposal of as follows;

**Abstract of Bids "As Read"**
(Please see Annex "A")

| Bidders | Bid Amount (As Read) | % Variance from ABC |
|---|---|---|
| **Ernest Printing Corporation** | **Php7,994,800.00** | **0.00065** |
| ----------Nothing Follows---------- | | |

**WHEREAS**, on 5 July 2018, the BAC with the assistance of the Technical Working Group (TWG) conducted the detailed evaluation of bids using a non-discretionary "pass/fail" criterion in considering the following:

**Abstract of Bids "As Calculated"**
(Please see Annex "B")

| Bidders | Bid Amount (As Read) | % Variance from ABC |
|---|---|---|
| **Ernest Printing Corporation** | **Php7,994,800.00** | **0.00065** |
| ----------Nothing Follows---------- | | |

**WHEREAS**, after the conduct of detailed evaluation of bids, BAC identified **Ernest Printing Corporation** as the Single Calculated Bidder (SCB). Thereafter, the BAC thru the TWG conducted the process of post qualification to determine whether the bidder concerned complies with and is responsive to all the requirements and conditions as specified in the Bidding Documents (Please see Annex "C" for Post Qualification Report);

**WHEREAS**, upon careful examination, validation and verification of all the eligibility, technical and financial requirements submitted by **Ernest Printing Corporation**, as the Single Calculated Bid, has been found to be non-responsive failure to confirm its Financial Capacity in the Net Financial Contracting Capacity (NFCC) Computation;

**WHEREAS**, pursuant to Section 35.1 of the Revised IRR of RA 9184, the BAC shall declare the bidding a failure when:

a.) All prospective bidders are found ineligible;

**BAC Resolution No. 07-026-18**

**WHEREAS**, in the interest of time and to protect the best business interest of the company, BAC resolved to recommend to the HOPE the declaration of failure of bidding and to conduct a negotiated procurement for the same project pursuant to Section 53.10 (Two-Failure of Bidding);

**NOW, THEREFORE**, We, the Members of the BAC, by the virtue of powers vested on us by law, after duly considering the recommendation of the Technical Working Group ("*TWG*"), hereby **RESOLVED** to recommend to the HOPE:

1. To declare a Failure of Bidding for the Lease of Various Continuous 6-color Continuous Forms Press, Various Sheet Fed Presses and Finishing Equipment with Technical and Operational Support System (PB-11-18-A) (PhilGEPS Reference No. 5394347) and;

2. To conduct a negotiated procurement for the same project pursuant to Section 53.10 (Two-Failure of Bidding) of the Revised IRR of RA 9184.

Done this 10th day of July, 2018 at APO Production Unit, Inc., Philippine Information Agency (PIA) Building, Visayas Avenue, Diliman Quezon City, Philippines.

**BAC MEMBERS:**

**LEONARDO G. DE JESUS**
Chairperson

**MILAGROS P. SANTOS**
Member

**DAISY M. GALVADORES**
Member

**MICHAEL ROMIL D. SANTIAGO**
Member

**JOSEFINA L. OMOL**
Member

Approved:

**MICHAEL J. DALUMPINES**
HOPE

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