



Philippine Amusement and Gaming Corporation

Creating Opportunities Beyond Gaming

PROCUREMENT DEPARTMENT


MEMORANDUM

November 19, 2020

FOR : THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER ✓
THRU : THE VICE PRESIDENT
LEGAL GROUP ✓
FROM : THE ASSISTANT VICE PRESIDENT
SUBJECT : BIDS AND AWARDS COMMITTEE (BAC) 3 RESOLUTION

May we forward for your approval, the BAC 3 Resolution declaring the Cancellation/Failure of Negotiated Procurement (Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services) for the Procurement of Services for Nightly Entertainment for the First (1st) Half of 2020-Beauty and Voices and Sound Syndicate under ITB No. SS20-00-033CORa-02 and recommending for the approval by the Chairman and Chief Executive Officer of the Cancellation of the Award of Contract, Revocation of Notice of Award and Cancellation of the Service Contract.

Thank you.


CHRISTINE ROSE J. FERNANDEZ

MMP/mbp11/19/2020



Philippine Amusement and Gaming Corporation

Creating Opportunities Beyond Gaming

BIDS AND AWARDS COMMITTEE (BAC) 3

PROJECT DETAILS

Invitation to Bid Number	SS20-00-033CORa-02
Title	Procurement of Services for Nightly Entertainment for the First (1 st) Half of 2020-Beauty & Voices and Sound Syndicate
Mode of Procurement	Negotiated Procurement (Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services)
End User	Entertainment Department (ED)
Approved Budget for the Contract (ABC)	Three Hundred Five Thousand Eight Hundred Eighty-Two Pesos and 48/100 (PhP305,882.48), VAT Exclusive, Zero-Rated Transaction
Date of Project Approval	May 29, 2019
Date of APP Approval	November 14, 2019
Budget Authorization Number	19050632

RESOLUTION DECLARING THE CANCELLATION/FAILURE OF NEGOTIATED PROCUREMENT (SCIENTIFIC, SCHOLARLY OR ARTISTIC WORK, EXCLUSIVE TECHNOLOGY AND MEDIA SERVICES), CANCELLATION OF THE AWARD OF THE CONTRACT, REVOCATION OF THE NOTICE OF AWARD AND CANCELLATION OF THE SERVICE CONTRACT

WHEREAS, the Bids and Awards Committee (BAC) 3 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 (PPR), Approved 2020 Annual Procurement Plan (APP), justification and other pertinent documents were received on November 11, 2019 by the Procurement Department (PD), acting as the BAC Secretariat;

WHEREAS, during the first (1st) conduct of the procurement process under ITB No. SS20-00-033COR, in its meeting held on December 5, 2019, the BAC 3 confirmed that the above requirement is in accordance with Section 53.6 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (R.A.) 9184, based on the memorandum dated October 21, 2019 of the end-user, ED, citing their justification and recommendation, as follows:

"In connection with the procurement of Entertainment Services for BEAUTY & VOICES AND SOUND SYNDICATE under CHRYSUS EVENTS MANAGEMENT CO., we would like to recommend that PAGCOR undergo Section 53.6: Negotiated Procurement under 'Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services.'

Where Goods, Infrastructure Projects and Consulting Services can be contracted to a particular supplier, contractor, or consultant as determined by the HOPE, for any of the following:

1. *The requirement is for:*

- a. *Work of art, commissioned work or services of an artist for a specific artistic skills (e.g. singer, poet, writer, painter, sculptor, etc.);*

The above mentioned artist/s became part of our nightly entertainers' line-up and reliable part based on their past stints with us. With their wide range of repertoire, the ability to connect with the audience and their experience, gained to be consistently requested by our Casino Filipino venues.

This serves as our justification for the procurement of Nightly Entertainment Artist – BEAUTY & VOICES and SOUND SYNDICATE under CHRYSUS EVENTS MANAGEMENT CO.”

xxx... xxx... xxx”

WHEREAS, the BAC 3, during the Deliberation Meeting held on January 22, 2020, declared a Failure of Negotiated Procurement, pursuant to Section 35.1 (c) of the 2016 Revised IRR of R.A. 9184, since the bidder failed in the post-qualification due to the late submission of its Omnibus Sworn Statement;

WHEREAS, the project was reprised under ITB No. SS20-00-033CORa-02;

WHEREAS, the BAC 3, during the Deliberation Meeting held on February 26, 2020, resolved the following:

- a) To declare CHRYSUS EVENTS MANAGEMENT CO. as the bidder having the Single Calculated Responsive Quotation (SCRQ) for the Procurement of Services for Nightly Entertainment for the First (1st) Half of 2020-Beauty & Voices and Sound Syndicate under ITB No. SS20-00-033CORa-02; and
- b) To recommend for approval by the Chairman and Chief Executive Officer the award of the contract to CHRYSUS EVENTS MANAGEMENT CO. with a total contact price of Three Hundred Five Thousand Eight Hundred Eighty-Two Pesos and 48/100 (PhP305,882.48), VAT Exclusive, Zero-Rated Transaction.

WHEREAS, the Chairman and Chief Executive Officer (CCEO) approved on March 2, 2020 the award of the contract to CHRYSUS EVENTS MANAGEMENT CO.;

WHEREAS, the Notice of Award was issued to CHRYSUS EVENTS MANAGEMENT CO. on March 4, 2020;

WHEREAS, the Service Contract was endorsed by the PD on March 10, 2020 for the signature of the end-user, ED, and CHRYSUS EVENTS MANAGEMENT CO.;

WHEREAS, on March 16, 2020, due to the rapid increase of cases of infection in the country, the President signed Proclamation No. 929 declaring a State of Calamity throughout the Philippines for a period of six (6) months or up to September 12, 2020, unless lifted earlier or extended as circumstances may warrant, and further

providing for the implementation of "Enhanced Community Quarantine (ECQ)" over the entire Luzon until April 12, 2020;

WHEREAS, following this, a Memorandum Circular was issued by the Executive Secretary implementing, among others, work from home arrangement for the Executive Branch and the suspension of mass public transport services and other businesses that do not render critical services;

WHEREAS, on March 24, 2020, the President signed Republic Act (R.A.) No. 11469 or the Bayanihan to Heal as One Act, which granted the President temporary emergency powers to address the national emergency brought about by the COVID-19 pandemic;

WHEREAS, on April 7, 2020, the Office of the Executive Secretary, upon the recommendation of the Inter-Agency Task Force for the Management of Emerging Infectious Disease (IATF), issued a Memorandum extending the ECQ over the entire Luzon until April 30, 2020;

WHEREAS, this was further extended until May 15, 2020 but this time the coverage of the enhanced community quarantine includes Central Luzon and Region 4A or Calabarzon, pursuant to the order of the President;

WHEREAS, on April 8, 2020, during a virtual press briefing, Cabinet Secretary Karlo Nograles stated that for areas outside Luzon, local government units (LGUs) have the discretion to implement community quarantines if they deem necessary as long as local officials coordinate with the Department of the Interior and Local Government (DILG) and the Department of Health (DOH) on their decisions;

WHEREAS, afterwards, this was superseded by Executive Order No. 112 wherein the President specifically identified the areas under ECQ and General Community Quarantine and announced that no LGU shall declare its own community quarantine without observing the procedures set forth by the IATF;

WHEREAS, on May 16 to 31, 2020, Region 4A or Calabarzon and the National Capital Region was placed under the Modified Enhanced Community Quarantine;

WHEREAS, on June 1 to 15, 2020, by order of the President of the Philippines, upon recommendation of the IATF, the National Capital Region was placed under the Modified Enhanced Community Quarantine;

WHEREAS, on June 16 to 30, 2020, by order of the President of the Philippines, upon recommendation of the IATF, the National Capital Region was then placed under the General Community Quarantine;

WHEREAS, a temporary lockdown of all Corporate Offices for two (2) weeks starting July 20, 2020 was implemented and the subsequent declaration of Modified Enhanced Community Quarantine from August 4 to 18, 2020;

WHEREAS, on August 5, 2020 the Service Contract was notarized and signed by the CCEO;

WHEREAS, on September 15, 2020, the PD received from the end-user, ED, the Board Approval for the Amendment of Entertainment Service Contract dated September 10, 2020;

WHEREAS, the BAC 3, during the Consultation Meeting held on September 21, 2020, discussed the on-going projects for the Procurement of Services for the Nightly Entertainment and the underlying issues in connection to the Board Approval presented by the end-user. Thereafter, the end-user confirmed that the remaining on-going projects are no longer necessary;

WHEREAS, on September 24, 2020, the PD received the memorandum from the end-user, ED, dated September 23, 2020, requesting for the cancellation of the remaining on-going entertainment projects, which include the Procurement of Services for Nightly Entertainment for the First (1st) Half of 2020-Beauty & Voices and Sound Syndicate;

WHEREAS, during the Deliberation Meeting held on October 5, 2020, the BAC 3, upon the recommendation of the end-user, ED, to cancel the above project, resolved to recommend to the Head of the Procuring Entity (HOPE) to invoke the Reservation Clause under Section 41 (c) (i) of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184 and declare a failure of the procurement process;

WHEREAS, Section 41 (c) (i) of R.A. No. 9184 and its IRR provides that:

"The HOPE reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract in the following situations:

xxx...xxx...xxx


c) For any justifiable and reasonable ground where the award of the contract ...xxx...(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 HOPE; ...xxx "

WHEREAS, the BAC 3 also resolved to recommend the cancellation of the approval of the award of the contract and the revocation of the Notice of Award issued CHRYSUS EVENTS MANAGEMENT CO. and the cancellation of the Service Contract, as an effect of the failure/cancellation of the project;

NOW, THEREFORE, We, the Members of the Bids and Awards Committee (BAC) 3 hereby RESOLVE, as it is hereby RESOLVED:

1. To recommend to the Chairman and Chief Executive Officer to invoke the Reservation Clause and declare a Cancellation/Failure of the procurement process for the Procurement of Services for Nightly Entertainment for the First (1st) Half of 2020-Beauty & Voices and Sound Syndicate under ITB No. SS20-00-003CORa-02, pursuant to Section 41 (c) (i) of the 2016 Revised IRR of RA 9184;
2. To cancel the Award of the Contract and the revocation of the Notice of Award issued to CHRYSUS EVENTS MANAGEMENT CO.; and
3. To cancel the Service Contract.


RESOLVED, via Video Conferencing thru Zoom Application this 5th day of October 2020.




ATTY. JUAN MIGUEL A. MAGLAYA
BAC 3 Chairperson



MARGARITA C. BANGI
Vice-Chairperson, HRDG




ATTY. DIANNE DP. DORIA-
CERDEÑA,
Member, CID




IAN LESTER D. BALDOS
Member, FMED

NOT PRESENT
CATALINA F. VILLAFLOR
Member, ITD



ROMEO R. CRUZ JR.
Member, TD



GERALD V. CAYETANO
Alternate Provisional Member, ED
(End-User)

ANDREA D. DOMINGO
Chairman and Chief Executive Officer