



**ENTERPRISE SERVICES GROUP
PROCUREMENT DEPARTMENT**

MEMORANDUM

March 15, 2022

FOR : THE CHIEF OF STAFF

FROM : THE ASSISTANT VICE PRESIDENT

SUBJECT : BIDS AND AWARDS COMMITTEE (BAC) 2 RESOLUTION RECOMMENDING APPROVAL BY THE CHIEF OF STAFF THE REVOCATION OF THE NOTICE OF AWARD, CANCELLATION OF THE APPROVAL OF THE AWARD OF THE CONTRACT, FAILURE OF REBIDDING, RESORT TO NEGOTIATED PROCUREMENT (TWO FAILED BIDDINGS) AND THE REVISION / UPDATING OF THE ANNUAL PROCUREMENT PLAN FOR CY 2022

May we forward, for your approval, the BAC 3 Resolution recommending Approval by the Chief of Staff the Revocation of the Notice of Award, Cancellation of the Approval of the Award of the Contract, Failure of Rebidding, Resort to Negotiated Procurement (Two Failed Biddings) and the Revision / Updating of the Annual Procurement Plan for CY 2022 for the Procurement of One (1) Year Comprehensive Maintenance Service Contract for AS400 Machines under ITB No. PB21-00-004CORa-08.

Thank you.

CHRISTINE ROSE J. FERNANDEZ

CDN/aas



BIDS AND AWARDS COMMITTEE (BAC) 2

PROJECT DETAILS

Invitation to Bid Number	PB21-00-004CORa-08
Title	Procurement of One (1) Year Comprehensive Maintenance Service Contract for AS400 Machines (Rebidding)
Mode of Procurement	Competitive Bidding
End User	Information Technology Department (ITD)
Approved Budget for Contract (ABC)	The total ABC is Four Million One Hundred Ninety-Eight Thousand Pesos (PhP4,198,000.00)
Date of Project Approval	October 28, 2020
Date of APP Approval	December 9, 2020
Budget Authorization Number	20110687

RESOLUTION RECOMMENDING APPROVAL BY THE CHIEF OF STAFF THE REVOCATION OF THE NOTICE OF AWARD, CANCELLATION OF THE APPROVAL OF THE AWARD OF CONTRACT, FAILURE OF REBIDDING, TO RESORT TO NEGOTIATED PROCUREMENT (TWO FAILED BIDDINGS) AND THE REVISION / UPDATING OF THE ANNUAL PROCUREMENT PLAN FOR CY 2022

WHEREAS, the Chairman and Chief Executive Officer approved the award of the contract to Questronix Corporation for the Procurement of One (1) Year Comprehensive Maintenance Service Contract for AS400 Machines (Rebidding) under ITB No. PB21-00-004CORa-08, for having submitted the Single Calculated Responsive Bid (SCRB) in the total amount of Four Million Seventy-Two Thousand One Hundred Four Pesos (PhP4,072,104.00), VAT-Exclusive, Zero Rated Transaction;

WHEREAS, the Notice of Award (NOA) dated January 6, 2022 was issued to Questronix Corporation on January 13, 2022, which receipt was acknowledged on the same date;

WHEREAS, on January 24, 2022, the Procurement Department (PD) received a letter from Questronix Corporation, requesting for the extension of the submission of the Performance Security in the form of Surety Bond;

WHEREAS, in a meeting held on January 31, 2022, the BAC 2 denied the request of the Questronix Corporation, pursuant to Section 37.2.1, 39.1, 39.2 and 40.1 of the 2016 Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184;

WHEREAS, in the same meeting the BAC 2, resolved to cancel the award of the contract and the subsequent revocation of the approved Notice of Award due to its failure to provide a complete Performance Security within the prescribed period of ten (10) calendar days from the receipt of the NOA;

WHEREAS, on February 5, 2022, the Procurement Department (PD) received another letter from the Questronix Corporation, requesting for the extension of the submission of the a certificate from the Insurance commission as a requirement in the performance security;

WHEREAS, the reply to the first (1st) letter was sent to Questronix Corporation on February 8, 2022, which receipt was acknowledged on February 17, 2022;

WHEREAS, in a Consultation Meeting held on February 9, 2022, the BAC 2 reiterated their decision last January 31, 2022 to deny the request of Questronix Corporation to extend the submission of the Certificate from the Insurance Commission;

WHEREAS, The BAC 2 likewise resolved that Questronix Corporation shall no longer be subjected to blacklisting, due to the following statement of the said bidder in the letter dated January 24, 2022:

xxx xxx xxx

"The Performance Security is already with Questronix pending signature of our president. Unfortunately, Mr. Michael Dionisio is currently on quarantine and will not be able to report back to office anytime soon".

xxx xxx xxx

WHEREAS, in the same meeting the BAC 2, resolved to proceed with the finalization of the BAC Resolution revoking the issuance of the Notice of Award, Cancellation of the Approval of the Award of Contract, declaration of Failure of competitive bidding and to resort to Negotiated Procurement (Two-Failed Biddings) after the conduct of mandatory review and evaluation of the terms, conditions and specification in the Request for Quotation, including its cost estimates pursuant to Annex H (Consolidated Guidelines for Alternative Methods of Procurement of the same IRR.

WHEREAS, the reply to the second (2nd) letter was sent to Questronix Corporation on February 22, 2022, which receipt was acknowledge on February 23, 2022;

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

- 1) Revoke the Notice of Award which was sent to Questronix Corporation on January 13, 2022;
- 2) Cancel the approved BAC Resolution on the Award of the Contract last December 1, 2021;
- 3) Declare a Failure of Rebidding for the Procurement of One (1) Year Comprehensive Maintenance Service Contract for AS400 Machines under ITB No. PB21-00-004CORa-08 pursuant to Section 40 of the 2016 Revised IRR of R.A. 9184;
- 4) Resort to the Conduct of Negotiated Procurement (Two-Failed Biddings) for the Procurement of One (1) Year Comprehensive Maintenance Service Contract for AS400 Machines with reposting as provided for in Section 54.2 of the 2016 Revised IRR of R.A. 9184 after the conduct of mandatory review and evaluation of the terms, conditions and specification in the Request for Quotation, including its cost estimates pursuant to Annex H (Consolidated Guidelines for Alternative Methods of Procurement) of the same IRR; and
- 5) The Revision / Updating of the 2022 APP with Negotiated Procurement (Two-Failed Biddings) as the new mode of procurement for the abovementioned requirement.

RESOLVED, at the Corporate Lounge, Sixth (6th) Floor, PAGCOR Executive Office, New Coast Hotel Manila, 1588 M.H. Del Pilar Street corner Pedro Gil Street, Malate, Manila, this 9th day of February 2022.



RODERICK R. CONSOLACION
Chairperson, LG

NOT PRESENT

JANICE A. GODORNES
Member, LG

NOT PRESENT

GENE R. DOCTOR
Vice-Chairperson, ACD

RYAN F. CORDETA
Member, SSD

ROBERT C. LUCQUIAO
Member, CMED

ARNULFO R. CALISTE
Alternate Provisional Member,
End-user, ITD

CARLOS C. CANLAS
Member, TD

APPROVED BY:



ALBERTO O. REGINO JR.
Chief of Staff


CDN / aas
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Andrea Marie V. Fontanilla
Procurement Department

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