



**Philippine Amusement & Gaming Corporation**  
*Creating Opportunities Beyond Gaming*

**BRANCH BIDS AND AWARDS COMMITTEE (BBAC)  
CASINO FILIPINO DAVAO**

Invitation to Bid Number	CB23-00-003DAV
Title	Procurement of One (1) Year Private Security Agency (PSA) Services for General Santos Satellite
Mode of Procurement	Competitive Bidding
End-User	Security Division (SD)
Approved Budget for the Contract	One Million Two Hundred Forty-Four Thousand Three Hundred Eighty-Eight Pesos and 24/100 (PhP 1,244,388.24)
Date of Project Approval	October 20, 2022
Date of Indicative APP Approval	November 3, 2022
Budget Authorization Number	DAV2022-019

**RESOLUTION DECLARING FAILURE OF BIDDING  
AND THE RE-CONDUCT THEREOF**

**WHEREAS**, the Casino Filipino - Davao Branch Bids and Awards Committee (BBAC) was tasked to handle the procurement of the requirements of the Philippine Amusement and Gaming Corporation (PAGCOR) with the project details presented above;

**WHEREAS**, the Procurement Processing Request (PPR) and other pertinent documents were submitted by the End-user, Security Division, on November 29, 2022;

**WHEREAS**, on December 20, 2022, during the Pre-Procurement Conference, it was discussed that the Board of Directors approved the implementation of the new Revenue Sharing Scheme with Monthly Guaranteed Fee (MGF) in which other operating expenses such as Janitorial Services, Private Security Agency Services, gaming and other supplies and cost of utilities, shall be for the account of the proponent. Effectivity of the new scheme shall be upon execution of the amended Memorandum of Agreement (MOA);

**WHEREAS**, in consideration of the above, the BBAC CF-Davao and End-user has agreed to procure Private Security Agency (PSA) Services with a contract period of one (1) year only;

**WHEREAS**, in same meeting, the BBAC CF-Davao reviewed and evaluated all the pertinent documents presented including the technical specifications integrated in the Bidding Documents;

**WHEREAS**, the Invitation to Bid was posted at the websites of the Philippine Amusement and Gaming Corporation (PAGCOR) and the Philippine Government Electronic Procurement System (PhilGEPS), and in a conspicuous place within the premises of PAGCOR Casino Filipino-Davao from December 29, 2022 to January 18, 2023;

**WHEREAS**, copies of the Invitation to Bid were also sent through electronic mail to prospective bidders;

**WHEREAS**, on January 6, 2023, two (2) prospective bidders attended the Pre-Bid Conference, namely:

1. Vigilant Investigative & Security Agency
2. Priority Security Agency Inc.

**WHEREAS**, on January 10, 2023, the BBAC CF-Davao, together with representative from the End-user, Security Division of CF-Davao, convened and extensively discussed the issues/ concerns that were raised during the Pre-Bid Conference, as follows:

1. SSS Contribution - the amount of SSS Premium in the Bid Form and Bidding Documents is based on the SSS Contribution Schedule effective January 1, 2021. However, on December 13, 2022, the SSS published a Circular No. 2022-03 providing for the increase in SSS contribution rate effective January 1, 2023;
2. PhilHealth Contribution – the amount of PhilHealth contribution in the Bid Form and Bidding Documents is computed at 4.5% based on the PhilHealth Circular No. 2019-0009. However, on January 2, 2023, President Marcos directed the suspension of the scheduled increase in PhilHealth premium rate from 4 percent to 4.5 percent effective January 1, 2023.
3. Administrative Fee – the administrative fee computed by the Security Department was based on fifteen percent (15%) of the total contract cost. However, R.A. 11917 which was issued on July 30, 2022, requires that the minimum administrative fee to be charged by PSAs to its clients shall not be less than twenty percent (20%) of the total contract cost.

**WHEREAS**, the BBAC and end-user, SD, took note of the above issues and agreed to re-compute the budget and to request for a supplemental budget;

**WHEREAS**, considering the above, the BBAC CF-Davao resolved to recommend to the Branch Manager, as duly delegated by the Board of Directors, acting as the Head of the Procuring Entity (HoPE) of PAGCOR, to exercise its right to invoke the Reservation Clause provided under Section 41 (c) of the 2016 Revised IRR of R.A. 9184 and declare a failure of the procurement process, based on the foregoing condition.

**WHEREAS**, Section 41.c of the 2016 Revised IRR of R.A. 9184 provides that:

“xxx...xxx...xxx

*The HoPE reserves the right to reject any and all bids, declare a failure of bidding, or not award the contract in the following situation:*

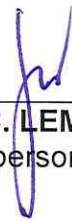



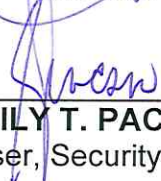
xxx...xxx...xxx

- c) *For any justifiable and reasonable ground where the award of the contract will not redound to the benefit of the GoP, 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 the HoPE;** (ii) if the project is no longer necessary as determined by the HoPE; (iii) if the source of funds for the project has been withheld or reduced through no fault of the Procuring Entity.*

**NOW, THEREFORE, WE**, the members of Branch Bids and Awards Committee (BBAC) CF-Davao hereby **RESOLVE**, as it is hereby **RESOLVED** to:

- a) Recommend for the Cancellation of the conduct of public bidding for the Procurement of One (1) Year Private Security Agency (PSA) Services for General Santos Satellite under ITB No. CB23-00-003DAV pursuant to Section 41 (c) of the 2016 Revised IRR of R.A. 9184; and
- b) Conduct another public bidding, after the conduct of the mandatory review and evaluation of the terms, conditions and specifications in the Bidding Documents, including its cost estimates, with re-advertisement and/or posting as provided for in Section 21.2 of the 2016 Revised IRR of R.A. 9184.

**RESOLVED**, at the Office of the SBAM, Casino Filipino Davao, km 7, Lanang, Davao City this 10<sup>th</sup> day of January 2023.

 _____ <b>REGINA C. LEMANA</b> Chairperson	Not Present _____ <b>ATTY. DIDITH A. SALAZAR</b> Vice-Chairperson
 _____ <b>JESUSA H. DUROJA</b> Member	 _____ <b>FORTUNATO T. GUMERA, JR.</b> Member
 _____ <b>FORTUNATO E. GOGO</b> Member	Not Present _____ <b>MA. JULIE E. PATRATA</b> Member
 _____ <b>EMILY T. PACSON</b> End-user, Security Division	

**APPROVED BY AUTHORITY OF THE PAGCOR BOARD OF DIRECTORS:**

  
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**ANTONIO V. COVARRUBIAS**  
BRANCH MANAGER

**APPROVED** ~~DISAPPROVED~~  
JANUARY 19, 2023  
BRANCH MANAGER