



Republic of the Philippines
ZAMBOANGA CITY WATER DISTRICT
Pilar St., Zamboanga City

EXCERPTS FROM THE MINUTES OF THE PRE-BID CONFERENCE FOR PURCHASE REQUISITION NO. 19-0136 – DESIGN, BUILD, TESTING & COMMISSIONING OF THE 4,000 CU.M. PER DAY SEWAGE-SEPTAGE TREATMENT PLANT FOR THE TREATMENT OF SEWAGE DISCHARGED FROM THE EAST AND WEST PUMPING STATION HELD AT THE 2ND FLOOR, BOARD ROOM, MAIN BUILDING, PILAR STREET, THIS CITY ON SEPTEMBER 20, 2019

Present were:

Michael Angelo M. Carbon	-	Vice-Chairperson
Louella A. Aguilera	-	BAC Vice-Chairperson
Atty. Vincent F. Fernandez	-	BAC Regular Member
David C. Capopez	-	BAC Regular Member
Efren C. Salvacion	-	BAC Regular Member
Valerie Gay Y. Gutierrez	-	End-user
Anne Aubrey D. Bugtong	-	End-user
Alvin A. Asingua	-	Head, TWG for Infra
Atty. Rina Bendano	-	Member, TWG for Infra
Reginald Miasco	-	Member, TWG for Infra
Roderick Concepcion	-	Member, TWG for Infra
Hubert Olmillo	-	Member, TWG for Infra
Jeanette B. Delos Santos	-	Member, BAC Secretariat
Amor E. Constantino	-	Member, BAC Secretariat

Bidder Representative:

Richard V. Magadia, Jr.	-	representing Organica Water
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Minutes Meeting No. 2019-09-20-19-0136
Series of 2019

Part I. Call to Order

Upon determination of a quorum the meeting was called to order by the BAC Chairperson at 9:20 AM.

Part II. Business Matters

Minutes of Pre-Bid Conference dated September 20, 2019 for Design, Build, Testing & Commissioning of the 4,000 cu.m per day Sewage-Septage Treatment Plant for the treatment of sewage discharged from the East and West Pumping Station under Purchase Requisition No. 19-0136 Page 1 of 9

A. Pre-Bid Conference for Purchase Requisition No. 19-0136 – Design, Build, Testing & Commissioning of the 4,000 cu.m. per day Sewage-Septage Treatment Plant for the treatment of sewage discharged from the East and West Pumping Station

1. Chairperson Carbon said, we are here for the pre-bid conference of 4,000 cu.m. per day Sewage-Septage Treatment Plant under Purchase Requisition No. 19-0136 with an Approved Budget Cost (ABC) of P 161,200,000.00.
2. BAC Chairperson Carbon gave proper introduction on the BAC officials present as well as the end-users, BAC Secretariat, and the members comprising the Technical Working Group for Infrastructure.
3. Mr. Richard Magadia from Organica Water said that their company is part of the team that will be providing the biological technology for the system that they are bidding for.
4. Chairperson Carbon mentioned that representative from Commission on Audit (COA) and other representatives were invited however, none represented. As per 9184, absence of Observers will not affect the conduct of the pre-bid.
5. Chairperson Carbon said, the purpose of the pre-bid is a forum to discuss all aspects of impending procurement at hand. For the record, this bidding for this particular procurement has undergone a first failure of bid under this ABC of P 161,200,000.00.
6. Chairperson Carbon said, as per published under PhilGEPS, today is the pre-bid conference and the important dates to remember is that bid opening will be on October 2, 2019, 9AM at Board Room. Since this is a design and build, which on its own have different sets, incorporating the requirements of regular infrastructure bidding under 9184, it has its peculiar procedures to follow under Annex G. With that said, unless other of TWG and other member of BAC has anything more to say, then we shall proceed with the entertaining questions from representative of the prospective bidder.
7. Chairperson Carbon inquired if there are questions/queries from the representative of Organica Water, which Mr. Magadia answered, for our part, we would just like to request to extend the submission of bid. Chairperson Carbon said, originally, as published in PhilGEPS and within the reglamentary period 12 days from the pre-bid, October 2, that is the minimum number of days, the earliest possible and allowed by law, 12 days from today, so, that will be on October 2, the bid opening.
8. Chairperson Carbon inquired if Organica Water have any particular number of days for its request and reason, which Mr. Magadia answered that it would like to request for additional of four (4) weeks in order to prepare for all the documents and drawings, probably end of the month, October 30.

9. Chairperson Carbon said, under 9184, ABC of less than 50 million, from the date of pre-bid the BAC can grant up to 45 calendar days, but for ABC above 50 million, then a maximum of 65 calendar days. Right now the schedule of the BAC, October 2 is for the earliest possible time allowed by 9184, 12 days from the pre-bid.
10. Chairperson Carbon said, four (4) weeks in days is 28 days but Mr. Magadia from Organica Water also mentioned end of the month which is October 30. Chairperson Carbon inquired if Mr. Magadia can just mention outrightly the date, which Mr. Magadia answered, October 30.
11. Chairperson Carbon said the request (October 30) is forty (40) days from the pre-bid today, by law it has 65 calendar days, so, the request is within the period. October 30 will be on a Wednesday, but as in the first bidding, because this is a design and build, and there are peculiar procedures (first, second procedure), the BAC/procuring entity manifest that it desires to have the bid opening on a Monday so that it can have the activities within the week, so as not also to burden the bidders to come on a Wednesday and procedures cannot be completed as per 9184, and then bidders have to come back the next week. Chairperson Carbon said, it is our preference as per the last bidding also which we did on a Monday. Chairperson Carbon said, will be looking at October 28, or November 4 which is still within the period.
12. Chairperson Carbon said, before us is a request to extend the bid submission/opening up to October 30. BAC Member Atty. Fernandez and end-user Engr. Bugtong mentioned about holidays on November 1.
13. End-user Engr. Gutierrez said that Mr. Marundan (also from Organica Water) joined during the first pre-bid. Engr. Gutierrez understood that Mr. Marundan was interested and had downloaded the plans. Engr. Gutierrez said there are no changes as to plans and specifications and Mr. Marundan's apprehension last time was about the PCAB license which it said it will just take two (2) weeks.
14. End-user Gutierrez said if the time can be reduced because the project is so important, if Organica Water have the earliest time possible since 4 weeks is already long and there will be evaluation to be made.
15. Mr. Magadia from Organica Water said if it can be reduced by two (2) weeks, October 14, so there will be time for checking. Chairperson Carbon said that it can be done on October 14.
16. Chairperson Carbon informed that there was a request from a water district to conduct a benchmarking here on October 14 and 15, so, just make sure all the legal, technical (member of TWG) will be available.
17. Chairperson Carbon said, on the request of the representative of the prospective bidder Organica Water, from the original bid submission/opening schedule on October 2 as published in PhilGEPS, although the original request was until October 30, but then we have reached into a consensus that based on the representations made by the end-user on the urgency of this

project, the BAC rules/decides that the submission of the bid documents will be on October 14, 2019 at 9AM. Bid submission will done at BAC Room, 3RD Floor while bid opening will be conducted at Board Room.

18. Chairperson Carbon instructed the BAC Secretariat to prepare the necessary Addendum.
19. Chairperson Carbon inquired if there are still concerns, which Mr. Magadia from Organica Water answered, so far, there is none. Chairperson Carbon said it is understandable because there are no material changes in the bidding documents and Organica Water got a copy of the bidding documents.
20. Chairperson Carbon said, the BAC has to resolve/decide on the matter whether or not those bidders that purchased the bidding documents during the first failure of bid, will still be charged for the purchase of bidding documents for this second bidding. Our records would show that during the first bidding, only one bought/procured and only one submitted, the company Mactan Rock Industries, Inc.
21. Chairperson Carbon said, in the previous bidding, even in the issuance of bidding documents of other agencies, usually those that procured the bidding documents during the first bidding are no longer required to pay for the bidding documents in the conduct of the second bidding, but those who participated for the first time in the bidding are still required to purchase the bid documents. The BAC has to issue also an Addendum because it is silent, of course, carried through by a resolution that this procuring entity will no longer charge the purchase of the bidding documents for those bidders that purchased the bidding documents already.
22. BAC Member Atty. Fernandez said, it will be free of charge for previous bidders while Ms. Aguilera said, usually it is our practice, it is okay.
23. Chairperson Carbon said, this BAC resolves that those entities that purchased the bidding documents during the first failure of bid shall no longer be required to pay for the bidding documents, but new bidders during this second bidding will have to pay and present the official receipt during bid opening/submission. Bidding documents are already uploaded and can be downloaded. Chairperson Carbon said, another Addendum on this effect.
24. Bidders have at least ten (10) calendar days before the bid opening to post queries, written or e-mail. Posting of an Addendum will be at least seven (7) calendar days before the bid opening. During the time for as long as the addendum is not posted yet, primarily ten (10) days before the bid opening, they still have the opportunity to ask questions.
25. Chairperson Carbon inquired if the requirement is VEBA Specialist because part of the pre-bid is to make sure the procurement is successful, and if there are no issue with regard to the same and the consular documents. Chairperson Carbon said that one of the requirements is VEBA Specialist, which end-user Engr. Gutierrez answered in the negative. End-user Engr. Bugtong said, only "Designer" during the Oral Presentation.

26. Chairperson Carbon inquired from Organica Water if its designer is local/Filipino, which Mr. Magadia answered, "foreign". Chairperson Carbon inquired if Organica Water do not have issues already on having the designer's credentials certified, which Mr. Magadia said that they will submit Certification. Chairperson Carbon said it must be present during the bid opening on October 14 and Organica Water can review the requirements which must be consularized, and if it is in foreign language, it must be translated in English.
27. End-user Engr. Gutierrez mentioned to Mr. Magadia of Organica Water that there are listed items that must be reflected in its conceptual design. Usually, what is presented is only the process but then in the Terms of Reference (TOR), we already require that the additional structures must be reflected already in the conceptual design. The manner of presentation, views-aerial, the architectural views must be reflected in the conceptual because if not, disqualified, since those are the requirements stated in the TOR. Engr. Gutierrez said to review the TOR one by one.
28. Chairperson Carbon said that it is the responsibility of the bidder to really review the TOR, including the performance specifications.
29. Chairperson Carbon said for BAC Secretariat to take note of what the end-user said because it will be subject of an Addendum, so all bidders will be informed not just this present bidder.
30. Chairperson Carbon said if it can be clarified to the representative of the prospective bidder with regard to "4000 expandable to 6000".
31. End-user Engr. Gutierrez inquired from Organica Water as to its view with regard to "4000 expandable to 6000", which Mr. Magadia answered, we will be adding reactor volume and we will incorporate in our design to have extra capacity to accommodate additional load for the plant, additional loading of hydraulic and organic. End-user Engr. Gutierrez said, so, you already understood the concept, which Mr. Magadia answered in the affirmative.
32. Mr. Magadia from Organica Water inquired with regard to additional 15 septage capacity, which end-user Engr. Gutierrez answered in the affirmative and it is in the TOR.
33. Chairperson Carbon mentioned to BAC Secretariat that whatever is discussed with regard to 4000 expandable to 6000, it should be captured in the minutes.
34. Chairperson Carbon said that bid opening will be on October 14, all must be submitted. For the specifics, please be guided by the bidding documents in RA 9184.
35. Chairperson Carbon discussed on the Checklist of Requirements.
36. On **PhilGEPS Certificate of Registration and membership (Platinum Membership)**, Chairperson Carbon said, it must be platinum and valid. If there is no PhilGEPS yet, submission of Class "A" documents under GPPB Resolution No. 26-2017 or a combination of both. But in case the

bidder submits Class "A" documents, the certificate of PhilGEPS Platinum shall remain as a post – qualification requirement.

37. On **Registration certificate from SEC**, Chairperson Carbon said it is prudent that in the submission of the certificate, the bidder also attaches the Articles of Incorporation. Chairperson Carbon said that this will be part of the Addendum.
38. On **Mayor's/Business Permit**, Chairperson Carbon said, the law requires, in the absence of the effective Mayor's Permit, then the expired permit of last year together the Official Receipt of the renewal. The renewal must be done within the reglamentary period by the local government unit.
39. Chairperson Carbon also mentioned on **Tax Clearance, and Audited Financial Statements (AFS)** which must be stamp "received" by the BIR and should not be earlier than two (2) years from the date of bid submission, so, 2017 & 2018 will be accepted.
40. On **Statement of the prospective bidder of all its ongoing government and private contracts, including contracts awarded but not yet started**, Chairperson Carbon said for the bidders to make sure that the projects enumerated are true representation.
41. On **Statement of the bidder's Single Largest Completed Contract (SLCC)**, Chairperson Carbon said, the statement of the bidder's SLCC shall be supported by the Notice of Award and/or Notice to Proceed, Project Owner's Certificate of Final Acceptance issued by the Owner other than the Contractor or the Constructors Performance Evaluation System (CPES) Final Rating, which must be at least satisfactory. In case of contracts with the private sector, an equivalent document shall be submitted.
42. Chairperson Carbon said, in this, there is design portion and civil works portion, if there is no JVA, for as long as 50% of the ABC of P 161,200,000.00. End-user Engr. Gutierrez said, for bidder without partner, it should be 50%, but if joint venture, the partner should shave experience 50% in the design (if partner is the design portion), and the other partner should also have 50% experience in the construction portion. So, 50% of the ABC.
43. BAC Member Atty. Fernandez inquired if the designer of Organica Water has projects in the Philippines, which Mr. Magadia answered, we have one (1) completed plant in the Philippines and another one which is on hold, and same designer. Mr. Magadia said, we also have in Indonesia and Hungary.
44. End-user Engr. Gutierrez said, on the technology that the bidder will introduce, it should have the same technology that already operates, installed. Mr. Magadia from Organica Water said we already have one in the Philippines which is operational. Engr. Gutierrez said, not just operational but has passed already on DAO requirement because during the post-qualification, the TWG will be checking all the certificates from the DENR including the test results.

45. Chairperson Carbon inquired if “or its equivalent” to which end-user Engr. Bugtong answered in the affirmative and if the facility is not installed in the Philippines, it should be compliant with the standards being implemented of the government.
46. Chairperson Carbon inquired, does it follow, DAO 2016-08, this is the standard of the Philippines, what if the equivalent documents the bidder has but the standards of the country are lower than that of DAO/Philippines, which end-user Gutierrez said, it cannot be said if lower. End-user Engr. Bugtong said that the quality of the waste water generated from another country is different from that of the Philippines, as long as the equivalence is the compliance with the standards. Engr. Bugtong said, we cannot compare because different generation, waste water quality, depending on the culture, lifestyle of the people.
47. On **Net Financial Contracting Capacity (NFCC)**, Chairperson Carbon said the K factor is 15.
48. Chairperson Carbon said, **Class “B” Documents, for infrastructure projects, JV bidders shall submit a JVA in accordance with R.A. 4566 and its IRR.** Previously, intent to enter into a JVA is acceptable, but right now, under revised RA 9184, valid Joint Venture Agreement shall be included in the bid. GPPB Resolution No. 29-2014, also, NPM 024-2012, NPM 081-2013.
49. Chairperson Carbon said, since this is a design and build project, there are **Pursuant to Annex G** which include **Class “A” Documents, relevant statements of all on-going, completed, and valid licenses issued by the Professional Regulatory Commission (PRC).** Chairperson Carbon said to make sure that the credentials of the key personnel match the requirement in the TOR/performance specifications.
50. **Technical Documents – Bid Security in the prescribed form, amount and validity period.** Chairperson Carbon said, if Bid Securing Declaration (BSD), make sure that it is for the particular contract, it should not be generic since it will affect the enforceability of the BSD, just in case, you will default on your bid. Two percent (2%) of the ABC if cash, while five percent (5%) if Surety Bond. If surety bond, there are three (3) documents: 1) the bond itself; 2) license of the insurer from the Insurance Commission; and 3) the Certification from the Insurance Commission certifying that the insurer is allowed to issue such bond for this particular bid.
51. **Project Requirements** shall include: 1) Organizational chart for the contract to be bid; 2) List of contractor’s personnel (e.g. Project Manager, Project Engineers, Materials Engineers...) to be assigned to the contract to be bid, with their complete qualification and experience data; 3) List of contractor’s major equipment units, which are owned, leased, and/or under purchase agreements, supported by proof of ownership or certification of availability of equipment from the equipment lessor/vendor for the duration of the project, as the case may be.
52. On **Omnibus Sworn Statement (OSS)**, Chairperson Carbon said, the one authorized must sign the bidding documents and bidding forms and there must be Secretary Certificate issued by the corporation or jointly by the JVA. The one authorized by both companies entering into JVA, is

the affiant and must issue the OSS. Chairperson Carbon said that the OSS must be signed by the Attorney not just stamp/dry seal.

53. **Pursuant to 10.1 of Annex G**, in the submission of bids, the first envelope (Technical Proposal) shall contain all the required documents for infrastructure projects under Section 25.2 (b) of the IRR of RA 9184 and the following additional documents: i. Preliminary Conceptual Design Plan in accordance with the degree of details specified by the procuring entity; ii. Design and construction methods; iii. List of design and construction personnel, to be assigned to the contract to be bid, with their complete qualification and experience data; and iv. Value engineering analysis of design and construction method.
54. Chairperson Carbon said, October 14, bid opening, pass/fail, presence or absence, if the bidder passed and since this involves a complex technology, and it depends on the number of bidders that will participate, we will schedule for the oral presentation the next day as there might be clarifications on the conceptual design. As provided for in Annex G, there must be oral presentation. End-user Engr. Bugtong said, thirty (30) minutes for the presentation of their offer, background of company and one (1) hour will be devoted for the question and answer. Chairperson Carbon said it is much better if the designer is present. After the oral presentation, if bidder/s passed in the first step procedure which includes eligibility check, pass/fail including the outcome of oral presentation that it really is within the minimum requirements required by the procuring entity, then opening of the financial proposals on the 16th. In the opening of financial proposal, make sure that it is within the ABC and the financial bid forms must be present and signed by the authorized representative. After the opening of the financial, bidder with lowest calculated bid as read will be forwarded to the TWG for seven (7) days bid evaluation, if passed, then post-qualification. The maximum period for post-qualification is forty-five (45) calendar days.
55. BAC Member Atty. Fernandez inquired with regard to report of TWG, if it can be done later on or they will just signify that it is okay. Chairperson Carbon said, last time, it was just captured in the minutes. End-user Engr. Gutierrez said that in the bid evaluation, the TWG will have the report. Chairperson Carbon said the TWG will be given seven (7) days for bid evaluation where it is their formal report.
56. BAC Member Atty. Fernandez inquired if BAC will already declare that it passed, which Chairperson Carbon answered in the affirmative. Atty. Fernandez inquired if it should first come from TWG, which Chairperson Carbon said, the TWG is there for BAC to seek its technical assistance/opinion but the decision on whether or not it has passed, it will be the BAC to determine. If passed, then the oral presentation which is a mechanism provided for and to give the opportunity for the bidder to explain their technical plans. The end-user is there to assist the BAC, informs that it is okay, based on the oral presentation, then it is also the decision of the BAC to proceed with the bidding, of course, all is as read. BAC will formally transmit to TWG for bid evaluation, if for example, later on as evaluated there are deficiencies, they will submit a report, and then the BAC will make another decision.

57. BAC Member Atty. Fernandez inquired, TWG has 7 days, will they not be behind time because we will already open the bid, which end-user Engr. Gutierrez said, 7 days from the opening of the bid. Atty. Fernandez said that what he means is the financial, which Chairperson Carbon said, during the time, financial is already opened and part of the evaluation of TWG will be the financial. So, October 14, then the oral presentation on the 15th, after which is the opening of financial. If there are bidders who passed, then it will be forwarded to the TWG.
58. Chairperson Carbon inquired if there are questions and just a reminder for the bidder/s, those times, October 14, it is already in the middle of Fiesta Pilar, bidders should book already the planes/hotels.
59. Chairperson Carbon said that part of the Addendum that will be issued are the dates.
60. There having no other remaining topics for discussion, the pre-bid conference for the design and build of the Sewage-Septage Treatment Plant was adjourned at 10:45 am.

Prepared by:

Reviewed by:


AMOR E. CONSTANTINO
BAC Secretariat - Member


JENNIFER P. BISON
BAC Secretariat – Head

Noted by:


MICHAEL ANGELO M. CARBON
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