



ZCWD SBAC SSTP SUPPLEMENTAL BID BULLETIN NO. 2022-006

Subject: PR No. 22-0113 – Design, Build, Testing & Commissioning of Proposed 4,000 CMD Sewage & Septage Treatment Plant

This **ZCWD SBAC SSTP SUPPLEMENTAL BID BULLETIN** is issued to clarify, modify or amend items in the issued Bidding Documents for the above-subject procurement in view of the **Pre-Bid Conference** last **July 21, 2022**, at the Board Room, 2nd Floor, ZCWD Bldg., Pilar Street, Zamboanga City and via Zoom Video Conferencing.

This Supplemental is issued in line with Government Procurement Policy Board (GPPB) Circular 02-2018 (March 9, 2018), to “**minimize the occasions of bidders’ disqualification due to non-compliance with bidding requirements**” particularly 4.2.2 which states, “**The BAC shall likewise discuss the common reasons of bidders’ disqualifications based on its experiences in previous procurement projects. Accordingly, the BAC shall present and explain the ways to prevent similar occasions of disqualification.**”

Below are findings in previous procurements of a similar project and the Procuring Entity’s clarifications to guide bidders and preclude non-compliance with the bidding requirements.

Part I.

No.	Particulars	Remarks/ Findings during previous biddings	Clarifications
1.	Findings on Calculated Bid Price	To arrive at the "calculated amount", material discrepancies were observed on the following items:	
1.1	Findings on Calculated Bid Price	Bidder's Bill of Quantities (BOQ) ≥ Detailed Cost Estimate (DCE)	The quantity in the Bill of Quantities (BOQ) shall be consistent with the Detailed Cost Estimate.
1.2	Findings on Calculated Bid Price	Accommodation was included as pay item under Work No. x - Non-Engineering Works.	Accommodation shall be part of the Overhead, Contingency and Miscellaneous (OCM).
1.3	Findings on Calculated Bid Price	1 kit of phosphate <i>Vario</i> total HR tube test not included as Reagents	Section 5.6.8 of the Performance Specifications enumerates

			the reagents to be supplied by the contractor for one whole year operation after the process proving.
1.4	Findings on Calculated Bid Price	DCE for Item x.xx and x.xx is SIMILAR; No attached details of the LABORATORY/ EQUIPMENT in the DCE for the said item.	The detail for Laboratory Equipment shall be provided which shall be turned over to ZCWD.
1.5	Findings on Calculated Bid Price	Labor Cost of Laborers were not included in Summation of Total Direct Cost (TDC)	The total direct cost shall include the Materials Cost, Labor Cost and Equipment Expenses (Equipment to be used in project implementation).
1.6	Findings on Calculated Bid Price	Labor is sub-contracted	Provision for subcontracting shall be in accordance with the Philippine Bidding Document (PBD) and the requirements of this bid.
1.7	Findings on Calculated Bid Price	Pipe Fittings on the following items have same components: Feed Water Pump; Grit Chamber; Sludge Pump (Transfer Pump); Transfer Pump (Nitrification tank); Activated Sludge Pump; Transfer pump (Holding Tank); Booster Pump	The estimates shall contain the correct list of materials to be used for the certain item of work.
1.8	Findings on Calculated Bid Price	All other items with discrepancies are attributed to rounding off	Per NPM 090-2014, Generally, the Procuring Entity's evaluation of bids shall only be based on the bid price quoted in the Financial Bid Form. However, if there is a discrepancy in the amount in the bid form and other documents, where the amount in the bill of quantities, detailed estimate and cash flow are similar, the prevailing bid price shall be determined

			upon consideration of the rules provided in Sections 32.2 and 34.4 of the revised Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184.
2.	Findings on Calculated Bid Price	Computation of OCM and Profit	OCM, Profit and VAT shall be consistent with relevant laws, rules and regulations

Part II.

No.	Particulars	Remarks/ Findings during previous biddings	Clarifications
1.	Technical Specifications	Landscaping Works and XXXmm thick concrete paving for driveway were not included as Pay Item which are required under the Performance Specification and Parameters/TOR of the project.	The BOQ/ Estimates shall include the driveway concrete pavement and landscaping works.
2.	Technical Specifications	Office furniture and equipment i.e. desktop computers, printers, photocopier air conditioning units, as well as office chairs and tables were not included in the estimates.	Minimum Office Equipment for turn-over as enumerated in Section 5.6.4 of the Performance Specifications shall be included in the estimates/BOQ.
3.	Technical Specifications	Power consumption for the whole duration of the commissioning, testing and process proving period is not provided in the estimates	Please refer Section 2.5 of the Performance Specifications. All costs that will be incurred for Non-Engineering Works, Design and Construction, Testing and Commissioning and Process Proving, shall be to the account of the contractor, which includes, but not limited to the power consumption,

			manpower, chemicals, 3rd party laboratory testing during these phases of the project. Hence, this shall be provided in the estimates.
4.	Technical Specifications	For Structural rebars, under item x.xx.x, x.xx.x and x.xx.x, consider the minimum size of deformed bars for each RC members.	Section 4.3.1.1 of the Performance Specifications states that "Structural design shall follow the latest edition National Structural Code of the Philippines (NSCP).

Part III.

No.	Particulars	Remarks/ Findings during previous biddings	Clarifications
1.	Documents Submitted	<ul style="list-style-type: none"> Bid Form submitted indicates "LOCAL WATER UTILITIES ADMINISTRATION" (LWUA) as the Procuring Entity; 	The bid form which shall be submitted shall indicate " Zamboanga City Water District " as the Procuring Entity.
2.	Documents Submitted	<ul style="list-style-type: none"> Key Personnel Bio-data (Curriculum Vitae) of the designated Materials Engineer; No PRC or equivalent license submitted as per item 9.2 of Annex "G", which forms part of the technical proposal; Moreover, educational background of the designated Materials Engineer is BS Industrial Engineering; 	The bidder shall comply with the Section 9.2 of Annex "G" of the revised IRR of RA 9184.

Part IV.

No.	Particulars	Remarks	Clarifications
1.	Findings on Calculated Bid Price	Number of pumps required are NOT CONSISTENT as reflected on the Design Specification vs. Process &	The number of pumps, equipment or devices which shall be used in the project

		Instrumentation Diagram vs. BOQ & DCE	must be consistent with the submitted conceptual design, estimates/BOQ of the bidder.
2.	Findings on Calculated Bid Price	The Bidder included the amount of PHPxx,xxx,xxx.xx in the Detailed Cost Estimate (listed as MBBR Tank (Anoxic, BOD Removal, Nitrification Tank) while it is not reflected on its BOQ. It is however, determined that the components listed on the said items are already covered under Item x.x. Anoxic Tank-2 Tanks.	The Estimates and the BOQ must be consistent. Per Section 32.2.3 of the revised IRR of RA 9184, in case of discrepancies between: (a) bid prices in figures and in words, the latter shall prevail; (b) total price per item and unit price for the item as extended or multiplied by the quantity of that item, the latter shall prevail; (c) stated total price and the actual sum of prices of component items, the latter shall prevail; (d) unit cost in the detailed estimate and unit cost in the bill of quantities, the latter shall prevail.
3.	Findings on Calculated Bid Price	The same specifications and model, BUT with different unit cost	Unit costs of the same item with same specs, and model shall be consistent otherwise the lowest unit cost will be used in the computation/ arithmetical corrections.
4.	Findings on Calculated Bid Price	Number of pumps required are NOT CONSISTENT as reflected on the Design Specification vs. Process & Instrumentation Diagram vs. BOQ & DCE	The number of pumps, equipment or devices which shall be used in the project shall be consistent with the submitted

			conceptual design, estimates/BOQ of the bidder.
5.	Findings on Calculated Bid Price	Inconsistencies on the unit costs of some SAME items.	Unit costs of the same item with same specs, and model shall be consistent otherwise the lowest unit cost will be used in the computation/ arithmetical corrections.
6.	<u>SEC REGISTRATION CERTIFICATE</u>	<ul style="list-style-type: none"> • Based on the document submitted, the AOI of the Bidder has already been amended; • The supposed “Amended” AOI that was attached is different from what is referred to in the Certificate of Filing of Amended AOI; • The Amended AOI referred to is dated January 23, 2016 but what was submitted is the Original AOI bearing only a handwritten word “AMENDED” and other written stipulations found therein, dated 1982. While, the Acknowledgment portion of the Notary Public, categorically mentioned the document as the “Articles of Incorporation.” (Any amendment of the AOI may either be: incorporated in the original AOI with emphasis on the amendments introduced, OR in a 	The bidders shall comply with the eligibility requirements as set forth in the Section 23 of the revised IRR of RA 9184.

		<p>separate document, either of the two is treated as an entirely new document)</p> <ul style="list-style-type: none"> • The correct Amended AOI should be attached as it is vital in the BAC's determination whether the bidder complies with the required 60/40 ownership, it being an eligibility criterion stated under RA 9184, Annex "G" thereof and as stated under the Bid Docs. The subject of the amendments pertain to among others, the increase number of shares and/or capital stock of the corporation, as shown in the attached SEC Certificate of Increase of Capital Stock dated October 12, 2018 and Treasurer's Affidavit dated 2017 • The SEC Certificate of Registration is incomplete. Submission of incomplete document is a ground to disqualify a bidder. Pursuant to Section 30.1 of the Revised IRR of RA 9184 states, "The BAC shall open the first bid envelopes in public to determine each bidder's compliance with the documents required to be submitted for eligibility and for the technical requirements, as prescribed in this IRR. For this purpose, the BAC shall check the submitted documents of each bidder against a 	
--	--	---	--

		<p>checklist of required documents to ascertain if they are all present, using a non-discretionary “pass/fail” criterion, as stated in the Instructions to Bidders. If a bidder submits the required document, it shall be rated “passed” for that particular requirement. In this regard, bids that fail to include any requirement or are incomplete or patently insufficient shall be considered as “failed.” Otherwise, the BAC shall rate the said first bid envelope as “passed.”</p> <p>This is also a violation of the Omnibus Sworn Statement, specifically Paragraph No. 4, which states, “Each of the documents submitted in satisfaction of the bidding requirements is an authentic copy of the original, complete, and all statements and information provided therein are true and correct.”</p>	
7.	<p><u>MAYOR’S BUSINESS PERMIT issued by the CITY or MUNICIPALITY where the principal place of business of the prospective bidder is located xxx.</u></p>	<ul style="list-style-type: none"> • Bidder FAILED to submit an appropriate business permit¹ showing that it is authorized to do or undertake business pertaining to “engineering related works (i. e construction of infrastructure project) or related to the subject of the bidding. The instant procurement involves two (2) components: (1) Design 	<p>NPM 079-2014</p> <p>[A] prospective bidder's business as stated in the Mayor's Permit should allow it to legally engage in identified business/ endeavor within the City or Municipality where it has its principal place of business. In the case of Acebedo</p>

² NPM 079-2014

		<p>component- architectural/engineering aspect of the project; (2) Construction component- infrastructure aspect of the project</p> <ul style="list-style-type: none"> • The submitted Mayor’s Business Permit allows the bidder to operate and/or do business which is entirely different from the subject of the bidding², to wit: <ul style="list-style-type: none"> ➤ <u>WHLR (Wholesaler),</u> <u>DIST. (Distributor),</u> <u>DLR. (Dealer),</u> <u>NON ESS.,</u> <u>TRUCK/VAN.</u> ➤ While in the BIR Certificate of Registration, the sole bidder’s line of business indicated is: <u>Manufacturing of other chemical products, N.E.C and other Service Activities.</u> 	<p>Optical Company, Inc. v. the Court of Appeals, et al., the Supreme Court held that "a business permit authorizes the person, natural or otherwise, to engage in business or some form of commercial activity." <u>NPM No. 126-2016</u> [I]t is necessary for the Bids and Awards Committee (BAC) to determine whether the Mayor’s Permit and BIR Certificate of Registration issued to the supplier authorizes it to engage in the business stated therein, such that a finding to the contrary would amount to non-compliance by the bidder and will result to its disqualification. <u>A prospective bidder’s business as stated in the Mayor’s Permit should at the very least be similar to the project to be bid.</u></p>
8.	<u>STATEMENT OF ALL ON-GOING GOVERNMENT & PRIVATE CONSTRUCTION CONTRACTS WHICH ARE SIMILAR IN NATURE.</u>	<ul style="list-style-type: none"> • The amount indicated in one of its project is only Phpxxx,xxx,xxx.xxx (equivalent to its participation in the JV) in contrast to what is indicated in the Notice of Award and Contract amounting to Php xxx,xxx,xxx.xxx; 	The bidders shall comply with the eligibility requirements as set forth in the Section 23 of the revised IRR of RA 9184.

³ NPM No. 126-2016

9.	<u>AUDITED FINANCIAL STATEMENT</u>	<ul style="list-style-type: none"> • Annual Income Tax Return (ITR) <ul style="list-style-type: none"> ➤ The bidder's audited financial Statement (AFS) as of December 31, 2018 and its Annual Income Tax Return (ITR) bears different dates "received" by BIR. Its AFS was received on July 19, 2019, while ITR was received on April 15, 2019. Customarily, both documents should bear same date. It was observed on the bidder's accompanying Notes to Financial Statements, that amended financial statements were approved and authorized for re-issue by its Board of Directors on June 28, 2019, thus supports the later receipt by BIR on July 19, 2019. Consequently, an amended ITR should have been accomplished and received by the BIR to update its records. Submitted Tax Clearance is limited only to tax liabilities recorded as of May 7, 2019, but this may be a subject for verification during next level qualification. 	The bidders shall comply with the eligibility requirements as set forth in the Section 23 of the revised IRR of RA 9184.
10.	<u>LIST OF CONTRACTOR'S PERSONNEL TO BE ASSIGNED</u>	1. Key Personnel Bio-data (Curriculum Vitae) of Mr.xxx;	The bidder shall comply with the Section 9.2 of Annex

	<p><u>TO THE CONTRACT TO BE BID.</u></p>	<ul style="list-style-type: none"> ➤ Designated as Materials Engineer. ➤ However, no attached Materials Engineer Certificate or DPWH Accreditation, or equivalent license showing that xxx is indeed a Materials Engineer, as required under item x.x of Annex “G”, which forms part of the technical proposal. <p>2. Key Personnel Bio-data (Curriculum Vitae) of Mr. xxx;</p> <ul style="list-style-type: none"> ➤ Designated as Project Engineer. However, based on the submitted document, it appears that the latter has no general or relevant experience in construction of wastewater treatment plant as required under the ITB 	<p>“G” of the revised IRR of RA 9184.</p>
--	---	---	---

These clarifications shall form an integral part of the Bidding Documents. All items, conditions and instruction to bidders specified in the Bidding Documents inconsistent with this Supplemental Bid Bulletin are hereby superseded and modified accordingly.

For guidance and information of all concerned.


MICHAEL ANGELO M. CARBON
 Chairperson
 Bids and Awards Committee

Posting date: September 6, 2022
 Posted in the Phil-GEPS, ZCWD Website & Bid Bulletin

Important Notes:

It is the responsibility of the bidder to take steps to carefully examine all of the Bidding Documents. The Procuring Entity shall not assume any responsibility regarding

erroneous interpretations or conclusions by the prospective or eligible bidder out of the data furnished by the Procuring Entity.

A prospective eligible bidder must be responsible for having: 1. Taken steps to carefully examine all of the bidding documents; 2. Acknowledged all conditions, local or otherwise, affecting the implementation of the contract; 3. Made an estimate of the facilities available and needed for the contract to be bid, if any; and 4. Complied with his responsibility that it shall be the responsibility of all those who have properly secured the bidding documents to inquire and secure supplemental/bid bulletins that may be issued by the BAC (Government Procurement Manual Volume 3).

Failure to observe any of the above responsibilities shall be at the risk of the prospective bidder concerned. The Procuring Entity shall not be responsible for any erroneous interpretation or conclusions by the prospective or eligible bidders of the data it furnished (Government Procurement Manual Volume 3).