



**“KAYO ANG BOSS KO”
TOILET FACILITIES IMPROVEMENT PROJECT
CIVIL WORKS COMPONENT
(LOT 15- CARAGA REGION: LTO, CAAP, PPA)**

INSTRUCTIONS TO OFFERERS

1. Scope of Proposal

The Department of Transportation and Communications (hereinafter referred to as the “Procuring Entity”) invites proposals for the construction of Works as described in the Terms of Reference (TOR).

2. Source of Funds

The Procuring Entity has a budget and has received funds from the Government of the Philippines through CY 2012 General Appropriations Act in the amount of **Nine Million Three Hundred Seventy Eight Thousand Nine Hundred Eighteen and 1/100 Pesos (P 9,378,918.01)**. It intends to apply part of the funds received for the Project, as defined in the Terms of Reference to cover eligible payments under the contract.

3. Incorporation of the Bidding Documents

- a. The Procuring Entity adopts the relevant provisions of the Bidding Documents in the previously conducted bidding for the subject procurement (“Bidding Documents”), whenever applicable.
- b. The Procuring Entity adopts the relevant provisions in the Instructions to Bidders (ITB) and Bid Data Sheet (BDS) as regards the Preparation of Bids, including the Eligibility and Technical Components and the Financial Component as provided under Clauses 12 and 13 of the ITB and BDS, respectively.

4. No Requirement for a Bid Security

Offerers are not required to submit a bid security upon submission of their Proposals.

5. Clarification and Amendment of the Terms of Reference

- a. Offerers who were invited to submit their proposals may request for clarification(s) on any part of the Terms of Reference and the Bidding Documents or for an interpretation. Such request must be in writing and

submitted to the Procuring Entity at the address indicated in the BDS at least five (5) calendar days before the deadline set for the submission and receipt of bids.

- b. Supplemental/Bid Bulletins may be issued upon the Procuring Entity's initiative for purposes of clarifying or modifying any provision of the Terms of Reference or the Bidding Documents not later than three (3) calendar days before the deadline for the submission and receipt of the Eligibility and Technical Proposal. Any modification to the Terms of Reference and the Bidding Documents shall be identified as an amendment.

6. Eligibility and Technical Components

The Proposal of the Offerers containing the Eligibility and Technical Components ("First Envelope") and the Financial Component must be received by the Procuring Entity's Bids and Awards Committee (BAC) on 29 July 2013 at 10:00 a.m., through the BAC Secretariat at Unit 153, 15th Floor, The Columbia Tower, Ortigas Avenue, Mandaluyong City. Subject to Section 9 hereof (Opening and Preliminary Evaluation of Proposal), any Proposal submitted after the deadline for submission and receipt of the Proposal shall be declared "late" and shall not be accepted by the Procuring Entity.

7. Authorized Representative

Offerers shall submit their bids through their duly authorized representative/s.

8. Opening and Preliminary Evaluation of Proposal

The Negotiating Team shall determine each Offerer's compliance with the Eligibility and Technical documents prescribed in Clause 12 of the ITB and BDS. For this purpose, the Negotiating Team shall check the submitted documents of each Offerer against a checklist of required documents to ascertain if they are all present. If an Offerer submits the required document, it shall be rated "passed" for that particular requirement. In this regard, proposals that fail to include any requirement or are incomplete or patently insufficient shall be given a period of seven (7) calendar days from notice to submit the required document or to cure any defect in the submission. Failure to submit the required Eligibility and Technical documents in the First Envelope within the said period shall be rated "failed". Otherwise, the Negotiating Team shall rate the said First Envelope as "passed".

9. Financial Component

After the curing period of seven (7) calendar days from receipt of Notice of Defect, the Proposal of the Eligible Offerers containing the Financial Component ("Second Envelope") must be submitted to the Procuring Entity's Bids and Awards Committee (BAC) at Unit 153, 15th Floor, The Columbia Tower, Ortigas Avenue, Mandaluyong City on the date and time indicated in the **Notice of Submission of Financial Proposal**. Any Proposal submitted after the deadline

for submission and receipt of the Proposal shall be declared "late" and shall not be accepted by the Procuring Entity.

The Negotiating Team shall forthwith open the Second Envelope of each remaining Eligible Offerer whose first envelope was rated "passed". In case one or more of the requirements in the second Envelope of a particular proposal is missing, incomplete or patently insufficient, and/or if the submitted total financial proposal exceeds the ABC, the Negotiating Team shall rate the proposal concerned as "failed". Only proposals that are determined to contain all the proposal requirements for both components shall be rated "passed" and shall immediately be considered for evaluation and comparison.

10. Form of Proposal

- a. The Procuring Entity adopts Clause 20 of the ITB of the Bidding Documents on the Sealing and Marking of the Financial Component.
- b. Defects as to the form (i.e. sealing and marking of the Financial Component) may be waived by the Procuring Entity. If proposals are not sealed and marked as required, the Procuring Entity will assume no responsibility for the misplacement or premature opening of the Proposal.

11. Evaluation of the Proposals

- a. The Lowest Calculated Bid shall be required to submit the following documentary requirements to the Negotiating Team within three (3) calendar days from receipt of notice: (a) Tax clearance; (b) Latest income and business tax returns; and (c) Certificate of PhilGEPS Registration.
- b. The Negotiating Team shall verify, validate and ascertain all statements made and documents submitted by the bidder with the Lowest Calculated Bid, using the non-discretionary criteria. If the Negotiating Team determines that the Offerer with the Lowest Calculated Bid passes all the criteria as set in the Terms of Reference and the Bidding Documents, it shall declare the said bid as the Lowest Calculated and Responsive Bid (LCRB), and recommend to the BAC the award of contract to the said Offerer at its submitted price or its calculated bid price, whichever is lower.
- c. A negative determination shall result in rejection of the Offerer's Proposal, in which event the Procuring Entity shall proceed to the next Lowest Calculated Bid to make a similar determination of that Offerer's capabilities to perform satisfactorily. If the second Offerer, however, fails any of the criteria as stated above, the procedure as stated in this Clause shall be repeated for the Offerer with the next Lowest Calculated Bid, and so on until the Lowest Calculated Responsive Bid is determined for contract award.
- d. The Procuring Entity shall award the contract to the Offerer whose proposal has been determined to be the LCRB.

12. Award

- a. The Procuring Entity shall notify the successful Offerer in writing that its bid has been accepted, through a Notice of Award received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within two (2) days by the Offerer with the LCRB and submitted personally or sent by registered mail or electronically to the Procuring Entity.
- b. Notwithstanding the issuance of the Notice of Award, award of contract shall be subject to the following conditions:
 - a. Submission of the valid JVA, if applicable, within five (5) calendar days from receipt by the Offerer of the notice from the BAC that the Offerer has the LCRB;
 - b. Posting of the performance security in accordance with **ITB** Clause 32;
 - c. Signing of the contract as provided in **ITB** Clause 31; and
 - d. Approval of higher authority, if required.
- c. The BAC, through the Secretariat, shall post, within three (3) calendar days from its issuance, the Notice of Award in the PhilGEPS, the website of the procuring entity, if any, and any conspicuous place in the premises of the procuring entity.

13. Signing of the Contract

- a. At the same time as the Procuring Entity notifies the successful Offerer that its proposal has been accepted, the Procuring Entity shall send the Contract Form to the Offerer, which contract has been provided in the Bidding Documents, incorporating therein all agreements between the parties.
- b. Within ten (10) calendar days from receipt of the Notice of Award, the successful Offerer shall post the required performance security and sign and date the contract and return it to the Procuring Entity.
- c. The Procuring Entity shall enter into contract with the successful Offerer within the same ten (10) calendar day period provided that all the documentary requirements are complied with.
- d. The following documents shall form part of the contract:
 - i. Contract Agreement;
 - ii. Bidding Documents;

- iii. Winning bidder's bid, including the Technical and Financial Proposals, and all other documents/statements submitted;
- iv. Performance Security;
- v. Credit line in accordance with **ITB** Clause 5.5, if applicable;
- vi. Notice of Award of Contract; and
- vii. Other contract documents that may be required by existing laws and/or specified in the BDS.

14. Performance Security

- a. To guarantee the faithful performance by the winning Offerer of its obligations under the contract, it shall post a performance security within a maximum period of ten (10) calendar days from the receipt of the Notice of Award from the Procuring Entity and in no case later than the signing of the contract.
- b. The performance security shall be denominated in Philippine Pesos and posted in favor of the Procuring Entity in an amount equal to the percentage of the total contract price in accordance with the following schedule:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Ten percent (10%)
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty percent (30%)
Any combination of the foregoing.	Proportionate to share of form with respect to total amount of security

- c. Failure of the successful Offerer to comply with the above-mentioned requirement shall constitute sufficient ground for the annulment of the award, in which event the Procuring Entity shall initiate and complete the evaluation of the second Lowest Calculated Bid. The procedure shall be repeated until the LCRB is identified and selected for contract award.

15. Notice to Proceed

- a. Within three (3) calendar days from the date of approval of the contract by the appropriate government approving authority, the Procuring Entity shall issue its Notice to Proceed to the Offerer.
- b. The contract effectivity date shall be provided in the Notice to Proceed by the Procuring Entity, which date shall not be later than seven (7) calendar days from the issuance of the Notice to Proceed.
- c. The procuring entity, through the BAC Secretariat, shall post a copy of the Notice to Proceed and the approved contract in the PhilGEPS and the website of the procuring entity, if any, within fifteen (15) calendar days from the issuance of the Notice to Proceed.