

Special Bids and Awards Committee (SBAC)

**DESIGN, BUILD, AND ESTABLISHMENT OF THE NATIONAL FIBER BACKBONE -
PHASE 1 (NFBP1)**

**RESOLUTION NO. 05
(Declaration of LCRB)**

The BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA), through the Funds of the Department of Information and Communications Technology (DICT) under the General Appropriations Act which were downloaded to BCDA, has put on bid the **Contract for Design, Build and Establishment of the National Fiber Backbone - Phase 1** (the "Project) with an Approved Budget for the Contract (ABC) in the sum of **One Billion, Two Hundred Fifty Million 00/100 Pesos (Php1,250,000,000.00)**, inclusive of all applicable taxes and fees.

WHEREAS, the SBAC for NFBP1, through its Secretariat, advertised the Invitation to Bid on 17 February 2021 in newspaper of nationwide circulation, and on 17-24 February 2021 in the following:

- a. DBM Philippine Government Electronic Procurement System (PhilGEPS);
- b. BCDA Website; and
- c. In a conspicuous place reserved for the purpose in the premises of BCDA.

WHEREAS, in response to the said advertisements, six (6) interested bidders bought the bidding documents but only three (3) bidders submitted their bids for the project on time or prior to the set deadline of the submission of bids on 15 March 2021 at 12:00 noon, namely:

1. NERA Philippines, Inc./R.D. Policarpio & Co., Inc./Livan Trade Corporation Consortium;
2. Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture; and
3. Inspiration Network Engineering Services (INES) Solutions, Inc.

The 21 THIONEMJAS did not purchase the bidding documents for the Project and submitted its bid late which was at 12:02 PM of 15 March 2021, thus, its bid was immediately returned unopened;

WHEREAS, on 15 March 2021, the Eligibility Documents and Technical Proposals of the 3 bidders, who submitted their bids on time, were opened and subjected to a preliminary evaluation by determining the presence or absence of the required documents using "pass/fail" criterion. On 16 March 2021, reconvening from the adjournment, the SBAC,

as part of the evaluation of Technical Proposals and as required under the Bidding Documents, heard the oral presentations of the 3 bidders of their Project Implementation Plan and Technology to be utilized for the Project, and thereafter duly adjourned;

WHEREAS, on 23 March 2021, the SBAC reconvened/resumed its proceedings for the deliberation of the results of the preliminary evaluation of the submitted Technical Proposals and of the presentations on Project Implementation Plan and Technology made by the 3 bidders. After checking the sufficiency of the submitted documents and the Project requirements as regards its presence or absence, and as recommended by the SBAC Technical Working Group (TWG), the SBAC declared the Technical Proposals of the two (2) bidders as “passed”, namely:

- **NERA Philippines, Inc./ R.D. Policarpio & Co., Inc./Livan Trade Corporation Consortium; and**
- **Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture**

WHEREAS, on 24 March 2021, the SBAC, reconvening from adjournment, caused the Opening of the Financial Proposals of the aforementioned 2 bidders whose Technical Proposals were rated/declared “passed”, and proceeded to the Financial Proposals’ preliminary evaluation by determining the presence or absence of the required documents using “pass/fail” criterion. During the said preliminary evaluation and after checking the sufficiency of the required documents as regards its presence or absence, and as recommended by the SBAC TWG, the SBAC likewise declared the Financial Proposals of the 2 bidders as “passed”. Subsequently, the Technical and Financial Bids of the 2 bidders were considered for the detailed evaluation and comparison of bids. Table below shows the ranking and bid amounts of the 2 bidders (as read):

BIDDERS	BID AMOUNT (AS READ)	RANKING
NERA Philippines, Inc./ R.D. Policarpio & Co., Inc./Livan Trade Corporation Consortium	PhP994,469,488.59	1
Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture	PhP1,025,988,195.75	2

WHEREAS, on 25 to 29 March 2021, the SBAC TWG conducted the detailed evaluation and verification of the bids of the aforementioned 2 bidders whose Technical and Financial Proposals were rated “passed” during the preliminary evaluation, to determine the bidder with the Lowest Calculated Bid (LCB) in accordance with Section 32 of the Revised Implementing Rules and Regulations (RIRR) of R.A. 9184 and Clause 19 of the ITB. After the said detailed bid evaluation, the bid of NERA Philippines, Inc./ R.D. Policarpio & Co., Inc./Livan Trade Corporation Consortium was rated “failed” due to the

absence of the required documents or non-compliance with the requirements provided under the bidding documents for the project, and RIRR of R.A. 9184, to wit:

REQUIREMENT	NON-COMPLIANCE
<p>The Cash Flow and Payment Schedule as provided in Clause 7.2.1 - Payment Method under the Bidding Documents for the Project.</p>	<ul style="list-style-type: none"> The bidder failed to show the deductions on the Retention Fee and Recoupment Fee in its submitted Cashflow and Payment Schedule. <i>[This is in violation of Clause 7.2.1 – Payment Method under Vol. 2 of the Bidding Documents for the Project.]</i>
<p>Clause 5.2 of the Instructions to Bidders and Bid Data Sheet specifies the requirement for SLCC for the Project, to wit:</p> <p>I. The Bidder should be able to show a <u>Design Contract</u> for a project, within the last ten years, of at least 50% of the ABC (PhP625,000,000.00) or at least 2 Design Contracts for projects, within the last ten years, with an aggregate total of at least 50% of the ABC (PhP625,000,000.00) involving any or a combination of the following:</p> <ol style="list-style-type: none"> Design of Laying down of an aggregate of 25 kms of Fiber Optic Cable with Equipment; Design of Optical Transport Network; Design of ICT Network and Telecommunications Facilities. <p style="text-align: center;">AND</p> <p>II. The Bidder should be able to present a <u>Civil Works Contract</u> for a project within the last ten years, of at least 50% of the ABC (PhP625,000,000.00) or at least 2 Civil Works Contract within the last ten years, with an aggregate total of at least 50% of the ABC (PhP625,000,000.00) involving any or a combination of the following:</p> <ol style="list-style-type: none"> Laying down of an aggregate of 25 kms of Fiber Optic Cables; Civil Works of roads with 	<ul style="list-style-type: none"> The bidder failed to comply with the requirement for Single Largest and Completed Contracts (SLCC). The bidder submitted two (2) Civil Works Contracts with an aggregate amount of less than 50% of the ABC, and three (3) Design Contracts for projects with an aggregate amount of less than 50% of the ABC. <p>Further, the bidder submitted/attached a Certificate of Completion and Preliminary Acceptance for its submitted SLCC, instead of the required Certificate of Final Acceptance.</p> <p><i>[The above non-compliance is in violation of Clause 5.2 of the Instructions to Bidders (ITB) and BDS].</i></p>

<p>provision for underground electrical power or telecom utilities or installation of underground electrical power or telecom underground utilities.</p> <p>Or, in lieu of I and II:</p> <p><u>III. Design and Build Contract</u> for a project, within the last ten years of at least 50% of the ABC (PhP625,000,000.00) or at least 2 Design and Build Contracts with an aggregate of 50% of the ABC, involving any or a combination of the following:</p> <ol style="list-style-type: none"> 1. Laying down of an aggregate of 25 kms of Fiber Optic Cable with Equipment; 2. Optical Transport Network; 3. ICT Network and Telecommunications Facilities 4. Civil Works of roads with provision for underground electrical power or telecom utilities or installation of underground electrical power or telecom underground utilities. 	
<p>Clause 10.4 of the Bid Data Sheet and Clause 3.2, Section 2 of the Vol. 2 Bidding Documents of the Project requires a Project Manager for the Project with the following qualifications:</p> <p><u>Preferably a licensed Electronics and Communications Engineer</u></p> <ul style="list-style-type: none"> • With at least three (3) years of experience in the design, engineering, installation, testing, commissioning, operation, and maintenance of any or combination of the following: <ul style="list-style-type: none"> -Telecommunications infrastructure; -Fiber optics and/or optical 	<ul style="list-style-type: none"> • The bidder failed to submit the required work experience of the nominated Project Manager. The Curriculum Vitae (CV) of the nominated Project Manager merely indicates the titles of the projects claimed to be undertaken by the Project Manager, the duration of the projects (i.e., start and end dates) and the positions of the nominated Project Manager in those projects are not provided. • The bidder failed to submit the required work experience of its one (1) nominated Senior Telecom Engineer. The submitted work experience for the nominated 1 Senior Telecom Engineer is the work experience as Project Manager.

<p>transport network system; -Network Management System; -IP/MPLS network and Network Security System.</p> <ul style="list-style-type: none"> • With at least two (2) years of experience in the implementation of underground utilities and/or support facilities of a telecommunications network; • With at least three (3) years of managerial experience in the build and/or O&M of telecommunications infrastructure; <p><u>Bidder must submit proofs (Resume, Licenses, Certificates, etc.).</u></p>	<ul style="list-style-type: none"> • The work experience of one (1) nominated Senior Telecom Engineer is only 1.3 year, which is less than the required 3 years of experience for Senior Telecom Engineer. • The bidder failed to submit the required competency requirement of its two (2) nominated Senior Telecom Engineer. <i>[The above non-compliance is in violation of Clause 10.4 of BDS and Clause 3.2, Section 2 of the Vol. 2 Bidding Documents of the Project].</i>
<p>Vol. 2 Section II. Minimum Performance Specifications and Parameters of the Bidding Documents for the Project</p>	<ul style="list-style-type: none"> • Failed to comply with the Technical Specifications requirements, to wit: <ul style="list-style-type: none"> - Markings for 144- and 48-core FOC; - Fiber type and Pigtail of proposed FOC; - NMS proposal has no guarantee of integration and workability; - Out-of-Band Connectivity Service is excluded; - Printing of Project/Design Documents is "as needed", subject to Job Change Order; - The bidder has no clear responsibility for the transportation/distribution of spares; - The bidder excluded supply and installation of DC power system; - The bidder stated that DICT shall be responsible for transporting equipment to other locations; - The bidder stated that it will apply separate charging for onsite support; and - The bidder stated that DICT shall create problem (support) tickets. <p><i>[The above non-compliance is in violation of Vol. 2 Section II. Minimum Performance</i></p>

	<i>Specifications and Parameters of the Bidding Documents for the Project.</i>
Clause 2.4.3 of Vol. 2 of the Bidding Documents for the Project requires that the winning bidder must handle the APNIC application, processing, securing, and sourcing out IP Address Version 4 & 6 (IPv4 & IPv6) for IPv4 Addresses /22 (or equivalent) one thousand twenty-four (1,024) Public IP addresses and IPv6 Addresses /32 sixteen million seven hundred seventy-seven thousand two hundred sixteen (16,777,216) of /56 subnets Public IP addresses and an Autonomous System Number (ASN).	<ul style="list-style-type: none"> In the submitted Preliminary Conceptual Design Plans, the bidder failed to state IPV4,IPV6, and ASN. The bidder also stated that APNIC requirements are subject to APNIC approval. If APNIC does not approve the IPV4 addresses, this poses a risk to the project as the whole government connected to NBP will need to migrate to IPV6. <i>[in violation of Clause 2.4.3 of Vol. 2 of the Bidding Documents for the Project.]</i>
Clause 2.4.3 of Vol. 2 of the Bidding Documents for the Project requires that the Winning Bidder must handle the APNIC application, processing, securing, and sourcing out IP Address Version 4 & 6 (IPv4 & IPv6) for IPv4 Addresses /22 (or equivalent) one thousand twenty-four (1,024) Public IP addresses and IPv6 Addresses /32 sixteen million seven hundred seventy-seven thousand two hundred sixteen (16,777,216) of /56 subnets Public IP addresses and an Autonomous System Number (ASN).	<ul style="list-style-type: none"> Under the Component 4, the bidder failed to state APNIC, ASN, and IP address which is subject to APNIC approval. If APNIC does not approve the IPV4 addresses, this poses a risk to the project as the whole government connected to NBP will need to migrate to IPV6, <i>[in violation of Clause 2.4.3 of Vol. 2 of the Bidding Documents for the Project].</i>

WHEREAS, further, after the said detailed bid evaluation, the bid of Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture duly remained, found to be compliant with the requirements provided in the Bidding Documents for the Project, and was rated “passed” as regards the presence or absence of the required documents. The Joint Venture forthwith was determined to be the bidder with the Lowest Calculated Bid (LCB) who shall undergo post-qualification. Table below shows the bid amount of the said Joint Venture (as calculated):

BIDDER	BID AMOUNT (AS CALCULATED)
Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture	PhP1,025,988,195.77

WHEREAS, consequent to the above results of the detailed bid evaluation, and as recommended by the SBAC TWG, the SBAC issued BAC Resolution No. 04 on 30 March 2021 declaring **Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture** as the bidder with the LCB who shall be subjected to the Post-Qualification process pursuant to Section 34 of the RIRR of R.A. 9184;

WHEREAS, on 01 April 2021, the said BAC Resolution No. 04 was approved by BCDA PCEO. Subsequently, the post-qualification on the said Joint Venture commenced on 01 April 2021 and was supposed to end on 09 April 2021. However, on 08 April 2021, the SBAC issued Bid Bulletin No. 04 extending the post-qualification period until 12 April 2021 due to the restrictions set by the government authorities, in line with the implementation of Enhanced Community Quarantine (ECQ) in the entire Metro Manila and in the provinces of Laguna, Bulacan, Cavite, and Rizal, which limited the movement of the SBAC TWG in the conduct of post-qualification activities and caused delays in the verification and accessing documents on the performance of the bidder;

WHEREAS, on 13 April 2021, the SBAC deliberated the SBAC TWG Report on the results of post-qualification on the said Joint Venture. After careful examination, validation and verification of all the submitted eligibility, legal, technical and financial documents, the SBAC TWG found **Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture** compliant with and responsive to the requirements stipulated in the bidding documents and recommended to declare the said Joint Venture as the bidder with the **Lowest Calculated and Responsive Bid (LCRB)** for the Project in its Post-Qualification Report;

WHEREAS, **Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture** is not included in the GPPB List of Blacklisted Constructors as of 13 April 2021.

NOW, THEREFORE, foregoing considered and after careful evaluation and thorough deliberation of the bids submitted for the Project, we, the Members of the Special Bids and Awards Committee (SBAC) for NFB – Phase 1, hereby **RESOLVE** as it is hereby **RESOLVED** to recommend the following:

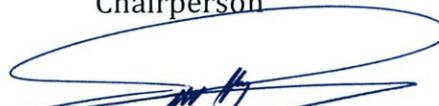
1. To award the contract to **Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint Venture** as the bidder with the **Lowest Calculated and Responsive Bid (LCRB)** for the **Design, Build, and Establishment of the National Fiber Backbone - Phase 1**, in the amount of **PESOS: One Billion Twenty Five Million Nine Hundred Eighty-Eight Thousand One Hundred Ninety-Five & 75/100 (PhP1,025,988,195.75)**, pursuant to Sec. 34.4 of the revised IRR of R.A. 9184; and
2. To issue the corresponding Notice of Award (NOA) to **Net Pacific, Inc./ComClark Network and Technology Corporation/Trends and Technologies, Inc. Joint**

Venture, being the bidder with LCRB.

RESOLVED, at the BCDA Corporate Center Office, this 13th day of April 2021.

SPECIAL BIDS AND AWARDS COMMITTEE (SBAC) FOR NFB – PHASE 1


AILEEN ANUNCIACION R. ZOSA
Chairperson



ARREY A. PEREZ
Vice Chairperson


ENGR. RICHARD BRIAN M. CEPE
Member


ATTY. GISELA Z. KALALO
Member

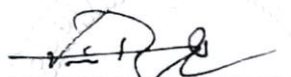

ENGR. RYAN PAUL S. GALURA
Member


VIRGIL M. ALVAREZ
SBAC Provisional Member


ATTY. ALVIN M. NAVARRO
Provisional Member
DICT OIC-Assistant Secretary


LEO CIPRIANO L. URBIZTONDO, JR.
Alternate Provisional Member
DICT Director

Approved by:


VIVENCIO B. DIZON
President and CEO



SBAC – National Fiber Backbone Phase 1



SBAC – NFBP12021 – 0008