

**Bids and Awards Committee for Infrastructure Projects**

**CONSTRUCTION OF ACCESS ROADS, DRAINAGES, AND EARTHWORKS AT  
MORONG DISCOVERY PARK**

**RESOLUTION NO. 02**

**(Negotiated Procurement under Adjacent/Contiguous Contract)**

The BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA), through negotiated procurement, has put on negotiations the **Contract for the Construction of Access Roads, Drainages, and Earthworks at Morong Discovery Park via Adjacent/Contiguous Contract**, with an Approved Budget for the Contract (ABC) in the sum of **Pesos: Two Hundred Forty-Nine Million Four Hundred Ninety-Seven Thousand Six Hundred Thirty-Eight and 22/100 (Php249,497,638.22)**, inclusive of all applicable taxes and fees.

**WHEREAS**, on 20 August 2022, the BCDA Board has approved, via *ad referendum*, and subsequently ratified on 24 August 2022 the procurement of the Construction of Access Roads, Drainages, and Earthworks at Morong Discovery Park under Negotiated Procurement (Adjacent/Contiguous). The ABC is Php 249,497,638.22;

**WHEREAS**, the Board-approval includes the delegation of authority to the President and CEO (PCEO), or in his/her absence, the Officer-In-Charge (OIC)-OPCEO, to sign the Notice of Award of the aforesated project upon approval of the Board;

**WHEREAS**, on 05 September 2022, the Engineering and Social Services Department (ESSD) requested the Bids and Awards Committee for Infrastructure Projects (BAC-I) to facilitate the procurement of the Project: Construction of Access Roads, Drainages, and Earthworks at Morong Discovery Park under Negotiated Procurement (Adjacent/Contiguous) in accordance with Section 53.4 of the 2016 Revised Implementing Rules and Regulations (RIRR) of Republic Act No. 9184 (RA9184) and pursuant to the approval of the BCDA Board;

**WHEREAS**, Section 53.4 (Adjacent/Contiguous) of the RIRR of RA9184 states that Procuring Entity can directly negotiate a contract with a contractor if the subject contract is adjacent or contiguous to an on-going infrastructure project: provided, however, that (a) the original contract is the result of a Competitive Bidding; (b) the subject contract to be negotiated has similar or related scopes of work; (c) it is within the contracting capacity of the contractor; (d) the contractor used the same prices or lower unit prices as in the original contract less mobilization cost; (e) the amount involved does not exceed the contract amount of the ongoing project; and (f) the contractor has no negative slippage/delay in the original contract during the time of negotiation; and provided further that the negotiations for the procurement are commenced before the expiry of the original contract.

**WHEREAS**, the Joint Venture (JV) of Cavite Ideal International Construction and Development Corporation (CAVDEAL) and Credibuild Development Corporation

(CREDIBUILD) passed the required eligibility criteria set upon by Section 53.4 of the Revised IRR of RA9184, to wit:

| Requirement  | Compliance  |
|--|---|
| The original contract is the result of a competitive bidding.  | The JV of CAVDEAL and CREDIBUILD has an existing contract with BCDA for the Construction of Various Structures and Facilities within the 100-hectare Area at Bataan Technology Park, Morong Bataan - Phase 1, Package 3 ("BTP Package 3") which was awarded as a result of competitive bidding.     |
| The subject contract to be negotiated has similar or related scopes of work.                               | Part of the original contract of the JV of CAVDEAL and CREDIBUILD involves earthworks, drainage, slope protections, subbase, and surface courses, which is similar to the scope of works under the recommended adjacent/contiguous contract.  |
| It is within the contracting capacity of the contractor.   | Based on its documentary submissions for the original contract and taking into consideration the sum of the value of the remaining works for Package 3, the NFCC as computed is <b>PhP 11,235,653,753.87</b> which could absorb the ABC of PhP 249,497,638.22 for the adjacent/contiguous contract. |
| The contractor uses the same price or lower unit price as in the original contract less mobilization cost. | Comparing the unit costs in the detailed design and the unit costs in the accepted bid of the JV of CAVDEAL and CREDIBUILD in BTP Package 3, the unit prices to be used in this adjacent/contiguous contract are lower than the unit prices of the original contract.                               |
| The amount of the contiguous or adjacent work involved does not exceed the amount of the ongoing project.  | The estimated amount of the adjacent/contiguous contract of <b>PhP 249,497,638.22</b> is lower than the ongoing contract cost as awarded in the amount of <b>PhP 2,378,986,094.99</b> .   |
| The contractor has no negative slippage/delay in the original contract                                     | The contractor has an actual accomplishment of 18.514% as against the   |



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| during the time of negotiation.   | scheduled accomplishment of 17.615%. The contractor has no negative slippage and is even <b>advanced in its accomplishment by 0.899%</b> as of 10 October 2022, or during the time of negotiation. |
| Negotiations for the procurement of the contiguous or adjacent work are commenced before the expiry of the original contract. | The original contract will expire in <b>November 2023</b> .  |

**WHEREAS**, on 05 October 2022 the BAC-I received from the JV of CAVDEAL and CREDIBUILD a Quotation (**ANNEX A**) with a total cost of Pesos: **Two Hundred Seventy-Nine Million Nine Hundred Fifty-One Thousand Twelve and 34/100 (Php 279,951,012.34)**;

**WHEREAS**, on 10 October 2022, the BAC-I conducted the negotiation with the JV of CAVDEAL and CREDIBUILD attended by the representatives from the Internal Audit Services Department (IASD) and Commission on Audit (COA) with the following Negotiation Points to wit:

| NEGOTIATION POINTS / SUBJECT   | AGREEMENT/ COMMITMENT |
|--|-----------------------|
| 1. After successful negotiation, the JV of CAVDEAL and CREDIBUILD shall submit a valid Special PCAB License and Computation of the Net Financial Contracting Capacity (NFCC) prior to the issuance of the Notice of Award (NOA).   | <b>AGREE</b>          |
| 2. Prior to contract implementation, the Contractor, including Subcontractors, shall sign and abide by the Non-Disclosure Agreement with BCDA for all the plans, drawings, specifications and other documents related to the project.  | <b>AGREE</b>          |
| 3. The Contractor agreed to the scope of work, unit costs and the total contract amount of <b>Php246,356,890.83</b> as the negotiated price of this Adjacent or Contiguous Contract.<br><br>The Contractor exercises its due diligence in going through the scope of work, unit cost and the detailed design plans to be able to prepare their quotation intelligently.  | <b>AGREE</b>          |
| 4. On road segments that will be constructed with subbase course only,<br><br>a. the JV of CAVDEAL and CREDIBUILD should ensure that the subbase course is in accordance with the technical specifications and should conduct a pre-material test before laying and post-material test after repair works of the subbase aggregates prior to the concrete pouring of Portland Cement Concrete Pavement (PCCP) by the contractor for the Construction of Roads, Utilities | <b>AGREE</b>          |

|   |              |
|---|--------------|
| and Preparatory Works at Morong Discovery Park (formerly known as "Site Development at BTP - Package 1");   |              |
| b. the JV of CAVDEAL and CREDIBUILD should undertake the necessary repair works, at its own expense, to restore the subbase course in accordance with technical specifications including the 1-year Defects Liability Period (DLP) and Warranty Period pursuant to Section 62.2 of the Revised IRR of RA9184;   | <b>AGREE</b> |
| c. the JV of CAVDEAL and CREDIBUILD should ensure that the exterior sewer system, i.e. sewer lines and manholes, are in accordance with the technical specifications and should conduct a punchlisting activity prior to the concrete pouring of Portland Cement Concrete Pavement (PCCP) by the contractor for the Construction of Roads, Utilities and Preparatory Works at Morong Discovery Park;  | <b>AGREE</b> |
| d. the JV of CAVDEAL and CREDIBUILD should undertake the necessary repair works, at its own expense, to restore the exterior sewer system in accordance with technical specifications, including the 1-year Defects Liability Period (DLP) and Warranty Period pursuant to Section 62.2 of the Revised IRR of RA9184; and   | <b>AGREE</b> |
| e. the JV of CAVDEAL and CREDIBUILD should submit a traffic management plan for vehicles and heavy equipment passing through these road segments aligned with their construction methodology and schedule during the construction of the roads.   | <b>AGREE</b> |
| 5. The JV of CAVDEAL and CREDIBUILD is not relieved from its obligations and responsibilities to undertake repair works on any defects and/or failure during the Defects Liability Period reckoned from the date of issuance of the Certificate of Completion and Preliminary Acceptance as provided in Section 62.2.2 of the Revised Implementing Rules and Regulations of Republic Act 9184;  | <b>AGREE</b> |
| 6. The JV of CAVDEAL and CREDIBUILD is not relieved from its obligations and responsibilities on any structural defects/failures arise due to faults attributable to improper construction, use of inferior quality/substandard materials, and any violation of the contract plans and specifications reckoned from the date of issuance of the Certificate of Final Acceptance as provided in Section 62.2.3 of the Revised Implementing Rules and Regulations of Republic Act 9184; | <b>AGREE</b> |
| 7. There should be no variation orders and extension of time due to the repair work of the subbase course and exterior sewer system, including any related works subsequent to this repair work.  | <b>AGREE</b> |
| 8. The repair works of the subbase course and exterior sewer system on road segments to be constructed with subbase only shall be completed prior to the expiration of the contract time.   | <b>AGREE</b> |

**WHEREAS**, the BCDA Board, through its Resolution No. 2022-10-161, approved the award of the Negotiated Procurement under Adjacent/Contiguous Contract in the amount of **Two Hundred Forty-Six Million Three Hundred Fifty-Six Thousand Eight**

**Hundred Ninety and 83/100 (PhP246,356,890.83)** to the JV of CAVDEAL and CREDIBUILD, subject to Memorandum Circular (MC) No. 3 (series of 2022) issued by the Office of the President of the Philippines which prohibits government offices from entering into new contracts or projects, or disburse extraordinary funds;

**WHEREAS**, MC No. 9 (series of 2022) was issued by the Office of the President of the Philippines on 25 October 2022 revoking Item 4 of MC No. 3 (series of 2022);

**WHEREAS**, on 07 November 2022, the JV of CAVDEAL and CREDIBUILD has complied with the submission of the following documents as required per Item II of Appendix A under Annex H of the 2016 Revised IRR of R.A. 9184:

- a. Special PCAB License; and
- b. Computation of the Net Financial Contracting Capacity (NFCC);

**NOW, THEREFORE**, foregoing considered, we, the Members of the BAC-I, hereby **RESOLVE** as it is hereby **RESOLVED** to issue the corresponding Notice of Award to the JV of CAVDEAL and CREDIBUILD pursuant to Board Resolution No. 2022-10-161.

**RESOLVED**, at the BCDA Corporate Center Office, this 09<sup>th</sup> day of November 2022.

**BIDS AND AWARDS COMMITTEE FOR INFRASTRUCTURE PROJECTS**

  
**GISELA Z. KALALO**  
Chairperson

  
**MARIA SOLEDAD C. SAN PABLO**  
Vice Chairperson


  
**RITCHIE P. PACLIBAR**  
Member

  
**MADONNA M. CINCO**  
Member

11/9/2022

-On Official Travel-  
**RYAN S. GALURA**  
Member

Approved by:

  
**AILEEN ANUNCIACION K. ZOSA**  
President and CEO

11-12-2022