SPECIAL BIDS AND AWARDS COMMITTEE (SBAC)

PRE-BID CONFERENCE

Bidding for the Construction of the AIRPORT TO NCC Access Road (Phase 2) BCDA Lobby Hall

BCDA Corporate Center, 2/F, Bonifacio Technology Center, BGC, Taguig City

14 March 2019

Minutes of Meeting

Present:

Special Bids & Awards Committee:

Chairperson Vice Chairperson

Members

EVP Aileen Anunciacion R. Zosa

Arrey A. Perez

Maria Josefina V. Pe Atty. Maricel C. Santos Eng. Richard Brian M. Cepe

Technical Working Group (TWG):

Head

Members

Jovito M. Sunga Brando C. Aguilera Ryan Paul C. Galura

Ryan Paul C. Galura Vergel Q. Paras Jerry Q. Mendoza Peter Lester O. Carreon

Jerico G. Bondoc

Secretariat:

Head

Members

Aristotle E. Guerrero Lohren D. Cabellon

Melinda M. Docallos

Other attendees

Victor Luna

- BC

BCDA Consultant

Christian G. Viray

UICI Representative

Ernesto San Miguel

UICI Representative

COA Representatives

Eunice O. Cabangon

Observer from IASO

Peter John Mingala



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Bidders' Representatives

RD Interior Junior Construction - Ofelia C. Lunnay

Nirnjana Lagda

RD Interior/CAMC (Consortium) - Pio Mabborang
DBBCI - Mary Ann Espino

Iose Eduardo Cruz

SCK - Neil Abonal

Rey Anasco

SCIC - Jeffrey Bugarin 11-16 Construction - Ma. Cecilia Pangan

Jessica Louisse Paule

G.B. Yamson Nikko Alfar Carlo Capiendo

E.C. De Luna Construction - Sandy Mansibang

Queenie C. Torrefiel Daryl Mae Parra

Taishan Equipment Rentals - Joyce Segunto

Janille Villorent

Amarro Construction - Talib Hamdain

Onesto Bayot

Megawide - Charles Hari

Johannes Ruof

SB Construction - Frank

CAMC - Ellienor Lorica ITP Construction Inc. - Jonah mae Rotoni

Catherine Busog

Pacific Concrete - Nancy Yam

Patrick Xing

Ilsung Construction - Lee Chung Yung

Robert Panganiban

Enprat/Ilsung - Grace Maniaga
Hunan Road - Alona Mangalindan
M7 - Jonathan Irinco
Verzontal Builders, Inc./Dumduma Const. - Gerald Nispen

Maurice Nispen

CAVDEAL - Cawin Robles
Fabmik Construction - Billy Braza

Fowin

Arnel Eleccia

Sta. Clara - Zaiel Gonzaga
Ventureone Trading & Construction - Teresita Villanova

Janet Angeles

BMD Prime - Marcel Cardona AG & P - Albeni Liwanag

Ariel Rup

AG Araja Construction - Jeanet Suerte
China CAMC - Allen Zhang
IBC - Concordio

Henry Chiu

IPMCDC - Abby Garamsum

IPM - Nits Cruz

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DCMS - Ferdinand Fazon

David Le

CRBC - Mo Haiyan

New City Builders, Inc. - Roxanne Tuazon

CMPCI - Michael De Monteverde

Alfredo Fulgencio

11-16/Edmar/Ilsung - Michael Beltran
BSP AICC JV - Elaine Cordova
R-II Builders - Mylene Situbal

Jean Viado Diomedes Cacho

Grace Construction Corp./China Road

and Bridges Corp.

TCC
- Gerald Roque
PCPI
- Rey Go
G.G. Uy Construction
- Milagros Uy

S & P - Norman

Hexamindz - Vincent Velasco

The Pre-Bid Conference for the Bidding for the Construction of the Airport-NCC Access Road (Phase 2) was presided by SBAC Chairperson Aileen Anunciacion R. Zosa.

1. Call to Order

There being a quorum, Chairperson Aileen Anunciacion R. Zosa called the Pre-Bid Conference to order at 10:01 AM. She opened the meeting by introducing the SBAC Members, TWG and Consultants for the project, and the SBAC Secretariat. She emphasized that for purposes of transparency, she will acknowledge the names of the prospective bidders. She then acknowledged the presence of the prospective bidders, mentioned their names, and welcomed them to the Pre-Bid Conference. She emphasized that the SBAC strictly observe/implement the "no contact" rule, so the prospective bidders should send/email their clarifications/queries regarding the project to the head of SBAC Secretariat but addressed to the SBAC Chairperson, and the responses of SBAC to their queries will be through bid bulletin.

2. Highlights of the Meeting

- 2.1. Upon instruction of SBAC Chairperson Zosa, Engr. Ryan Galura presented and discussed the brief background of BCDA, its mandate and various projects. He also discussed the overview of the project on bid, discussed the salient points of the Terms of Reference (TOR), the Qualifications and Requirements for the prospective bidders qualified to bid for the project, and other matters relative to the submission of bids. Eng. Galura specifically mentioned the following:
 - The New Clark City is a 9,450 ha. flagship project of government which is among the big-ticket infrastructure projects under President Rodrigo Duterte's Build, Build, Build program envisioned to propel economic growth in the next five (5) years; and
 - In line with NCC development, BCDA undertakes construction of two (2) access roads -- NCC to SCTEX which should be completed in time for SEA Games and Airport to NCC Access Roads.

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2.2. Questions from the Bidders

a. Mr. Billy Braza of Fabmik Construction inquired whether BCDA has coordinated with PCAB as to the new guidelines for the issuance of Special PCAB for foreign partners because PCAB refuses to issue Special PCAB License to foreign contractors if the project is funded by GAA. He added that maybe the rule of 25% foreign share/interest in a Consortium or JV has been removed already.

Chairperson Zosa replied that as far as she knows, the ruling of not more than 25% foreign share/interest in a Consortium or JV is still the same, but added that the SBAC will check with PCAB on the matter.

b. Mr. Sandy Mansibang of E.C. De Luna Construction likewise raised a concern relating to the application of a Special PCAB License. According to him, the PCAB asks whether the project requires special technical knowledge and if it is funded under GAA because if so, they need to get a recommendation from the procuring entity.

Chairperson Zosa clarified that BCDA has no problem with endorsing the interested bidders to PCAB and extending assistance for their application of PCAB License. Chairperson Zosa, however, added that, per PCAB ruling, foreign companies are allowed to participate in a bidding for projects that need special technical skills or with an interest/share in a Consortium/IV of up to 25%.

Mr. Mansibang further mentioned that when they consulted with PCAB, they were told that foreign companies do not need to get Special PCAB License if the project does not require special technical knowledge.

Chairperson Zosa asked Mr. Mansibang whether what he mentioned is a new PCAB rule because in the past biddings for NCC to SCTEX Access Road and Airport to NCC Access Road (Phase 1), PCAB issued Special PCAB License to Consortium with foreign partners. She added that from what she read from the PCAB rules, the special technical knowledge is not needed as long as the foreign interest in a Consortium is not more than 25%.

Mr. Mansibang inquired on how to quantify the 25% interest of a foreign bidder in the Single Largest and Completed Contract (SLCC).

Chairperson Zosa replied that the Consortium shall submit only one (1) similar project for SLCC with a project cost of at least 50% of the ABC by anyone of the Consortium or JV Partners.

Mr. Mansibang further inquired whether the requirement is incorporated JV or unincorporated JV if they will form a Consortium with 25% foreign interest and 75% Filipino interest.

Chairperson Zosa replied that under the PCAB rule, the companies may form into a Consortium or JV. The JV may either be incorporated or unincorporated.

Mr. Mansibang inquired how the taxes are being collected from foreign partners since the local partners are paying 100% of their taxes obligations?

Chairperson Zosa replied that the prospective bidders should go to BIR for tax concerns and BIR will probably issue certain rules and regulations.

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c. Mr. Mansibang remarked that the specifications and drawings for the facilities of engineers should be provided in order to have a more competitive bidding.

Eng. Ryan Galura replied that the TWG will provide conceptual drawings.

As a reaction to the issue raised regarding the facilities of engineers, Chairperson Zosa reminded the bidders that they should concentrate more on the construction of access road.

d. A representative from Megawide inquired whether a subsidiary can use the SLCC of its parent company.

Chairperson Zosa replied in the negative. She clarified that the SLCC of the parent company that is compliant with the SLCC requirement for the project can only be used if the parent company is part of the Consortium or JV.

e. A prospective bidder remarked that their bid would be dependent on the passage of and conditions under the GAA and they heard that it is on a cash basis or obligation based. He further remarked that further delay in the bidding process due to the delay in the approval of 2019 GAA will greatly affect their bid.

Chairperson Zosa explained that the GPPB has issued guidelines to just proceed with the procurement and hold it until right before the issuance of Notice of Award if the 2019 budget is not yet approved. The DBM is cognizant of the fact that under the cash-based budgeting, the entire budget for the project should be exhausted within the year. Chairperson Zosa continued that as far as she knows, the GAA does not contain provisions on cash based budgeting but BCDA will consult with DBM whether cash based budgeting is still going to be implemented since it is already in the third month of 2019, and the signing of the contract for the project will probably be in April or towards the middle of 2019 already. Thus, it is impossible for BCDA to really exhaust the budget and fully implement the project within the year because the project duration is 550 calendar days.

The same prospective bidder then inquired whether BCDA has a mechanism in order for them not to have an adjustment in their bid price.

Chairperson Zosa replied that the project duration remains at 550 calendar days. It is a long term project that will take more than one (1) year to finish so BCDA is responsible to request DBM for extension of funds for the project. She also mentioned that the reason for rescheduling and postponing the Pre-Bid Conference is the delay in the approval of 2019 GAA. She emphasized that the bidders should still base their bids on the requirements of the project based on bidding documents.

f. A prospective bidder inquired how will the winning contractor be paid for the general requirements since there are two (2) payments only as indicated in the terms of payment, namely: the 15% advance payment and payments in every completion of each phase of the 10 phases.

Eng. Galura replied that the payment for general requirements will be prorated on the milestone billing of the winning contractor.

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Eng. Brando Aguilera explained that the payment for the general requirements will be pro-rated on the milestone billing because there are some supplies that are still needed within the duration of the project.

The same prospective bidder suggested that the payment for the general requirements should not be pro-rated but should be paid on a monthly basis as delivered/completed regardless of the accomplishment of 10 phases.

Consultant Victor Luna remarked that the purpose of 15% mobilization fee is for the winning contractor to immediately pay for the small quantities during project construction.

As instructed by Chairperson Zosa, Eng. Galura showed/illustrated the payment process for general requirements.

The same bidder inquired whether they can be provided with specific guidelines for the terms of payment for general requirements.

Eng. Galura replied that the terms of payment for general requirements will be clarified in the bid bulletin that the SBAC will issue.

g. A representative from Dynamic Builders inquired whether the winning contractor will be provided with a staging area free of charge.

Eng. Galura replied in the affirmative.

The same prospective bidder inquired if the winning contractor will be provided with electrical and water supply lines.

Chairperson Zosa replied that the electrical and water supply lines should be included in the costing of the bidders.

The same prospective bidder inquired whether the crawler loader can be replaced with wheel loader with the same capacity or more.

Mr. Christian Viray of UICI replied in the affirmative.

The same prospective bidder inquired as to who will be responsible in case there are informal settlers in the project site.

Chairperson Zosa replied that there may be informal settlers in the project site but the property is owned by BCDA, and the latter will take responsibility for the informal settlers in the project site, if there are any, and for the clearing of Right of Way.

h. A representative from C.M. Pancho inquired whether they can request for basic documents for cross section from Station 10+200 to 16+000 and the geotechnical investigation in bridges.

Eng. Galura replied in the affirmative.

i. A prospective bidder inquired whether a bidder can bid both for Phase 2 and Phase 3.





Chairperson Zosa replied in the negative.

The same bidder inquired whether a foreign company who entered into a Consortium/JV with local partner and bid for Phase 2 project can also bid for Phase 3 if the said foreign company will enter into another Consortium/JV with different local partner.

Chairperson Zosa replied in the negative. She explained that the rationale of not allowing the bidder to bid for both phases at the same time for the winning contractor to focus/concentrate on the project awarded to them, especially that the payment scheme is not on a monthly basis and that the winning contractors should pour-in their resources and time because BCDA wants the project to be implemented the soonest possible time. She remarked that there is no shortage of interested contractors/bidders for the project.

j. A prospective bidder inquired whether they can indicate/specify the brand names of the equipment in their bids.

Engr. Galura replied in the negative. He clarified that the bidders should not indicate the brand names of their equipment but the capacity of equipment should be the same as the one required for the project.

k. A prospective bidder confirmed that each phase of the project should be completed first before they can bill for such phase and that BCDA will not do any progressive payment per phase.

Eng. Galura replied in the affirmative.

l. On the Performance Security, a prospective bidder inquired whether the Bank Guarantee issued by Foreign Bank acceptable for BCDA.

Chairperson Zosa replied that the said Bank Guarantee should be presented first to BCDA and BCDA will decide whether it is acceptable or not.

m. A prospective bidder inquired whether they can be provided with a specific format for the list of equipment and nominated personnel.

Eng. Galura replied in the affirmative.

Chairperson Zosa reminded the prospective bidders that the licenses of engineers or key personnel that they will nominate for the project should be valid at least until the Post Qualification Stage.

A prospective bidder then raised a concern over the renewal of licenses of engineers and said that how about if the license expires on March 27, the schedule for the deadline of submission and opening of bids.

Chairperson Zosa replied that the prospective bidders should go by the timetable of the project, and if the licenses of their engineers expires by March then they should have renewed their licenses already and would have been valid by April 11-22 which is the period for Post Qualification.

n. A prospective bidder inquired whether the project is covered by the election ban, and whether BCDA has applied for the election ban exemption from COMELEC considering that the 2019 GAA has not yet been approved.

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Chairperson Zosa replied that BCDA has already applied for exemption with COMELEC, and emphasized that the 2019 GAA approval is not needed in the application for election ban exemption.

The same bidder inquired whether the deadline for submission can still be extended.

Chairperson Zosa replied that the request for extension of deadline is noted and the SBAC's response on the request will be included in the bid bulletin.

o. A prospective bidder noticed that the required work experience of health and safety officer should be five (5) years as safety engineer, then inquired whether the a PRC license is also required for health and safety officer.

Eng. Galura replied that the health and safety officer only needs the DOLE accreditation, but he clarified to the prospective bidders that the health and safety officer should have five (5) years experience as safety officer.

p. A prospective bidder raised issue/concern on the roadway excavation and embankment material, and inquired where should they get their embankment materials and where should they place the excavated materials.

Eng. Galura explained that the The total volume of materials that needs to be excavated in Phase 2 is around 4,297,192.00 cubic meters. 2,389,182 cubic meters of which will be used as embankment materials and the remaining 1,908,010.00 cubic meters will be disposed at a designated disposal area within the project limits.

3. Closing

There being no other matter to discuss relative to the Bidding for the Construction of Airport-NCC Access Road (Phase 2), Chairperson Aileen Anunciacion Zosa adjourned the Pre-bid Conference at 11:50 AM.

Prepared by:

MELINDA M. DOCALLOS

Secretariat, SBAC for NCC Access Roads

SPECIAL BIDS AND AWARDS COMMITTEE

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