



BIDS AND AWARDS COMMITTEE
(CENTRAL OFFICE)

RESOLUTION NO. 28-2019

**RECOMMENDING THE AWARD OF CONTRACT TO PETRON CORPORATION FOR
THE PROCUREMENT OF FUEL AND LUBRICANTS (GASOLINE AND DIESEL)
THROUGH FUEL CARD SYSTEM FOR THE TESDA CENTRAL OFFICE SERVICE
VEHICLES UNDERTAKEN THROUGH NEGOTIATED PROCUREMENT**

WHEREAS, the Bids and Awards Committee (BAC), as mandated by Republic Act No. 9184, otherwise known as the Government Procurement Reform Act, is the body tasked to post invitations to bid, to conduct pre-bid conferences, to determine the eligibility of prospective bidders, to receive and open bids, to conduct the evaluation of bids, to conduct post-qualification and to recommend award of contracts to the Head of the Procuring Entity;

WHEREAS, the Technical Education and Skills Development Authority (TESDA) intends to apply the sum of One Million Two Hundred Three Thousand Eight Hundred Seventeen Pesos and 50/100 (Php1,203,817.50) for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles. Copies of the Terms of Reference (TOR), the Purchase Request and Certificate as to Availability of Funds (CAF) are hereto attached as Annexes "A", "B" and "C", respectively;

WHEREAS, the BAC declared a first failure of bidding for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles pursuant to BAC Resolution No. 16-2019 dated 02 July 2019. A copy of said BAC Resolution is hereto attached as Annex "D";

WHEREAS, the Approved Budget for the Contract (ABC) for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles - Rebidding amounting to One Million Two Hundred Three Thousand Eight Hundred Seventeen Pesos and 50/100 (Php1,203,817.50) was adjusted to Eight Hundred Two Thousand Five Hundred Forty-Five Pesos (P802,545.00) since there was an adjustment in the period of delivery from six (6) months to four (4) months and the quantity to be procured;

WHEREAS, pursuant to Section 35.2 and 35.3 of the 2016 Revised Implementing Rules and Regulations (RIRR) of RA 9184 in order to determine the reason for the failed bidding, the BAC shall conduct a mandatory review and evaluation of the terms, conditions, and specifications in the Bidding Documents, including its cost estimates. Based on its findings, the BAC shall revise the terms, conditions, and specifications, and if necessary, adjust the ABC, subject to the required approvals, and conduct a rebidding with re-advertisement and/or posting, as provided for in Section 21.2 of the 2016 RIRR of RA 9184;

BAC Resolution No. 28-2019 dated 31 October 2019

WHEREAS, the BAC declared a second failure of bidding for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles - Rebidding pursuant to BAC Resolution No. 20-2019 dated 28 August 2019. A copy of said BAC Resolution is hereto attached as Annex "E";

WHEREAS, pursuant to Section 35.2 and 35.3 of the 2016 RIRR of RA 9184 in order to determine the reason for the failed bidding, the BAC shall conduct a mandatory review and evaluation of the terms, conditions, and specifications in the Bidding Documents, including its cost estimates. Based on its findings, the BAC shall revise the terms, conditions, and specifications, and if necessary, adjust the ABC, subject to the required approvals, and conduct a rebidding with re-advertisement and/or posting, as provided for in Section 21.2 of the 2016 RIRR of RA 9184;

WHEREAS, the BAC resorted to negotiated procurement as provided under Section 53.1 of the RIRR of RA 9184 since there was already an occurrence of second failure of bidding for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles;

WHEREAS, the ABC for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles for Negotiated Procurement amounting to Eight Hundred Two Thousand Five Hundred Forty-Five Pesos (P802,545.00) was adjusted to Six Hundred Two Thousand Pesos (P602,000.00) since there was an adjustment in the period of delivery from four (4) months to three (3) months and the quantity to be procured;

WHEREAS, pursuant to IV.E.2. of Annex "H" of the 2016 RIRR of RA 9184, TESDA advertised the Request for Quotation (RFQ) for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles (Negotiated Procurement - Two Failed Biddings) in the websites of the Philippine Government Electronic Procurement System (PhilGEPS) and TESDA and posted the same at the bulletin board near TESDA Gate 1 on 12 September 2019. The proof of posting of the RFQ is hereto attached as Annexes "F", "G" and "H", respectively;

WHEREAS, the BAC invited bidders to participate for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles (Negotiated Procurement - Two Failed Biddings) namely Petron Corporation, Pilipinas Shell Petroleum Corp., and Chevron Asia. Only Petron Corporation submitted its quotation on 20 September 2019. Copies of the documents are hereto attached as Annexes "I", "J" and "K", respectively;

WHEREAS, pursuant to IV.H of Annex "H" of the 2016 RIRR of RA 9184, the BAC invited the Commission on Audit (COA) and four (4) other observers registered with the Securities and Exchange Commission (SEC) to witness the opening of the sealed quotation of Petron Corporation for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles (Negotiated Procurement - Two Failed Biddings) for purposes of transparency and good governance. The copies of the letters to observers and COA are hereto attached as Annexes "L", "M", "N", "O" and "P", respectively;

WHEREAS, the opening of the sealed quotation of Petron Corporation was held on 24 September 2019 at 12:09 P.M. at the AS Conference Room located at the 2nd Floor, TESDA Administration Building in Taguig City. During the meeting, the representative of Petron Corporation manifested that the prices of the diesel and the unleaded gasoline (regular and premium) were interchanged;

WHEREAS, in its letter dated 24 September 2019, the BAC requested for clarification on the quotation of Petron Corporation specifically on the unit prices of the diesel and the unleaded gasoline (regular and premium) that said bidder were offering. A copy of the letter dated 24 September 2019 to Petron Corporation is hereto attached as Annex "Q";

WHEREAS, in its letter dated 24 September 2019, Petron Corporation clarified that the unit prices of the diesel and the unleaded gasoline (regular and premium) were Forty-Eight Pesos (₱48.00) and Fifty-Eight Pesos and 25/100 (₱58.25), respectively. A copy of the letter dated 24 September 2019 to the BAC is hereto attached as Annex "R";

WHEREAS, pursuant to IV.H of Annex "H" of the 2016 RIRR of RA 9184, the BAC invited again the COA and four (4) other observers registered with the SEC to witness the opening of the final financial requirements of Petron Corporation for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles (Negotiated Procurement - Two Failed Biddings) for purposes of transparency and good governance. The copies of the letters to observers and COA are hereto attached as Annexes "S", "T", "U", "V" and "W", respectively;

WHEREAS, on the basis of the bid offer of Petron Corporation, payment shall be made on the monthly actual consumption of fuel and lubricants by TESDA;

WHEREAS, based on the submission of Petron Corporation, a continuation of the negotiation with the Petron Corporation was held on 30 September 2019 at 10:25 a.m. at the AS Conference Room located at the 2nd Floor, TESDA Administration Building in Taguig City;

WHEREAS, Petron Corporation submitted additional documents required by the BAC. Copies of the final technical and financial requirements/documents submitted by Petron Corporation are hereto attached as Annex "X";

WHEREAS, upon careful examination of the quotation and other technical and financial documents submitted by Petron Corporation, the Technical Working Group (TWG) in its report found the bid offered by Petron Corporation to be compliant with the requirements set forth by the agency pursuant to Section 34 of Rule X (Post-Qualification) of the RIRR of Republic Act No. 9184. A copy of the Post-Qualification Report is hereto attached as Annex "Y";

WHEREAS, the bid offer of Petron Corporation has been determined as the Single Calculated and Responsive Quotation (SCRQ) for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles (Negotiated Procurement - Two Failed Biddings);

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, to award the contract to Petron Corporation for the Procurement of Fuel and Lubricants (Gasoline and Diesel) through Fuel Card System for the TESDA Central Office Service Vehicles (Negotiated Procurement - Two Failed Biddings) in the amount of Five Hundred Ninety-Nine Thousand Three Hundred Eighty-Seven Pesos and 50/100 (₱599,387.50) subject to procurement law and government accounting and auditing rules and regulations.

Signed this 31st day of October, 2019 at TESDA, Taguig City, Metro Manila.


MARIANO MICHAEL M. VELARDE, JR.
BAC Chairperson

on-leave
CONRADO G. BARES
BAC Vice Chairperson


ATTY. MARICHELE D. DE GUZMAN
BAC Member


MA. MAGDALENA P. BUTAD
BAC Member


RENATO L. GERON
BAC Member


ARMELA B. GUTIERREZ
BAC Provisional Member

Approved

Disapproved


SEC. ISIDRO S. LAPENA, PHD., CSEE
Director General