



REPUBLIKA NG PILIPINAS

Pambansang Pangasiwaan ng Patubig

(NATIONAL IRRIGATION ADMINISTRATION)
LUNGSOD NG QUEZON

MC # 42 S. 1976

MEMORANDUM CIRCULAR

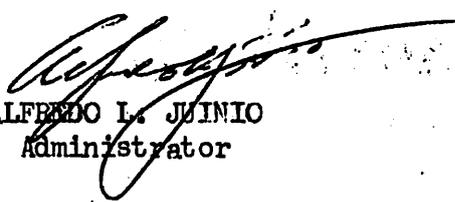
T O : Asst. Administrators, Department Heads, Members of All Bidding Committees, Regional Irrigation Directors, Project Managers, Project Engineers, and all others concerned
National Irrigation Administration

SUBJECT : Guidelines for the Prequalification of Prospective Bidders and Determination of the Lowest Responsible Bidder for Construction Contract

For your guidance and immediate implementation, attached is a copy of Department Order No. 33 dated July 19, 1976 of the Department of Public Works, Transportation and Communications further amending Department Order No. 63, as amended by Department Orders Nos. 93, 75 and 77, on the above subject which was adopted by NIA under NIA Board Resolution No. 2895-76.

In this connection, all orders, circulars, rules and regulations inconsistent herewith are hereby revoked and/or modified:

Strict compliance is enjoined.


ALFREDO L. JIMINO
Administrator

Encl.: a/s

1976



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MANILA
Quezon City

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In the determination of the value of all ongoing construction projects, the following rules shall be observed:

- a) In cases where the construction contract has been awarded to two or more contractors, only the portion that pertains to the contractor concerned shall be considered.
- b) In the event that the unfinished portion of his existing contract is longer than the construction period of the project bid for, only that portion of his on-going construction project coinciding with that of the bid project shall be included in the evaluation.

For purposes of prequalification, a prospective bidder may be required to submit a certificate of cash deposit to the Committee on Prequalification. Once prequalified, certified checks may be required to be submitted as bidder's cash deposit to the agency or office concerned at least three (3) business days immediately preceding the opening of bids. Actual cash deposit must be accompanied by a letter to the bank concerned, signed by the drawer authorizing the Head of the Office or his authorized representative to verify the veracity of the deposit. If, after verification, the checks are found to be unsupported by actual cash deposits in the bank concerned, the Contractor shall be disqualified to bid for one (1) year or more, in the discretion of the Director or Head of the office concerned.

In the determination of the lowest responsible bidder, the following rules shall be observed:



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- a) The lower limit is minus 25% of either (1) the government estimate or (2) the average of all bids accepted and considered, whichever is lower.
- b) The upper limit is plus 15% of the government estimate but in no case shall the unit price for any major item exceed 15% of the total project cost, or exceed 25% of the government estimate for such item.

The Government, however, reserves the right to reject any or all bids, to waive any informality in the bids received, and to disregard any bid which is obviously unbalanced. The right is also reserved to reject the bid of any bidder who a) has previously failed to properly perform or complete on time any and all construction contracts undertaken by him, b) having secured prequalification papers, and later prequalified, failed to participate in the bidding conducted by the agency or office concerned, for two (2) consecutive times, and c) was prequalified on the basis of fraudulent, suppressed or incomplete information.

This Order shall take effect immediately and shall apply to all Bureaus and Offices directly under, and Government Corporations attached to, the Department.

All orders, circulars, rules and regulations inconsistent herewith are hereby revoked.

ALFREDO A. JUMENTO
Secretary