

Republika ng Pilipinas  
PAMBANSANG PANGASIWAAN NG PATUBIG  
(National Irrigation Administration)  
E. delos Santos Avenue, Quezon City

MC No. 4, s. 1980

MEMORANDUM CIRCULAR

TO : All Regional Irrigation Directors and  
Provincial Irrigation Engineers

SUBJECT : Delegation of Authority to Conduct "Simplified  
Bidding" for Communal Irrigation Projects

To ensure the timely completion of our CY 1980 and subsequent communal irrigation projects in the face of rising construction costs and to take full advantage of good weather conditions, all Regional Irrigation Directors (RID) are hereby authorized to undertake by contract through "simplified bidding" any communal irrigation project within their respective areas of jurisdiction, subject to the following guidelines:

1. Limits of Authority for Simplified Bidding

- a. All RIDs are authorized to conduct "simplified bidding", for communal irrigation projects involving contract works greater than P50,000 but not exceeding P500,000 per contract. The RIDs are likewise authorized to approve Resolution of Award and enter into contract within the said limits. Copies of duly accomplished contracts and supporting documents shall be submitted to the Administrator within 15 working days after having been notarized. Failure to do so shall cause withdrawal of this delegation.

2. Basic Requirements

While this delegation is being granted, the following requirements should be strictly observed:

- a. Compliance with the provisions of P. D. No. 1594, especially on Sec. 2 thereof about Detailed Engineering, R.A. No. 4566 and Adm. Order No. 66.
- b. Certificate of Availability of Funds based on the Obligational Authority by the Regional Accountant and duly noted by the Regional Auditor or his authorized representative.

- c. There should be approved Program of Work.
- d. There should be approved plans.
- e. There should be approved Official Government Estimate for each proposed contract.
- f. The duration of a certain contract should be within the validity period of the Cash Disbursement Ceiling (CDC).

3. Mechanics of "Simplified Bidding"

a. Preparation of Roster of Contractors

The Regional Office shall prepare a roster of contractors for every region by inviting contractors thru advertisements in local newspapers and/or posting notices in conspicuous public places inviting contractors in the region to secure Pre-C-1 Forms from the Regional Office and to submit same within a pre-set deadline. All contractors with appropriate contracting capacity and sufficient experience related to the proposed contract works shall be included in the roster. The RIDs shall maintain a complete set of records of all contractors included in the roster. The roster shall be updated quarterly by the Regional Office for the purpose of eliminating contractors with poor performances and including new ones with sufficient capability. The Central Office shall be furnished a copy of the original roster and everytime an updating of the roster takes place. The copy to be sent to the Central Office shall identify the contractors currently engaged in on-going contract works and the corresponding amount of the contract.

b. Prequalification of Bidders

From the roster of legitimate contractors mentioned above, the names of all contractors qualified to bid will be included in the notices of "Invitation to Bid" for a certain proposed contract work which shall be posted in at least three conspicuous public places such as the provincial capitol, municipal buildings, town plazas, public markets and the like, and on the bulletin board intended for the purpose. The "Invitation to Bid" shall also include a description of the contract work to be bid, NIA minimum equipment requirement, credit line requirement, duration of contract, date and place

of bidding. Such contractors so included in the notice shall be required to submit duly accomplished Pre-C-2 Forms. Contractors not included in the list but are also interested to participate in the bidding may be issued Pre-C-1 and Pre-C-2 prequalification documents which they should submit within the set deadline.

For purposes of prequalifying bidders, the following factors should be considered; (1) organization, (2) financial capability, (3) technical capability and experience, and (4) equipment resources. Guidelines on computing the contracting capacity is covered by DPWTC Order No. 21, series of 1977.

Prequalified bidders (at least 3) shall be issued tender documents at least ten (10) working days before the date of bidding.

c. Use of Standard Bid Document

All Bid Documents shall be patterned after the Standard Bid Documents being used by the Central Office for domestic bidding.

d. Place of Bidding

The bidding shall be held at the Regional Irrigation Office or Provincial Irrigation Office concerned. It shall be conducted by a Regional Committee on Pre-qualification, Bids and Awards to be appointed by the RID subject to the approval of the Administrator. All opening of bids shall be done in the presence of the Regional Auditor concerned or his authorized representative.

e. Award of Contract

Awarding of contracts shall be in accordance with Condition Nos. 5 and 6 of Ministry Order No. 50, series of 1978. No contract shall be awarded when its amount is exceeding the official government estimate which should also be read during the bids opening.

f. Official Government Estimate (OGE)

It will be the responsibility of the PIE concerned to prepare the government estimate for any proposed contract which shall be subject to further review

of the Regional Committee on Official Government Estimate and approved by the Regional Director concerned.

The Regional Committee on Official Government Estimate shall be composed of the Chief, Engineering Division (Chairman), the Chief, Operations Division, and the PIE concerned.

g. Witnessing of Contracts by the Regional Accountant

All Resolutions of Award should be noted by the Regional Auditor and the corresponding contracts should be witnessed by the Regional Accountant.

h. Notice to Proceed

Notice to Proceed to the contractor shall be issued within seven (7) working days after notarization of contract. No work on the contract work shall be allowed to start at the contractor's own risk prior to receipt of Notice to Proceed.

i. Compliance to Prerequisites of Public Bidding

All prerequisites to public bidding shall be strictly complied with, except for the requirement of publication in newspapers of general circulation.

4. Progress Payments

All progress payments for such contracts shall be paid at the regional office.

5. Change Orders and Extra Work Orders

Change orders and extra work orders may be allowed in accordance with existing policies, rules and regulations.

6. Extension of Time

Request for time extension filed within the contract period shall be approved by the Regional Irrigation Director.

THIS MEMORANDUM CIRCULAR SHALL TAKE EFFECT IMMEDIATELY.

(SGD.) ALFREDO L. JUINIO  
Administrator

January 15, 1980