

Republika ng Pilipinas
Pambansang Pangasiwaan ng Panibig
(NATIONAL IRRIGATION ADMINISTRATION)
Lungsod ng Quezon

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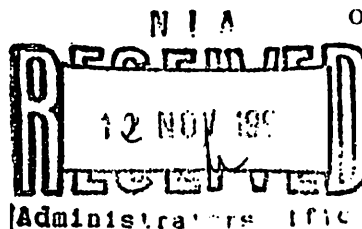
By: lma

Date: 11/12/98

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OUR REFERENCE:

November 9, 1998

MEMORANDUM CIRCULAR NO. 37

TO : All Assistant Administrators
All Department /Project/Operation Managers
Regional Irrigation Managers

SUBJECT : **Simplified Public Bidding**

1. As provided for in paragraph IB.10.4.2 of the Amended Implementing Rules and Regulations (IRR, 12 July 1995) of P.D. 1594, Simplified Public Bidding Procedures may be adopted for major national projects which are defined as projects within the approved Core Public Investment Projects (CPIP) or Flagship Projects approved by the President. Section 29 of the Agriculture and Fisheries Modernization Act further states that "The construction, repair, rehabilitation, improvement, or maintenance of irrigation projects and facilities shall follow the Commission on Audit (COA) rules on simplified public bidding."
2. To shorten the contract procurement process and to make all NIA public bidding transparent, fair and more competitive, the Simplified Public Bidding shall be adopted in all AFMA and other locally-funded civil works projects of NIA. The following are the rules and regulations on Simplified Public Bidding as prescribed in Part III COA Manual for Public Bidding and IB 10.4.2.5, IRR of PD 1594, as amended, 12 July 1995.

IB 10.42.5

- "c. For specific project to be bid out, the PBAC of the concerned field offices/operating units of the Agency shall invite all contractors/companies with ACTIVE status in the NIA Short List of Accredited and Classified Contractors by the NIA and PCAB to submit to the PBAC not later than a specified date, time and place the following: (a) their prequalification statements, and (b) their price proposals for the subject project. The invitation to bid shall also indicate the project description, maximum contract duration, and desirable starting date among others.
- d. All such accredited and classified contractors that are interested in bidding for the project shall secure from the PBAC, upon payment of a non-refundable fee, copies of the bid documents, including plans, specifications, draft contract with terms and conditions, instructions to bidders, and proposal book with bill of quantities, among others.

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- e. Said contractors shall submit to the PBAC at the designated time and date, in two separate sealed envelopes:(a) their accomplished prequalification statements, and (b) their price proposals for the subject project using the bid forms in the proposal book.
- f. The PBAC shall, in the presence of the contractors and representatives of COA, deposit all the sealed envelopes containing the price proposals in a designated secured container (e.g., steel cabinet) and shall lock this using two padlocks, one of those keys shall be kept by the PBAC chairman and the other by the representative of the COA in the PBAC.
- g. The PBAC shall within one week from the submission of sealed envelopes then evaluate the prequalification statement of each of the bidders.
- h. Within the same period, the PBAC shall notify the prequalified as well as the predisqualified contractors of the results of the evaluation of the prequalification statements. In the case of a predisqualification, the reason for same shall be indicated.
- i. The PBAC shall allow one (1) week after the notices mentioned in paragraph above have been transmitted within which to evaluate requests for reconsideration, if any, from predisqualified contractors, and shall notify them accordingly of the results of such reevaluation within the same period.
- j. The PBAC shall inform all prequalified contractors of the date and time of the opening of bid and instruct them to submit their respective bid securities before such date in an amount prescribed under Instruction To Bidders clause of the bid documents.
- k. The failure or refusal of the contractor to submit said bid security shall automatically cause the deletion of the contractor from the NIA Short List.
- l. At the designated date and time, the PBAC shall receive the bid securities of the bidders, thereafter, the PBAC shall, in the presence of representatives of the COA, publicly open the container where the sealed envelopes containing the price proposals were deposited. All bidders shall be invited to have their respective duly authorized representatives present to witness the opening of the price proposals. (Please see COA Cir. No. 95-006).
- m. The PBAC shall return to the predisqualified contractors their respective sealed envelopes containing their price proposals.
- n. The PBAC shall open the sealed envelope of each of the qualified bidders, examine its contents and determine if the corresponding bid security is adequate in amount and in proper form. The PBAC shall then open, read and record the approved agency estimate. It shall thereafter read and record the price proposals of each bidder.
- o. The PBAC shall have two (2) weeks from opening of the sealed envelopes containing the financial proposals within which to evaluate the bids in detail, prepare the resolution of award and submit the same to the approving authority."

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3. The following, are the additional guidelines and procedures on the evaluation of prequalification statements/documents, evaluation of bids, and post-qualification.
 - a. During the prequalification process, the Technical Secretariat shall check the completeness and undertake the examination analysis and evaluation of the prequalification documents submitted. It shall consider NIA's record, if there is any, of the contractors past three (3) years performance in his contract with NIA. The Technical Secretariat shall then report their findings on their examination, analysis and evaluation in the form of Summary Worksheets for each bidder. The PBAC shall discuss one bidder at a time, the findings of the Technical Secretariat, and decide whether the applicant bidder shall be pre-qualified or not. Those that have deficiencies shall be informed in writing of their respective deficiencies and given the opportunity under P.D. 1594, to make an appeal for reconsideration and/or correct their deficiencies. After the Technical Secretariat and the PBAC have reevaluated their appeals, the resolution for Prequalification and pre-disqualification is prepared and submitted to the approving authorities.
 - b. After the complying bids have been evaluated, and ranked from lowest to highest, the post-qualification process shall be made on the three (3) lowest bidders. The post qualification process consist of the review of all the activities made during the prequalification process, and the verification/validation of the documents and information submitted by the bidder.
4. For better transparency and competitiveness, the public bidding shall be advertised at least once in the national or local newspaper nationwide or regional circulation respectively, in addition to the letters of Invitation to bid being sent out.
5. The following documents shall be furnished to the Central Office by all PBAC Secretariat:
 - a. Short-List of Accredited Contractors in their regions.
 - b. Calendar-dated Schedule of the procurement process with milestone dates from advertisement or invitation to prequalify up to issuances of notice to proceed.
 - c. One set of bidding documents.
6. All PBACs are enjoined to follow strictly the time duration of the bidding process in Annex A hereof.
7. This Memorandum Circular shall take effect immediately


MANUEL ANTONIO S. AREVALO
Administrator

MAXIMUM PROCESSING TIME FOR CONTRACT PROCUREMENT ACTIVITIES

A	Date of Receipt & Aprvl of Bidding Request	-
B	Ads (2X) ITB to PCAB Acc. Contractor	7
C	Issuance of Bid and Pre C Doc. - Preparation of Bids and Pre C Doc - Notification of Time, Date and Place of Submittal	45
D	Submittal of Bids (2 envelope system), Operating and Prequal Statements	7
E	Notification of the Tentatively Pre-Disqualified Contractors, Receipt and Consideration of Appeals	7
F	Preparation of Res. Of Pre-Qual and Pre-Disqual Contractors and Approval of the Same by the Adm	7
G	Notification on Time, Date and Place of Submittal of Bid Security and Bid Opening	4
H	Opening and Evaluation. of Financial Bids and Return of Bids of Pre-Disqualified Contractors	7
I	Preparation of Resolution for Award	4
J	Approval of the Award by the Adm	3
K	Confirmation of the Award by the Board	4
L	Notation of the Award by the DA Sec	7
M	Issuance of Notice of Award	3
N	Perfection of Contract up to Signing	7
O	Confirmation of Contract by the Board	3
P	Approval of Contract by the President (For Contract of P50M or more)	7
Q	Pre-Construction Conference and Issuance of Notice to Proceed (NTP)	5
	TOTAL DURATION - DAYS	120
	TOTAL DURATION - MONTHS	4

M. Garcia