



**Philippine International Trading Corporation
BIDS & AWARDS COMMITTEE I**

**MINUTES OF THE PRE-BID CONFERENCE VIA ZOOM VIDEO CONFERENCE
SUPPLY AND DELIVERY OF SIXTEEN (16) UNITS BRAND NEW FIBERGLASS REINFORCED
PLASTIC WATERCRAFT (SPEEDBOAT) FOR THE PHILIPPINE NAVY (PN)
Bid Ref. No. MPG-B1-2020-435 3rd Rebid
Approved Budget for the Contract – ₱ 340,632,603.36
23 November 2020**

There being a quorum, Vice-Chair convened the meeting at 1:20pm

In attendance are:

FOR PITC BAC-I (via ZOOM)
Christabelle P. Ebriega, Chairperson
Myra T. Alvarez, Vice-Chair
Atty. Roxanne Marie Q. Cruz, Member
Joel S. Rodriguez, Member
Atty. Mitzell Arthur R. Magdaong, Member
PITC TWG/BAC Secretariat
(as per attached attendance Sheet)

FOR PROPONENT – PN (via ZOOM)
CDR Lily Rose Lastimado
LCDR Jondel Mark C Tamaca
LT COL Loel C Talpis
CPT Adrian S Dogomeo

HIGHLIGHTS OF PROCEEDINGS:

- Vice-Chair presided the pre-bid conference.
- Vice-Chair welcomed everyone to the pre-bid conference for Supply and Delivery of Sixteen (16) Units Brand New Fiberglass Reinforced Plastic Watercraft (Speedboat) for the Philippine Navy (PN). After which, Vice-Chair introduced the BAC members and the end-user’s representatives from Philippine Navy via video conference (ZOOM).
- Vice-Chair acknowledged the presence of the following prospective bidders present in this pre-bid conference via zoom; namely:
 1. Stone Works Specialist International Corporation - Marilyn Ong and Ildefonso Ong, Jr
 2. Jointventure of Propmech Corporation and Safehull Marine Technologies Inc.-Rallie Jouaquin And Neil Quirant
 3. Pacificfortia Marine Technologies Inc. - Geraldine Ocasla
 4. Hexagon Distributing Corp. - Chester Kim Malabanan
 5. Dynacast Shipbuilding & Repairs Inc. Maria Jessel Villain and Atty Tareeq Radjaie
 6. Herma Shipyard Inc - Jazel Guerrero - Suarez And Rowena Tolentino
 7. S&S Enterprises Inc - Alexander Hernandez and Joseph Urbi Orido
 8. Sustainable Charters, Inc. - Moamar Nardone and Mark Gabriel
- Invitees are Maritime Industry Authority (MARINA) Licensed Shipbuilders or Boatbuilders for the above Procurement Project (hereafter referred to as GOODS).

Deliveries	Delivery Period	Minimum Quantity to be Delivered	Delivery Place
Prototype Sample (120)	Within Ninety (90) calendar days from receipt of Notice to Proceed (NTP)	1 unit	Marine Barracks Rudiardo Brown, Fort Bonifacio, Taguig City
1 st Tranche	Within Ninety (90) Calendar Days from receipt of Notice to Produce	7 units	
2 nd Tranche	Within Ninety (90) Calendar Days from due date of the 1st Tranche	8 units	
Total		16 units	

- Vice-Chair informed that to be able to participate in this project, Bidders should have completed, within the last five (5) years from the date of submission and receipt of bids, a contract similar to the Project. The description of an eligible bidder is contained in the Bidding Documents, particularly, in Section II (Instructions to Bidders).

Similar shall mean **“Watercraft”**.

- Vice-Chair started to discuss the Envelope System:
 - **Envelope System:** The system of submission is a two envelope system wherein **Envelope 1** shall contain the eligibility and technical documents and **Envelope 2** will only contain the Financial Bid.
 - **Number of Copies:** All documentary submission must come in three sets. These will be placed in 3 folders marked: “original”, “duplicate” and “triplicate”.
 - **Sealing/Markings:** The **Two Envelopes** will then be placed in a **master envelope**. The master envelope will then be sealed and marked in accordance with the instructions stated in the Bidding Documents.

I. TECHNICAL COMPONENT ENVELOPE

Class “A” Documents	
Legal Documents	Vice-Chair’s Instructions
(a) Valid PhilGEPS Registration Certificate (Platinum Membership)	If a Bidder is already a PhilGEPS Platinum Member, Bidder can submit the Platinum Membership Certificate. The Platinum Membership can substitute for the three (3) legal documents enumerated below (b), (c), and (d). However, Bidders must ensure that the documents listed in “Annex A” of the certificate are valid and current. If any of the document has expired, Bidders must submit the valid and current document.
(b) SEC/DTI Registration Certificate or its equivalent	For Corporation , submission will be the SEC Registration Certificate. For the Sole Proprietorship a copy of valid and current DTI business registration; and For Cooperatives a copy of valid and current Cooperative Development Authority (CDA)
(c) Mayor’s or Business permit or its equivalent document	Bidders must submit a valid and current Mayor’s Permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas. In case or recently expired Mayor’s / Business permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period prescribed by the concerned local government unit, provided that the renewed permit shall be submitted as a post-qualification requirement
(d) Tax clearance	Bidders must submit their valid and current Tax Clearance per E.O. No. 398, s. 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).

Eligibility Criteria for Subcontractors:

The Bidder must disclose the name of the subcontractor during the submission and opening of bid.

1	SEC/DTI Registration Certificate or its equivalent	<p>For Corporation, submission will be the SEC Registration Certificate.</p> <p>For the Sole Proprietorship a copy of valid and current DTI business registration; and</p> <p>For Cooperatives a copy of valid and current Cooperative Development Authority (CDA)</p>
2	Mayor's or Business permit or its equivalent document	<p>Bidders must submit a valid and current Mayor's Permit issued by the city or municipality where the principal place of business of the prospective bidder is located, or the equivalent document for Exclusive Economic Zones or Areas.</p> <p>In case or recently expired Mayor's / Business permits, it shall be accepted together with the official receipt as proof that the bidder has applied for renewal within the period prescribed by the concerned local government unit, provided that the renewed permit shall be submitted as a post-qualification requirement</p>
	Technical Documents	Vice-Chair's Instruction
(e)	Statement of the prospective bidder of all its ongoing government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid	<ul style="list-style-type: none"> • Bidders to refer to the sample form provided in the Bidding Documents. (<i>Section IX. Bidding Forms Page 80 of 93</i>); • Bidders to provide all the required information; and • The form must be signed by the Bidder's Authorized Representatives <p>Note: Additional sheets can be used for as long as the authorized representative signs the last page.</p>
(f)	Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid, except under conditions provided for in Sections 23.4.1.3 and 23.4.2.4 of the 2016 revised IRR of RA No. 9184, within the relevant period as provided in the Bidding Documents	<ul style="list-style-type: none"> • A sample form is again provided in the Bidding Documents for reference. (<i>Section IX. Bidding Forms Page 81 of 93</i>); • Bidders to supply the data or information required in the form and to attach any of the following documents: <ol style="list-style-type: none"> (1) Copy of End User's Acceptance; OR (2) Copy of Official Receipt/s; OR (3) Copy of Sales Invoice with Collection Receipt/s • The form must be signed by the Bidder's Authorized Representative/s.
(g)	Bid Security or Notarized Bid Securing Declaration	Bidders to submit the original copy of the Bid Security. If in the form of a Surety Bond, submit also a certification issued by the Insurance Commission; OR Original copy of Notarized Bid Securing Declaration which shall be not less than the percentage of the ABC in accordance with the schedule in the BDS.
(h)	<u>Technical Requirements</u>	<p>(1) Duly Complied Section VI. Schedule of Requirements;</p> <ul style="list-style-type: none"> • Bidders to supply the data required on the last part of the form and should signed by the Bidder's

Authorized Representative per (Section VI. Schedule of Requirements, pages 36 to 41 o the Bidding Documents).

(2) Duly Complied Section VII. Technical Specifications

- Bidders must state either "COMPLY" or any equivalent term in the column "Bidder's Statement of Compliance" against each of the individual parameters of each "Specification."
- Bidders to supply the data required and signed by the Bidder's Authorized Representative per (Section VII. Technical Specification Page 43 of 93).

For Reference:

- Annex I (13 pages) - Section VII. Section VII. Technical Specification, pages 46 to 56 of the Bidding Documents.
- Annex II (4 pages) - Section VII. Technical Specification, pages 57 to 60 of the Bidding Documents.
- Annex III (2 pages) - Section VII. Technical Specification 61 to 62 of the Bidding Documents.
- Annex IV (7 pages) - Section VII. Technical Specification, pages 63 to 69 of the Bidding Documents.
- Annex V (4 pages) - Section VII. Technical Specification, pages 70 to 73 of the Bidding Documents.

(3) List of Brand and Model Number of the following items being offered:

- a. MILCOM Equipment
- b. COMNAV Equipment
- c. Outboard Engines
- d. Automatic Inflatable Life Jacket
- e. Signaling & Distress Flares
- f. Fire Extinguisher, Type ABC 10lbs

(4) Duly signed and notarized Affidavit of Undertaking to Conform to the Project Requirements

(5) Valid and current License as Shipbuilders or Boatbuilders issued by Maritime Industry Authority (MARINA) in the name of the Bidder.

(6) (Certification that the Bidder is Manufacturer of Speedboat (Watercraft) for Five (5) years (in the bidder's company letterhead).

(The Committee will issue a Bid Bulletin to revise this requirement)

(7) Bidder's Certification on Product Development (in the bidder's company letterhead)

		<p>(8) Two (2) Certificates of Performance Evaluation showing a rating of at least Very Satisfactory issued by the following:</p> <ol style="list-style-type: none"> a. Bidder's client indicated in the Statement of Single Largest Completed Contract. AND b. Bidder's client in another Completed Contract of Similar Nature <p>(9) Duly Notarized authorization of the Company's representative (e.g. Secretary's Certificate for Corporation, Special Power of Attorney for Sole Proprietor) with specimen signature of the authorized representative to transact with PITC including address, telephone number, fax number and email address.</p> <p>Note: Each Certificate must clearly indicate the item (Radar, GPS, MILCOM Equipment, Marine VHF Radio, Outboard Engines)</p> <p>(10) Brochure or Technical Data Sheet or equivalent showing compliance to the required Technical specifications of the following:</p> <ol style="list-style-type: none"> a. Radar; b. GPS; c. MILCOM Equipment; d. Marine VHF Radio; e. Outboard Engines; and f. Boat Trailer <p>Note: Bidder must label each Brochure per item (Radar, GPS, MILCOM Equipment, Marine VHF Radio, Outboard Engines)</p> <p>Internet downloads may be included to supplement the information contained in the original brochures.</p>
(j)	<p>Omnibus Sworn Statement (OSS);</p> <p>And if applicable, Original Notarized Secretary's Certificate in case of a corporation, partnership, or cooperative;</p> <p>OR</p> <p>Original Special Power of Attorney of all members of the joint venture giving full power and authority to its officer to sign the OSS and do acts to represent the Bidder</p>	<p>Bidders to submit the original duly signed OSS. A form is provided for as Omnibus Sworn Statement (Revised) (<i>Section IX. Bidding Forms, pages 83 to 85 of the Bidding Documents</i>).</p> <p>The form must be copied verbatim. But to be sure that nothing is missed out, Vice-Chair suggested that the form just be scanned or photocopied and then filled up.</p> <p>All blanks must be filled up.</p> <p>The last page must be signed by the authorized representative. Notarization is required for this OSS.</p>
Financial Documents		Vice-Chair's Instructions
(j)	Audited Financial Statements	<p>Bidders to submit a Copy of Audited Financial Statements for 2019 and 2018 (in comparative form or separate reports):</p> <ol style="list-style-type: none"> (a) Independent Auditor's Report; (b) Balance Sheet (Statement of Financial Position); and

		(c) Income Statement (Statement of Comprehensive Income) Each of the above statements must have stamped "received" by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions;
(k)	Net Financial Contracting Capacity (NFCC)	Bidders to submit a computation of Net Financial Contracting Capacity (NFCC). for purposes of the NFCC computation pursuant to Section 23.4.2.6 of the 2016 revised IRR of RA No. 9184. The NFCC must be sufficient for the total of the ABCs for all the items participated in by the prospective Bidder; OR Bidders may submit a Committed Line of Credit from a Universal or Commercial Bank in lieu of its NFCC computation. For bidders submitting the committed Line of Credit, it must be at least equal to ten percent (10%) of the ABCs for all the lots or items participated in by the prospective Bidder. The Committee will issue a Supplemental Bid Bulletin to provide a sample form for NFCC and CLC which bidders may adopt.

Class "B" Documents

(l)	If applicable, a duly signed joint venture agreement (JVA) in case the joint venture is already in existence; OR Duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful.	
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Other documentary requirements under RA No. 9184 (as applicable)

(m)	For foreign bidders claiming by reason of their country's extension of reciprocal rights to Filipinos	Submission of a Certification from the relevant government office of their country stating that Filipinos are allowed to participate in government procurement activities for the same item or product.
(n)	Certification from the DTI if the Bidder claims preference as a Domestic Bidder or Domestic Entity.	

II. FINANCIAL COMPONENT ENVELOPE

Financial Component		Vice-Chair's Instructions
(a)	Original of duly signed and accomplished Bid Form	A form is provided. (<i>Section IX. Bidding Forms Page 86 of 93</i>). Bidders to supply all the required data/information and signed by the Bidder's Authorized Representative.
(b)	Original of duly signed and accomplished Price Schedule(s)	A form is again provided per <i>Section IX. Bidding Forms, page 87 to 88 of the Bidding Documents</i> .

Bidders to supply all the required data/information and signed by the Bidder's Authorized Representative.

- The Vice-Chair inquired for questions/clarifications.

Bidders Query/Clarifications	Committee's Reply
Sustainable Charters: Regarding the Certification that the Bidder is Manufacturer of Speedboat (Watercraft) for Five (5) years (in the bidder's company letterhead). Basically, this is a legal statement that is a conflict of interest because you are forcing the government to only work with those which have a certain years of presence in the Philippines. I do believe that this is a legal point that should be erased from the contract.	Any questions?
Sustainable Charters: We don't know yet. But I think this is something that is on the legal side is not correct. Because that would mean that you only prioritize the ancient guys.	Sir, are you participating as a foreign manufacturer?
Sustainable Charters: Yes, we will.	Sir, that's a requirement of the Philippine Navy, can you put that in writing so that they can deliberate on that?
Sustainable Charters: On the Technical Specifications, Warranty/ies of the Contract (Section VI. Item No. 10). On engine warranties at the very beginning of your presentation there was something written about a training of the end-user, this is actually against the warranty in order for us, we need to perform the warranties of course, it can be included in the bid, meaning that the engine manufacturers will do all the works and they will not put extra charges, we need to understand what you mean by warranties and training of the end-user, it's kind of big word.	
Sustainable Charters: Do you need the training only for the usage of the certain equipment or do you need the training for maintenance purposes? These are two different words. Because the maintenance will heat the warranty level.	PN: This is used for the training.
	PN: This is the training for overall use and training of the water trap and especially for our maintenance personnel and crew.
Sustainable Charters: This is where we need to be broad and we are going to ask for amendment of that paragraph. A warranty cannot be fulfilled if the end-users performing maintenance based on PMS, it's just everywhere in the world is like this. So, you can be trained to know how engine works but you are not trained to do the maintenance because that moment the warranty is void. Everywhere in the world is the same. You are not allowed to open an engine, you are not allowed to open a radar books, a GPS books, VHF radio and try to fix some cables and	

whatsoever. It's not just possible. This needs to be very specifically written in the Bidding Documents.	
Sustainable Charters: Yes, we will. It is clear that the age of certain training that needs to happen in terms of not the maintenance but in terms of the usage. It's how to use and obviously that needs to be protocoled as well (Vice-Chair interrupted and replied)	Again Sir, may I ask you to put that in writing Sir?
Sustainable Charters: Diesel himself which invented that engine over a hundred years ago. A diesel engine is a compression engine that does not have any spark plug and a diesel engine is a four-stroke engine and I need this to be in the Bidding Documents as well because it doesn't exist in engine that is a two stroke engine unless it's an adaptational whatever geniuses came up with. My point is, a diesel engine that you have in the car, boat etc. is a four-stroke diesel engine. I think this needs to be added.	Understood Sir. Any questions Sir?
Sustainable Charters: Yes, we will also include that as well.	Can you include that also in your letter Sir?
Sustainable Charters: Is there any specific reason why you want a prototype sample or is that for testing purposes?	
	For me, you may want a prototype sample approved first before you manufacture or produce the 15 units additional, right?
Sustainable Charters: If I'm not mistaken is this not repeated order that already existed before in a different tranches?	
	No, Sir.
Sustainable Charters: The brand new specification or it's just the diesel engine specification has changed?	
	As you can see Sir, we've been bidding this for a quite long time. This is the 6 th time we bided this out.
Sustainable Charters: You mean 6 th time that it went on bidding?	
	Yes, Sir.
Sustainable Charters: I understand. Just imagining the prototype sample comes out the first unit that is produced, the prototype samples fails for whatever reasons on your requirements, speed, performance etc. Would that mean that the next bidder comes in line, how do you usually handle this?	
	No, we requested to produce a prototype sample once you have already been awarded the contract.
Sustainable Charters: So, it will be just prototype sample where the amendments might come in?	
	Vice-Chair clarification to PN: Do we have provision on the rectification of the defects?

	PN: Yes, Ma'am. It's indicated on page 19. (Section VII. Technical Specification Page 55 of 93).
Sustainable Charters: Noted, Ma'am.	
I just wanted to confirm that there was a Supplemental Bid that was issued increasing the speed. Is this correct?	
	What particular Bid Ref. No. is that? Because in our Bidding Documents for minimum cruising speed is 30 knots and speed of 40 knots at Full Load Condition.
Okay, because I was just informed that there was a Bid Supplement.	
	Don't get confused Ma'am.
I know, I mean we join the other bids also.	
	Please use this Bid Ref. No. MPG-B1-2020-435 3 rd Rebid.
Yes. We will do.	
So, the speed is 30knots?	The Minimum Cruising speed is 30 knots and speed of 40 knots at Full Load Condition.
Okay, Thank you.	
	Other concerns?
Sustainable Charters: Triple engine configuration, just imagining we come up with the configuration of double engine configuration which will save us an entire load of one engine plus a high acceleration and better responsive in terms of maneuverability. (Vice-Chair interrupted and replied)	
	Sir, I don't think that they can respond to you right now because they still have to refer that to their superior.
Sustainable Charters: Step Hal or non-step Hal?	
	PN: Non-step Hal Sir.
Sustainable Charters: So, that's going to be the definite question to put so much load.	
	PN: Actually, that's the function of design. If you meet the required speed, cruising speed is 30 knots and maximum speed of 40 knots. That's the function of design.
Sustainable Charters: So, there's no requisite of three it could be three as well?	
	PN: Yes.
Sustainable Charters: Why the PN is opting on an outboard rather than an inboard?	
	PN: For this project we required an outboard motor.
Sustainable Charters: But what is the reason? Because Military wise International Armies have been proven that the inboard has better safety aspect and better performance aspect than the outboard? I'm just asking the question why the outboard is coming in to this rather the option to say you can also offer inboard?	
	PN: Because of our experience. Outboard motor easy to maintain.

<p>Sustainable Charters: It depends what motors you are talking about. But definitely if you look at the NATO, if you look at the American Navy and European Navy you would say that they will switching into an inboard rather than outboard. I just want to know if there's a specific specifications or substantiation from the Navy. We want to understand the reason why. That's all.</p>	
	<p>PN: That is our technical requirements and we have conducted market research and personal experience from the field. That's why we have to use outboard engine for easy maintenance and repair. When you get out of outboard engine you just pull on a transom then get another one which is more reliable. However, the inboard engine is much longer for maintenance and repair.</p>
<p>Sustainable Charters: Well noted, but I just wanted to say that the outboard engine has very short longevity compared to 20,000-30,000 hours of the longevity on specific maritime and military graded inboard engine. I just wanted that to be said so that everybody can listen on this. Thank you.</p>	
	<p>Thank you for that information Sir.</p>
	<p>If there are no more questions for now, we will wait for your letter/s. Please send it to the email address provided in the Bidding Documents (chairbac1@pitc.gov.ph), and do not forget to buy the Bidding Documents way ahead the Bid Opening schedule because the BAC Secretariat will not accept your bid if you have not paid for the Bidding Documents.</p>
	<p>If we revise any of the forms, please use the revised form/s that we are going to put in the Bid Bulletin.</p>
<p>Bidders: Thank you.</p>	<p>Thank you for your participation and good luck.</p>

OTHER MATTERS:

- Bidders must **sign** or **initial** each and every interlineation, erasure, overwriting and correction made on their bids. Failure to do so shall result in the invalidation and rejection of their bids.
- Vice-Chair also emphasized the additional requirements if declared Single/Lowest Calculated Bid is a Submission of Undertaking to Pursue Countertrade. Bidders may contact the Counter Trade Department and may schedule for a Briefing.

Contact Person for Countertrade:

Atty. Roxanne Marie Q. Cruz
 Email Address: roxanne.cruz@pitc1973.onmicrosoft.com
 Tel no. 8818-9801 local 324

Ms. Joane Olan
 Email Address: joane.olan@pitc1973.onmicrosoft.com
 Tel no. 8818-9801 local 373

- Vice-Chair also emphasized the **submission the following Marina approved documents within thirty (30) days from receipt of Notice to Submit the Approved Marina Documents.**
 - a. The General Arrangement Plans;
 - b. Electrical System;
 - c. Hull and Deck Scantling Drawings, and
 - d. Manufacturing Vacuum Infusion Process and Procedures;
- **For questions/clarifications through Email:**

CHAIR
 Bids and Awards Committee I
 Philippine International Trading Corporation (PITC)
 5th Flr, NDC Building, 116 Tordesillas St., Salcedo Village, 1227 Makati City
 Email: chairbac1@pitc.gov.ph

Note: Maximum size of email with attachment is six (6) MB only

BID SCHEDULE:

- Bidder can send queries/concerns until **01 December 2020** (Tuesday)
- The Bid Opening is scheduled on **15 December 2020** (Tuesday, 1:00pm)

ADJOURNMENT:

- There are no other matters discussed, the pre-bid conference was adjourned at 2:20pm.

MINUTES TAKEN BY:



ATTY. MARIA GUDELIA C. GUESE
 Head, BAC-I Secretariat
 KDC

REVIEWED BY:



MYRA CHITELLA T. ALVAREZ
 Vice-Chairperson, BAC-I

APPROVED BY:



CHRISTABELLE P. EBRIEGA
 Chairperson, BAC-I