Republic of the Philippines
OFFICE OF THE OMBUDSMAN
Agham Road, Diliman, Quezon City

BIDS AND AWARDS COMMITTEE
DECISION NO. 17-9-2021
Series of 2021

RECOMMENDING THE POST-DISQUALIFICATION OF TELSTAR SECURITY AGENCY CORPORATION AND THE DECLARATION OF FAILURE OF BIDDING

WHEREAS, the Head of the Procuring Entity approved the Purchase Request No. 21-01-002 dated 18 January 2021 for the procurement of the supply and delivery of security services of nine Security Guards (seven to be assigned at the Office of the Ombudsman-Mindanao, Davao City and two at the Ombudsman-Mindanao Cagayan de Oro Regional Office, Cagayan de Oro City), for twelve months, with Approved Budget for the Contract (ABC) of PhP3,034,800.00; The said procurement was included in the approved Annual Procurement Plan;

WHEREAS, by its approved Resolution No. 14, series of 2021, dated 5 March 2021, the Bids and Awards Committee (BAC) resolved to recommend the use of competitive bidding for the procurement of the contract, consistent with Section 10[1] of Republic Act (R.A.) No. 9184; Accordingly, the pre-procurement conference was conducted on 9 August 2021;

WHEREAS, the Invitation to Bid inviting all interested manpower and security services companies to apply for eligibility and to bid for the contract was posted continuously in the Philippine Government Electronic Procurement System (PhilGEPS) website from 10 August 2021 up to 6 September 2021, and at the conspicuous place in the Office premises reserved for the purpose, for more than seven calendar days;

WHEREAS, the Pre-Bid Conference was held on 17 August 2021 which was attended by the prospective bidders, namely: 1) Hackett Security Agency, 2) Philippine Vetus Security Force, Inc., 3) Black Volt Security Corporation, and 4) Telstar Security Agency Corporation, and two observers from the Commission on Audit (COA), Region XI, Davao City, and the Ombudsman Employees Association (OMBEA), Mindanao Chapter, Davao City;

WHEREAS, during the Public Bidding/Opening of Bids on 7 September 2021, four bids were received from the following bidders:

1) Hackett Security Agency, Unit 201 FSE Bldg., 3671-73, Bautista Corner Dayap Streets, Barangay Palanan, Makati City;
2) Philippine Vetus Security Force, Inc., No. 1 Doña Vicenta Village, Bajada, Davao City;
3) Black Volt Security Corporation, Falcon Compound Post 23, Tabon, Bislig, Surigao del Sur and Purok 15B Trinidad Greenhills, Bugac, Maa, Davao City, and
4) Telstar Security Agency Corporation, Barangay Kenram, Isulan, Sultan Kudarat;

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[1] ***Section 10***. *Competitive Bidding.- All Procurement shall be done through Competitive Bidding, except as provided for in Article XVI of this Act.* (R.A. No. 9184)

WHEREAS, the bids however of the three bidders, namely: 1) Hackett Security Agency, 2) Philippine Vetus Security Force, Inc., and 3) Black Volt Security Corporation, were determined to be not compliant with the requirements in the first bid envelope (Eligibility and Technical Documents); Accordingly, the BAC declared/rated their bids as "failed;" Only the bid of Telstar Security, determined to contain all the bid requirements for both the 1st (Eligibility and Technical Documents) and 2nd (Financial Proposal) bid envelopes, was rated "passed", and considered for evaluation and comparison; Telstar Security's amount of bid *"As Read"* was PhP2,863,455.72, and its Bid Securing Declaration was in an amount not less than the required percentage of the ABC;

WHEREAS, the Bid Evaluation was conducted on 8 September 2021 for the detailed evaluation of the bid submitted by Telstar Security; The Post-Qualification was conducted on 10 September 2021 *to determine whether the bidder concerned complies with and is responsive to all the requirements and conditions as specified in the Bidding Documents.*

WHEREAS, after diligent review, validation and evaluation by the BAC with the assistance of the Technical Working Group (TWG) on the bid received, the bid of Telstar Security was determined to be non-compliant with and not responsive to all the requirements and conditions as specified in the Bidding Documents; Bidder Telstar Security did not comply with the particular requirements, namely:

1. *The Service Provider must have a branch Office, and with duly authorized representative physically situated in Davao City;*[2] *and*
2. *Statement of the bidder's Single Largest Completed Contract (SLCC) similar to the contract to be bid, in accordance with ITB*[3] *Clause 5.4 within the relevant period as provided in the BDS.*[4] *The Bidder must have completed, within the period specified in the Invitation to Bid and ITB Clause 12.1(a)(iv), a single contract that is similar to this Project, equivalent to at least fifty percent (50%) of the ABC.*[5] *The statement of all ongoing and completed government and private contracts shall include all such contracts within the past two (2) years prior to the deadline for the submission and receipt of bids.*[6]

NOW, THEREFORE, for and in consideration of the foregoing, we, the members of the BAC, hereby recommend to the Head of the Procuring Entity the following:

1. To declare the bid of Telstar Security Agency Corporation to have failed the criteria for post qualification or post-disqualified;
2. To declare a failure of bidding as no bid qualifies as the Lowest Calculated Responsive Bid;[7] and
3. To authorize the BAC to re-advertise and re-bid the contract subject of this procurement.

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[2] Supplemental Bid Bulletin No. 1 dated 17 August 2021
[3] ITB stands for Instruction to Bidders
[4] ITB Clause 12.1 (a)(iv). BDS means Bidding Documents.
[5] ITB Clause 5.4
[6] ITB Clause 12.1(a)(iv), p. 41 of the Bidding Documents. The deadline of the submission and receipt of bids was on 7 September 2021, on or before 10:00 A.M.
[7] *SEC. 35. Failure of Bidding. – There shall be a failure of bidding if: (a) No bids are received; (b) No bid qualifies as the Lowest Calculated Responsive Bid or Highest Rated Responsive Bid; or, (c) Whenever the bidder with the highest rated/lowest calculated responsive bid refuses, without justifiable cause to accept the award of contract, as the case may be. Under any of the above instances, the contract shall be re-advertised and re-bid. The BAC shall observe the same process and set the new periods according to the same rules followed during the first bidding.xxx* (R.A. No. 9184)

Quezon City, for Davao City, Philippines, 14 September 2021.

BIDS AND AWARDS COMMITTEE

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APPROVED:

SAMUEL R. MARTIRES
Ombudsman
Head of the Procuring Entity