

**NOTICE TO PROCEED**

25 September 2019

**MR. ELMER C. MAGDALAGA**

Proprietor/Manager

Thru: Engr. Arthur Y. Sarmiento

**JELM CONSTRUCTION**

Brgy. Licod, Tanauan, Leyte

Dear **Mr. Magdalaga**:

The attached Contract Agreement having been approved, notice is hereby given to **JELM Construction**, that work may proceed on the project for the "SUPPLY OF LABOR, MATERIALS, TOOLS, EQUIPMENT AND TECHNICAL SUPERVISION FOR RENOVATION WITH EXPANSION OF THE OLD CITRIC PLANT BUILDING FOR THE ADVANCED MANUFACTURING CENTER (AMCEN)-NEGOTIATED", effective after Three (3) calendar days from receipt of this Notice to Proceed. Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to Metals Industry Research and Development Center.


Thank you.

Very truly yours,

**ROBERT O. DIZON**

Executive Director

Date Signed: 26 September 2019

I acknowledge receipt of this Notice on SEPT. 27, 2019 (date of receipt)Name of Bidder's Representative: ALVIN F. VILLARAuthorized Signature: 

The Head of the Procuring Entity or his duly authorized representative shall issue the Notice to Proceed within seven (7) calendar days from the date of the approval of the contract.

*Molding the Future of Metal Industries*

**NOTICE OF AWARD**

19 September 2019

**MR. ELMER C. MAGDALAGA**

Proprietor/Manager

Thru: Engr. Arthur Y. Sarmiento

**JELM CONSTRUCTION**

Brgy. Licod, Tanauan, Leyte

Dear **Mr. Magdalaga:**

You are advised that the Purchase Order for the "SUPPLY OF LABOR, MATERIALS, TOOLS, EQUIPMENT AND TECHNICAL SUPERVISION FOR RENOVATION WITH EXPANSION OF THE OLD CITRIC PLANT BUILDING FOR THE ADVANCED MANUFACTURING CENTER (AMCEN)-NEGOTIATED" of the Metals Industry Research and Development Center (MIRDC) has been awarded to your firm in the amount of *Eighty Five Million Eight Hundred Fourteen Thousand One Hundred Two Pesos 65/100 (PhP85,814,102.65)*, subject to the approval of the concerned authorities.

You are therefore requested to acknowledge receipt of this notice and post a performance security according to the following schedule within ten (10) calendar days from receipt hereof:

- a. Cash, Manager's check or Cashier's check – 5% of the total contract price;
- b. Bank Guarantee/ Draft/ Irrevocable Letter of Credit – 5% of the total contract price;
- c. Surety Bond, callable on demand, valid for one year, issued by the Office of the Insurance Commissioner, or any combination thereof – 30% of the total contract price.

Thank you.

Very truly yours,

ARCH, ALVIN UILLAR

  
**ROBERT O. DIZON**  
Executive Director*Molding the Future of Metal Industries*

BAC Resolution Declaring The Best And Final Offer And  
Recommending The Award To JELM Construction

Resolution No. 2019-11

Project: "SUPPLY OF LABOR, MATERIALS, TOOLS, EQUIPMENT AND TECHNICAL SUPERVISION FOR RENOVATION WITH EXPANSION OF THE OLD CITRIC PLANT BUILDING FOR THE ADVANCED MANUFACTURING CENTER (AMCEN)-NEGOTIATED"

Approved Budget Contract: Php86,000,000.00

WHEREAS, MIRDC declared a First and Second Failure of Biddings for the above-mentioned project under BAC Resolutions No. 2019-09 and 2019-10, respectively;

WHEREAS, due to two-failed biddings, the Bids and Awards Committee resorted to Negotiated Procurement under Two-Failed Biddings (Sec 53.1 of 2016 Revised IRR of RA 9184);

WHEREAS, the BAC invited contractors and posted the Invitation to Bid in the Philippine Government Electronic Procurement System (PhilGEPS), MIRDC Website, and conspicuous places at the premises of DOST on August 21, 2019;

WHEREAS, JELM Construction, Pacific Summit Construction Group Inc., Coogee International & Development and Gejomeb Construction, attended the Negotiation meeting on August 23, 2019 at 09:00 a.m. at the Mercury Conference Room, 3rd Floor, Gold Building, MIRDC Compound, Gen. Santos Ave., Bicutan, Taguig City;

WHEREAS, JELM Construction and Gejomeb Construction submitted their bid offer on August 23, 2019 and Coogee International Development Inc. and Pacific Summit Construction Group Inc. informed the BAC that they will submit their bid offer on August 27, 2019;

WHEREAS, Gejomeb Construction was disqualified due to its PCAB license Small B Category and Coogee International Development Inc. was disqualified due to their bid offer exceeds the ABC despite the pronouncement that the ABC is non-negotiable;

WHEREAS, based on the detailed evaluation and comparison of bids, JELM Construction's offer is deemed to be the best offer than the offer of Pacific Summit Construction Group Inc. on the basis of their completeness of the scope, correctness of items, acceptable costing and item quantity estimations;

WHEREAS, JELM's offer covered 99% of scope of work at PhP85,815,517.58 while Pacific Summit offer covered only 60% of scope of work at PhP85,880,571.28;

WHEREAS, the BAC/TWG conducted a Post-qualification evaluation to JELM Construction on September 13 and 14, 2019 in Tacloban City, Leyte and the bidder passed the post-qualification evaluation and been determined as a Lowest Calculated and Responsive Bidder;


WHEREAS, the BAC reconsidered JELM Construction bid proposal of **Eighty Five Million Eight Hundred Fifteen Thousand Five Hundred Seventeen pesos and 58/100** (Php 85,815,517.58) and considered it as the Best and Final Offer;

NOW, THEREFORE, We, the Members of the Bids and Awards Committee, hereby RESOLVE as it is hereby RESOLVED, to declare JELM Construction's offer as the Best and Final Offer and to recommend the award of contract to JELM Construction for the Negotiated Procurement on SUPPLY OF LABOR, MATERIALS, TOOLS, EQUIPMENT AND TECHNICAL SUPERVISION FOR RENOVATION WITH EXPANSION OF THE OLD CITRIC PLANT BUILDING FOR THE ADVANCED MANUFACTURING CENTER (AMCEN)-NEGOTIATED for approval by the Head of Agency.

RESOLVED, at Taguig City this September 18, 2019.


  
**MERCEDITA G. ABUTAL**  
BAC Chairman

  
**GINA A. CATALAN**  
BAC Member

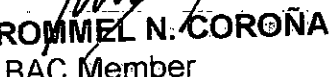
  
**ISIDRO D. MILLO**  
BAC Member

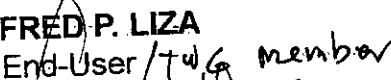
  
**JOSEPH ALFRED V. GARCIA**  
TWG Member

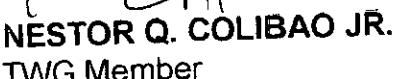
  
**ERIC B. CASILA**  
TWG Member

  
**VINCENT BOY E. MANABAT**  
TWG Member

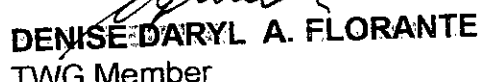
  
**TRIXIE HAZEL C. VELUZ**  
BAC Vice Chairperson

  
**ROMMEL N. CORONA**  
BAC Member


  
**FRED P. LIZA**  
End-User/TWG member

  
**NESTOR Q. COLIBAO JR.**  
TWG Member


  
**ALVIN M. BUISON**  
TWG Member

  
**DENISE DARYL A. FLORANTE**  
TWG Member

  
**ULYSSES B. ANTE**  
TWG Member

  
**MARK ANDREW S. TIBON JR.**  
TWG Member

Approved (✓) / Disapproved ( )

  
**ROBERT O. DIZON**  
Executive Director

Approved on 19 September 2019

## Form of Contract Agreement

THIS AGREEMENT, made this **20th** day of **September 2019** between **Metals Industry Research and Development Center** (hereinafter called the "Entity") and **JELM Construction** (hereinafter called the "Contractor").

WHEREAS, the Entity is desirous that the Contractor execute "*SUPPLY OF LABOR, MATERIALS, TOOLS, EQUIPMENT AND TECHNICAL SUPERVISION FOR RENOVATION WITH EXPANSION OF THE OLD CITRIC PLANT BUILDING FOR THE ADVANCED MANUFACTURING CENTER (AMCEN)-NEGOTIATED*" (hereinafter called "the Works") and the Entity has accepted the Bid for **Eighty Five Million Eight Hundred Fourteen Thousand One Hundred Two Pesos 65/100 (PhP85,814,102.65)** by the Contractor for the execution and completion of such Works and the remedying of any defects therein.


NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:


1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as integral part of this Agreement, to wit:
  - (a) General and Special Conditions of Contract;
  - (b) Drawings/Plans;
  - (c) Specifications;
  - (d) Invitation to Bid;
  - (e) Instructions to Bidders;
  - (f) Bid Data Sheet;
  - (g) Addenda and/or Supplemental/Bid Bulletins, if any;
  - (h) Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes, and all other documents submitted (e.g., Bidder's response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid evaluation;
  - (i) Eligibility requirements, documents and/or statements;
  - (j) Performance Security;
  - (k) Notice of Award of Contract and the Bidder's conforme thereto;

- (l) Other contract documents that may be required by existing laws and/or the Entity.
3. In consideration of the payments to be made by the Entity to the **Contractor as hereinafter mentioned**, the Contractor hereby covenants with the Entity to execute and complete the Works and remedy any defects therein in conformity with the provisions of this Contract in all respects.
4. The Entity hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

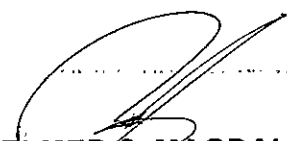
IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

Binding Signature of Procuring Entity

  
**ROBERT O. DIZON**  
Executive Director

  
**FRED P. LIZA**  
Project Leader

Binding Signature of Contractor

  
**ELMER C. MAGDALAGA**  
Authorized Managing Officer

  
**ARTHUR Y. SARMIENTO**  
Witness

CERTIFIED FUNDS AVAILABLE:

  
**JOHNNY G. QUINGCO**  
Accountant IV

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)

CITY OF PASAY CITY ) S.S.

Before me, a Notary Public for and in the PASAY CITY this ~~SEP 30 2019~~ 2019, personally appeared:

NAME	I.D. NO.	DATE/PLACE ISSUED
ROBERT O. DIZON	2016002	MIRDC, Taguig January 8, 2018

**ELMER C. MAGDALAGA**

all known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free act and deed as well as of the principal they represent.

This instrument refers to CONTRACT AGREEMENT consisting of three (3) pages, including this page in which the Acknowledgment is written, signed by the parties and their witnesses on each and every page and sealed with my notarial seal.

WITNESS MY HAND AND SEAL on the date and place above written.

Doc No. 1018 ;

Page No. 39 ;

Page No. 4 ;

Series of 2019.

*Om*  
**ATTY. JOVINO R. ANGEL**  
NOTARY PUBLIC

NOTARIAL COMMISSION 16-09  
UNTIL DECEMBER 31, 2020  
PYR NO. 6397931 ISSUED IN PASAY CITY ON JAN. 3, 2019  
ISP NO. 058411 ISSUED IN PASIG CITY ON JAN. 3, 2019  
MCLE COMPLIANCE NO. V-0024151 10/25/18  
ROLL OF ATTORNEY'S NO. 28751