



Republic of the Philippines
METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM



Bids and Awards Committee (BAC)
BAC Resolution No. 2020-10
PROCUREMENT OF FUEL ALLOCATION FOR MWSS VEHICLES
(CONTRACT NO. FCP-2018)

WHEREAS, the BAC undertook two (2) procurement activities under Competitive Bidding last 2018 and 2019 relative to the Procurement of Fuel Allocation for MWSS Vehicles (Contract No. FCP-2018). However, the BAC declared Failure of Bidding in both procurement activities in view of the non-submission of bid proposals from prospective bidders;

WHEREAS, on 13 June 2019, the Board through Resolution No. 2019-089-CO authorized the BAC to resort to **Negotiated Procurement – Two Failed Biddings** pursuant to Section 53.1 of the 2016 Revised Implementing Rules and Regulations (RIRR) of R.A. No. 9184;

WHEREAS, on 8 August 2019, the MWSS published an Invitation to Bid for the Negotiated Procurement for the Fleet Card Program for the Procurement of Fuel (Gasoline & Diesel), Lubricants, and other Maintenance Services at the Philippine Government Electronic Procurement System (PhilGEPS) and the MWSS website (www.mwss.gov.ph);

WHEREAS, on 23 August 2019, no prospective bidder attended the pre-bid conference but Philippine Shell Petroleum Corporation, the sole bidder submitted their bid on 5 September 2019, the deadline for submission;

WHEREAS, on 5 December 2019, the BAC issued Resolution No. 2019-62 adopting the recommendation of the Technical Working Group (TWG) in the BAC meeting on 14 October 2019 to declare a Failure of Negotiated Procurement due to non-compliance by Shell Petroleum Corporation on both the technical and financial requirements;

WHEREAS, the Procurement of Fuel Allocation for MWSS Vehicles Contract No. FCP-2018 is included in the Approved Annual Procurement Plan (APP) for CY 2020 through Board Resolution No. 2020-010-CO dated 23 January 2020 in the amount of Two Million Five Hundred Ten Thousand Six Hundred Eighty-eight Pesos (Php2,510,688.00);

WHEREAS, the Government Procurement Policy Board (GPPB) through its **Resolution No. 24-2019** dated **30 October 2019** resolved to approve the inclusion of **Section 53.14 in the 2016 Revised IRR of RA No. 9184 on the direct retail purchase (DRP) of Petroleum fuel, Oil and Lubricant (POL) products and the amendments to the affected provisions of its Annex "H" entitled "Consolidated Guidelines for the Alternative Methods of Procurement"** with the amendments attached herewith as **ANNEX "A"**;

WHEREAS, in said Annex, although the new provisions in the Revised IRR of RA 9184 state that all procurement of POL products shall be done through competitive bidding, DRP may be resorted to when the Procuring Entity has determined it to be the best modality for the procurement of non-bulk POL products¹ by the end-user through a delegation of authority by the HoPE² and payment may be made through cash advance as per the amendments shown in ANNEX "A"³;

¹ ANNEX "H" OF THE 2016 REVISED IRR OF RA NO. 9184 ENTITLED "CONSOLIDATED GUIDELINES FOR THE ALTERNATIVE METHODS OF PROCUREMENT" Part V (D. Negotiated Procurement) (a. Policy Considerations) – ATTACHED HEREWITH AS ANNEX "A"

² ANNEX "H" OF THE 2016 REVISED IRR OF RA NO. 9184 ENTITLED "CONSOLIDATED GUIDELINES FOR THE ALTERNATIVE METHODS OF PROCUREMENT" Part IV (J. Delegation of Authority) – ATTACHED HEREWITH AS ANNEX "A"

³ ANNEX "H" OF THE 2016 REVISED IRR OF RA NO. 9184 ENTITLED "CONSOLIDATED GUIDELINES FOR THE ALTERNATIVE METHODS OF PROCUREMENT" Part V (D. Negotiated Procurement) (c. Conditions) (d)– ATTACHED HEREWITH AS ANNEX "A"

WHEREAS, A DRP to Philippine Shell Petroleum Corporation is the best modality for the procurement of Fuel Allocation for MWSS Vehicles based on the following:


- a.) To obviate the possibility of another failure of bidding in view of the fluctuating fuel prices;
- b.) There is already an existing Fleet Card Program between MWSS and Philippine Shell Petroleum Corporation; and
- c.) Philippine Shell Petroleum Corporation is the most suitable supplier with its proximity to the MWSS Corporate Office;

WHEREAS, Pursuant to the Reorganization Plan of Metropolitan Waterworks and Sewerage System Corporate Office (MWSS-CO) as approved by Governance Commission for Government Owned and Controlled Corporations (GCG) per its Memorandum Order No. 2013-17 dated 14 March 2013, the Operations Support Department (OSD) is mandated to lead and is accountable for the day to day delivery and monitoring of organization needs in the areas of building and ground management, administrative services (logistics, driving, utility, equipment maintenance, safety, security, etc.). As such, OSD is in-charge/custodian of MWSS' service vehicles, including the maintenance and repair thereof and serve as end-user for the procurement of Fuel Allocation;


WHEREFORE, the BAC hereby RESOLVED to recommend to the Board of Trustees the following through Section 53.14 of the Revised IRR of R.A. 9184:

- 1. Continue the Fleet Card Program with Philippine Shell Petroleum Corporation under DRP; and
- 2. To delegate authority to the OSD as end-user to procure the Fuel Allocation for MWSS Vehicles under DRP through Cash Advance.

APPROVED: 21 February 2020


AUGUSTINE M. VESTIL, JR.
Member


RAMON R. FABUL
Member


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