



BSWM- BIDS AND AWARDS COMMITTEE
SUPPLEMENTAL BID BULLETIN
ADDENDUM NO. 2022-00-005-01

CONTRACT: SUPPLY AND DELIVERY OF 105 UNITS OF TECHNOLOGY PACKAGE ON COMPOSTING FACILITY FOR BIODEGRADABLE WASTES FOR CY 2022 - IB NO. BSWM-2022-00-005

This **Addendum** is being issued in accordance with **Section 22.5.2 of the IRR of RA 9184**, to clarify and modify some provision of the Bidding Document. **THIS SHALL FORM AN INTEGRAL PART OF THE BID DOCUMENT.** Likewise, the succeeding agreements and reminders were discussed during the **Pre-Bid Conference** held last **November 16, 2021, 9:30AM at the BSWM Function Hall and via Videoconferencing-Zoom.**

This procurement is undertaken through **Early Procurement Activity** per **GPPB Circular 06-2019**, Guidelines on the Implementation of Early Procurement Activities (EPA). As such:

- a. award of the Contract is subject to the approval of the General Appropriation Act for CY 2022;
- b. fixed price rule in procurement shall apply;
- c. extension of bid validity and security may apply per Article 4 of GPPB Circular 06-2019;
- d. eligibility requirements shall be valid prior to award of Contract;
- e. date of earliest delivery shall be determined upon award of Contract.

I. DISCUSSION OF THE BIDDING DOCUMENT:

- **Total ABC of the contract: Ninety-nine Million Seven Hundred Fifty Thousand Pesos (PhP99,750,000.00)**
- Bidder must have completed a single contract that is similar to this project, equivalent to **at least fifty percent (50%) of the ABC (PhP49,875,000.00);**
- Similar contract shall be contract **for Supply and Delivery of Agricultural Machineries / Processing Equipment and its equivalent**, completed within five (5) consecutive years from the date of submission and receipt of bids.
- The Bidder should comply with the following requirements:
 - i. Completed at least two (2) similar contracts, the aggregate amount of which should be equivalent to at least *fifty percent (50%) in the case of non-expendable supplies* of the ABC for this Project; and
 - ii. The largest of these similar contracts must be equivalent to at least half of the percentage of the ABC as required above (PhP 24,937,500.00)
- **Awarding:** Project shall be awarded as one contract.
- **Schedule of Requirement:** 180 Calendar Days from receipt of Notice to Proceed.

Note: Supplier shall coordinate with the End-user for final schedule of delivery of services within 7 calendar days from receipt of Notice to Proceed and with the Procurement Management Section prior to initial delivery.



II. AGREEMENTS DURING THE PRE-BID CONFERENCE:

QUERIES/CLARIFICATION/s	RESPONSE/AGREEMENT/s																										
4140 quenched and tempered steel blades (attach Mill Certificate or Composition Analysis)	<p>4140 Composition (Note: +/-10% except for phosphorus and sulphur which the number given is the maximum)</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th rowspan="2">Steel</th> <th colspan="8">Chemical Composition (%Mass)</th> </tr> <tr> <th>C</th> <th>Cr</th> <th>S</th> <th>P</th> <th>Mn</th> <th>Mo</th> <th>Ni</th> <th>Si</th> </tr> </thead> <tbody> <tr> <td>AISI 4140</td> <td>0.39</td> <td>1.01</td> <td>0.025</td> <td>0.018</td> <td>0.87</td> <td>0.17</td> <td>0.12</td> <td>0.17</td> </tr> </tbody> </table> <p>https://www.researchgate.net/figure/Chemical-composition-of-the-AISI-1045-4140-and-4340-steel-bars_tbl2_269926415</p> <p>Mill Certificate or Composition Analysis shall be submitted or presented during post-qualification.</p>	Steel	Chemical Composition (%Mass)								C	Cr	S	P	Mn	Mo	Ni	Si	AISI 4140	0.39	1.01	0.025	0.018	0.87	0.17	0.12	0.17
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Minimum of two (2) years warranty for parts	<p>Minimum of two (2) years warranty for parts of shredder. Parts does not include consumables (i.e blades, belt drive, rubber post, etc).</p> <p>Minimum of one (1) year warranty for engine.</p>																										
Certificate of availability of stocks and its location for the biomass size reduction machine (assembled or unassembled parts or raw materials) - at least 1 unit assembled for demonstration and testing - at least 20% (16 units) available	<p>Certificate shall be original and signed by authorized representative. Can submit notarized copy but is not required.</p>																										
NAMDAC Accreditation (Department Circular No. 17 s. 2018)	<p>One of the governing principles of the Philippine procurement per Section 3 of Republic Act No. 9184 is “Competitiveness by extending equal opportunity to enable private contracting parties who are eligible and qualified to participate in competitive bidding.”</p>																										
BAFE Permit to Operate (as required by DA Circular No. 04 s. 2019)	<p>The DA NAMDAC Accreditation and BAFE Permit to Operate (PTO) are intended to support the principles of Philippine procurement and not to delimit, specially, the principle of Competitiveness. Both Circulars generally aims to ensure eligibility of Suppliers and safeguard the interest of customers. The product line is a list of products offered/manufactured and update of list can be applied anytime by submitting general information of the product.</p> <p>Given the processing time in updating the product line for both NAMDAC Accreditation and BAFE PTO, the winning bidder shall provide an updated NAMDAC Accreditation and BAFE PTO with the biomass reduction machine listed on the product line before the delivery..</p>																										
Certificate of Availability of Service Center Nationwide (list address of Service Centers).	<p>Minimum requirement of at least 1 Service Center per Major Island (Luzon, Visayas, Mindanao).</p> <p>Certificate shall be signed and notarized.</p>																										



**III. AMMENDMENTS IN THE BIDDING DOCUMENT:
SECTION VII. TECHNICAL SPECIFICATION:**

ORIGINAL	AMENDED
4140 quenched and tempered steel blades (attach Mill Certificate or Composition Analysis)	4140 quenched and tempered steel blades (attach Mill Certificate or Composition Analysis) Mill Certificate or Composition Analysis shall be submitted or presented during post-qualification
Minimum of two (2) years warranty for parts	Minimum of two (2) years warranty for parts of shredder. Parts does not include consumables (i.e blades, belt drive, rubber post, etc). Minimum of one (1) year warranty for engine.
Certificate of availability of stocks and its location for the Rotary Composter (assembled or unassembled parts and raw materials) 20% (21 units)	Certificate of availability of stocks and its location for the Rotary Composter (assembled or unassembled parts and raw materials) 20% (21 units) at least 1 unit assembled for demonstration.
NAMDAC Accreditation (Department Circular No. 17 s. 2018)	NAMDAC Accreditation (Department Circular No. 17 s. 2018). Shall be submitted with the proposal. Shall submit updated product list before delivery. Note: Shredder and rotary composter shall be on the list.
BAFE Permit to Operate (as required by DA Circular No. 04 s. 2019)	BAFE Permit to Operate (as required by DA Circular No. 04 s. 2019). Shall be submitted with the proposal. Shall submit updated product list before delivery. Note: Shredder and rotary composter shall be on the list.
Certificate of Availability of Service Center Nationwide (list address of Service Centers).	Certificate of Availability of Service Center Nationwide (list address of Service Centers). Certificate shall be signed and notarized.
Please see attached revised Technical Specification (Annex A.)	

IV. REMINDERS DURING THE PRE-BID CONFERENCE:

- The Bureau is now adopting the GPPB Resolution No. 16-2020 dated September 16, 2020 (Simplified PBDs shall be used for Competitive Bidding of Procurement Projects that will be posted upon its effectivity on 06 October 2020).
- The documents required for eligibility, technical proposal and financial proposal are found at **Section VIII – Checklist of Technical and Financial Documents for Goods** and **Section IX. Checklist of Technical and Financial Documents for Infrastructure** of the bidding document.
- Please refer to the bidding document for the **sample form of Single Largest Completed Contract (SLCC)** and form for **Statement of all ongoing Government & Private Contracts** including Contracts Awarded but not yet started for your reference.
Note: if no ongoing projects/ contracts, please state “none” or “no ongoing projects/contracts” in the form for the Statement of all on going Government and Private Contracts.
- Bidding will be conducted through open competitive bidding procedures using a non-discretionary “pass/fail” criterion as specified in the Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, otherwise known as the “Government Procurement Reform Act”

“Any lacking documents can cause the automatic disqualification of bids.”



- Below are the **acceptable forms of bid security** that bidders may opt to use, **which shall include the Bid Securing Declaration**. The amount of which shall not be less than the required percentage of the ABC in accordance with the following schedule:

Form of Bid Security	Amount of Bid Security (Not less than the required Percentage of the ABC)
Cash or cashier's/manager's check issued by a Universal or Commercial Bank.	Two percent (2%)
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	
Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Five percent (5%)
Bid Securing Declaration (Signed and Notarized)	

Please NOTE:

Surety bond issued by GSIS as well as a cash deposit certificate is no longer accepted.

Bids and Bid Securities should be valid and firm for a period that shall not exceed one hundred twenty (120) calendar days after the date of the opening of bids.

- Net Financial Contracting Capacity (NFCC):

The computation of a prospective bidder's NFCC must be **at least equal to the ABC to be bid** or, for procurement by lot, **at least equal to the sum of all the ABCs of lots to which it participated**.

NFCC= Current assets minus current liabilities multiplied by 15 (constant factor) minus the value of all outstanding or uncompleted portions of on-going contracts, including awarded contract/s yet to be started, coinciding with the contract to be bid.

- Sealing and marking of bid proposal- The bidder shall submit:**

- One (1) ORIGINAL COPY.
- One (1) DUPLICATE COPY.
- One (1) PDF COPY in a USB or CD – to be placed inside the Duplicate Copy of Technical Proposal and Duplicate Copy of Financial Proposal.

NOTE:

All photocopied documents must be stamped and signed "Certified True Copy". And all pages/documents must be duly signed by the authorized representative (both original and duplicate copies).

- For easy reference, all bidders are requested to provide dog-ear codes/ tabs in the presentation of their documents.
- Reminders:**
 - ✓ Bidders' responsibility to read, study, and review the Bidding Document and Bid Bulletin/s of the procurement project.
 - ✓ Further clarification/s on the Bidding Document shall be in writing and must be submitted 10 days before the Opening of Bids.

- ✓ All bidders who wish to join the bidding shall download the attached document from PhilGEPS website to be included in the Document Request List (DRL).
- ✓ Bidders may download the updated Bidding Forms at GPPB Website(<https://www.gppb.gov.ph/downloadables.php>).
- ✓ Schedule of Submission and Opening of Bids is subject to change due to Community Quarantine enforced by the government in line with the COVID-19 pandemic. For updates, please refer to the BSWM PhilGEPS posting (<https://www.philgeps.gov.ph/>) and BSWM Procurement Service FB page <https://www.facebook.com/bswmpms>.
- ✓ Authorization letter and a copy of company ID shall be presented by the Representative of the Bidder who will submit the bid proposal and who will attend the Opening of Bids, on-site or online.
- ✓ In case of withdrawal of submitted bid, a letter stating their intention to withdraw from the project should be submitted by the bidder not later than the scheduled deadline of submission and opening of bids.
- ✓ Bidders declared to have the Lowest/ Single Calculated Bid will be subject for post-qualification.
- ✓ Bidder shall submit the additional requirements listed on the NOTICE as LCB/ SCB within five (5) calendar days from receipt of Notice. *Non-compliance can be grounds for post-disqualification.*
- ✓ Winning Bidders declared to have the Lowest/Single Calculated and Responsive Bid shall submit its Performance Bond and Signed Contract Agreement within ten (10) calendar days from receipt of Notice. Noncompliance can be grounds for forfeiture of award.

○ **Warranty in accordance with Section 62 of 2016 IRR of RA 9184:**

For the **procurement of Goods**, in order to assure that manufacturing defects shall be corrected by the supplier, a **warranty security** shall be required from the contract awardee, after acceptance by the Procuring Entity of the delivered supplies, for a:

- ✓ minimum period of three (3) months, in the case of Expendable Supplies, or a
- ✓ minimum period of one (1) year, in the case of Non-Expendable Supplies.

The obligation for the warranty shall be covered by either:

- ✓ retention money in an amount equivalent to at least one percent (1%) but not to exceed five percent (5%) of every progress payment, or a
- ✓ special bank guarantees equivalent to at least one percent (1%) but not to exceed five percent (5%) of the total contract price.

The said amounts shall only be released after the lapse of the warranty period or, in the case of Expendable Supplies, after consumption thereof: Provided, however, that the supplies delivered are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

- A complete set of **Bidding Document** may be acquired by interested Bidders until **December 2, 2021 9:00AM** from the address and website below and **upon payment** of the applicable fee, pursuant to the latest Guidelines issued by the GPPB, in the amount of **Php 25,000.00**.

For bank-to-bank payment (Land bank of the Philippines) for the purchase of bidding documents, please coordinate with the BAC Secretariat thru bswm.bacsec@gmail.com.

V. CLARIFICATIONS THRU WRITING FROM THE PROSPECTIVE BIDDER:

CLARIFICATION/s	RESPONSE
Statement from Prospective Bidder’s letter of clarification: “Considering that ... the material of the Rotary Composter as austenitic-stainless-steel drum (304	Please refer to the technical opinion provided by Dr. Ing. Adolfo Jesus R. Gopez, MetE, ASEAN Eng. “1) The material for the shredding chamber is actually not “any” metal because it is specified as cast iron or



<p>or 316 stainless steel), we respectfully suggest that the material for the shredding chamber be also at least 304 stainless steel since the same shredded materials are to be processed by both types of equipment.”</p>	<p>steel. Steel as stated refers to unalloyed or low alloy steel with low C content (defined technically as <0.3%C). Structural steel meets this definition. Cast iron as stated refers to unalloyed Fe-C with 3 to 4.3%C with graphite flakes in the cast microstructure. Gray cast iron is another term for this. So while these terms seem to be common expressions they already define the metals.</p> <p>...</p> <p>6) From end users and researchers (who have experimented on shredders) the primary mode of degradation of the shredding chamber is not corrosion or fracture due to load, it is abrasion. This is the reason for the 10mm thickness. Cast iron and steel have similar responses to abrasion hence the same thickness has been (initially) retained. This is also the reason why the steel alloy for the blades was specified to ensure the optimum balance between abrasion resistance and cost.</p> <p>7) As already stated corrosion is not a failure mode for size reduction and shredding since the material does not stay inside for a long time as in a digester. ...</p> <p>8) The material specified for the digesters was already stainless steel but this term is ambiguous since there are five types of stainless steel. Not all of them have good corrosion resistance. Hence the additional specifications are given. In addition stainless steels (4 of the 5 types, the 5th type being used for knives) have very low C contents allowing for corrosion resistance but making them soft and prone to abrasion failure. This is the reason why stainless steel cannot be specified for the size reduction chamber ...”</p>
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DEADLINE/SCHEDULE OF SUBMISSION AND OPENING OF BIDS:

Deadline of submission of bid proposals is on December 2, 2021, 9:00AM.

Opening of Bids is on December 2, 2021, 9:30AM at BSWM Function Hall and via videoconferencing (Zoom).

For precautionary measure against the COVID 19, bidder attendance will be through videoconferencing only. For zoom link, please email the BAC Secretariat at bswm.bacsec@gmail.com.

For guidance and information of all concerned.

(SGD) JOSE D. MANGUERRA
BAC Vice Chairperson



Annex A: Revised Technical Specifications

Item	Specification	Statement of Compliance
	<p><i>[Bidders must state here either “Comply” or “Not Comply” against each of the individual parameters of each Specification stating the corresponding performance parameter of the equipment offered. Statements of “Comply” or “Not Comply” must be supported by evidence in a Bidders Bid and cross-referenced to that evidence. Evidence shall be in the form of manufacturer’s un-amended sales literature, unconditional statements of specification and compliance issued by the manufacturer, samples, independent test data etc., as appropriate. A statement that is not supported by evidence or is subsequently found to be contradicted by the evidence presented will render the Bid under evaluation liable for rejection. A statement either in the Bidder’s statement of compliance or the supporting evidence that is found to be false either during Bid evaluation, post-qualification or the execution of the Contract may be regarded as fraudulent and render the Bidder or supplier liable for prosecution subject to the applicable laws and issuances.]</i></p>	
	TECHNOLOGY PACKAGE ON COMPOSTING FACILITY FOR BIODEGRADABLE WASTES (CFBW)	
	1. One (1) unit Biomass Size Reduction Machine	
	A. Minimum capacity of 1.0 ton per hour and size reduction efficiency of at least 90% as per AMTEC Test, with the following specifications:	
	a.1. Heavy duty and locally fabricated (can withstand the stresses of demanding use)	
	a.2. Built-in wood chipper capable of chipping softwoods up to 3cm diameter	
	a.3. 4140 quenched and tempered steel blades (attach Mill Certificate or Composition Analysis) Mill Certificate or Composition Analysis shall be submitted or presented during post-qualification	
	a.4. Feeding plate and hopper/funnel; not less than 1.7mm thickness	
	a.5. Thickness: Not less than 10mm cast iron / full welded metal steel shredding chamber	
	a.6. With one (1) set spare quenched and tempered steel size-reduction blades	
	a.7. With operations manual and maintenance tools (grease guns, rubber mallet, set of combination wrenches and plastic goggles)	
	a.8. Belt cover or guard and provisions for belt tightening and adjustments shall be provided.	
	a.9. It shall be free from manufacturing defects, sharp edges and surfaces other than the cutting mechanism to ensure safety of the operators	
	B. Power Source: At least 7-Hp Diesel Engine, water cooled with the following	



	continuous running condition	
	b.1. Fuel consumption at full load= 2.4 L/hr (maximum)	
	b.2. Single horizontal cylinder, 4 stroke cycle	
	b.3. Easy manual cranking	
	b.4. Dry weight: 75 kg (maximum)	
	b.5. With Manual and standard engine tools	
	b.6. Continues power of not less than 4.45 kW as indicated in the Continuous Running Test or Varying Load Performance Test conducted by AMTEC	
	C. Type of Power Transmission: belt -driven with size reduction machine and power source mounted on a common steel base	
	D. Must conform to the manufacturing requirements; performance requirements; safety, workmanship, and finish; and markings as contained in PNS/PAES 244:2010	
	E. Must conform with the performance requirements; workmanship and finish; maintenance and operations tools requirements; including instruction manual, marking and labeling and other requirements as contained in PAES 116:2001	
	F. Mobile 4 wheeled shredder (mounted on a heavy-duty common steel base with heavy-duty rubber wheels of at least 6 inches in diameter for easy mobility).	
	G. AMTEC tested (size reduction machine with engine)-Certified True Copy by AMTEC	
	H. AMTEC tested (engine only)-Certified True Copy from the source company.	
	I. Minimum of two (2) years warranty for parts of shredder. Parts does not include consumables (i.e blades, belt drive, rubber post, etc). Minimum of one (1) year warranty for engine.	
	J. Lifetime sales service warranty	
	K. Submission of plans and drawings indicating major parts and other documents pertaining to the biomass shredding machine signed and sealed by a registered agricultural and bio- systems engineer.	
	L. Certificate of availability of stocks and its locaton for the biomass size reduction machine (assembled or unassembled parts or raw materials) - at least 1 unit assembled for demonstration and testing - at least 20% (21 units) available	
	Note: Bidder shall provide inventory of assembled units and unassembled parts and raw materials during the post qualification	
	2. One (1) unit Rotary Composter	
	A. Locally fabricated (can withstand the	

	stresses of demanding use)	
	B. Made from austenitic stainless-steel drum (304 or 316 stainless steel) with thickness not less than 1.4mm stainless steel sheet and side panels with a thickness not less than 1.2mm stainless steel sheet and shafting with angle bar frame (4" x 4" x ¼ inch)	
	C. It shall be free from manufacturing defects, sharp edges and surfaces other than the cutting mechanism to ensure safety of the operators	
	D. Volume Capacity=2 cubic meters (minimum)	
	E. Output capacity of at least 750kgs per batch	
	F. Equipped with at least six (6) austenitic stainless steel bafflers (304 or 316 stainless steel), four air vents, discharge window and blower	
	G. Rotational Speed of 1 turn every 3 minutes	
	H. Powered by a single-phase induction motor (minimum 1.0 hp or 0.746kw, 220V, 60Hz)	
	I. Must conform with the requirements of services and parts availability, training, maintenance and operation as contained in PNS/BAFS/PAES 192:2016	
	J. AMTEC tested (rotary composter)-Certified True Copy by AMTEC	
	K. Warranty of two (2) years (minimum)	
	L. After sales service warranty of at least two (2) years	
	M. Submission of plans and drawings indicating major parts and other documents pertaining to the biomass shredding machine and rotary composter signed and sealed by a registered agricultural and bio- systems engineer.	
	N. Certificate of availability of stocks and its location for the Rotary Composter (assembled or unassembled parts and raw materials) 20% (21 units) at least 1 unit assembled for demonstration.	
	Note: Bidder shall provide inventory of assembled units and unassembled parts and raw materials during the post qualification	
	3. Hands-on Training on the operation and maintenance of Composting Facility for Biodegradable Wastes Package.	
	4. Submit the following:	
	A. NAMDAC Accreditation (Department Circular No. 17 s. 2018). Shall be submitted with the proposal. Shall submit updated product list before delivery. Note: Shredder and rotary composter shall be on the list.	
	B. BAFE Permit to Operate (as required by	

	DA Circular No. 04 s. 2019). Shall be submitted with the proposal. Shall submit updated product list before delivery. Note: Shredder and rotary composter shall be on the list.	
	5. Point of Delivery: LGUs as attached Delivery Sites	
	6. Certificate of Availability of Service Center Nationwide (list address of Service Centers). Certificate shall be signed and notarized.	
	7. Compliance with Section VI. Schedule of Requirement	
	8. Prices are Inclusive of VAT and Freight services	

Name and Signature of Authorized Representative

Company Name

Date Signed