





**TO ALL PARTIES CONCERNED:**

**THE FOLLOWING TERMS AND CONDITIONS ARE TO BE STRICTLY OBSERVED**

1. The supplier shall deliver all terms indicated in the P.O. FOB BWD Warehouse or any designated delivery points within the specified delivery period from receipt of the approved Purchase Order. Proper receipt is assumed upon transmittal via facsimile.
2. The following acts are considered as offenses, unless the same are influenced by acts of God or fortuitous events:

**DELAY**

- a. Failure on the part of the supplier to deliver any or all items subject of this Purchase Order within the specified delivery period, including extensions granted, if any, without any valid or justifiable cause. (Gross Offense)
- b. There is delay without justifiable cause, in the delivery of pumps, motors and other materials which directly affect the normal operations of the BWD resulting to business or opportunity losses. (Gross Offense)
- c. The supplier changes its price/s within the validity period after the receipt of Purchase Order. (Gross Offense)
- d. The supplier delivers non-complying item/s. (Gross Offense)
- e. The supplier conceals the true condition of the delivered items (e.g. Reconditioned items – Gross Offense)

Note: Since time is of the essence, the supplier is obligated to deliver the items subject of this Purchase Order within the indicated delivery period without the need of demand, judicially or extra judicially. Failure to deliver the same within the period indicated herein shall mean default and shall be sanctioned accordingly.

3. Penalties and/o Administrative Sanction are as follows:

a.

**MINOR OFFENSES**

1<sup>st</sup> Offense – Warning+LD

2<sup>nd</sup> Offense – Suspension For six months and  
Forfeiture of performance Bond + LD

3<sup>rd</sup> Offense – Suspension Of one (1) year &  
forfeiture Of performance bond  
+LD

**GROSS OFFENSES**




1<sup>st</sup> Offense – Forfeiture of Performance bond, (if  
applicable) or suspension of six  
months + LD

2<sup>nd</sup> Offense – Forfeiture of Performance bond, (if  
applicable) and suspension of one (1)  
year + LD

- b. Liquidated damages (LD) amounting to 1/10 of 1% of the total contract price for each day of delay but in no case shall exceed 15% of the contract price.

4. The BWD will pay the supplier the amount indicated herein in accordance with the agreed terms provided that all delivered items are finally accepted and certified as acceptable by BWD authorized officers.
5. For purchases of pumps/motors and transformers, the necessary laboratory and testing fees shall be to the account of the supplier.
6. A performance bond equivalent to 5% of the total contract price in cash/ check or 30% Surety bond is required for purchase/delivery of items with costs exceeding P100,000.
7. Warranty – all delivered item/s, except ordinary office supplies, should be brand new, free from patent defects and shall, unless otherwise specified, be covered with one (1) year warranty from date of acceptance.
8. A 1% retention money shall be deducted from the total payment and shall be released only upon expiration of the warranty. In lieu thereof, a special bank guarantee equivalent to 10% of total contract price shall be submitted by the supplier.
9. Pertinent provisions of RA 9184 form as an integral part of this Purchase Order.
10. In case of litigation arising from this Purchase Order, the venue shall be in the proper courts of Baguio City, with reasonable Attorney's fees.



  	<b>BAGUIO WATER DISTRICT Bids and Awards Committee (In-house)</b>	Document Code: BAC_IH
		Document No. BAC_IH_F002
		Effective Date: 16 March 2020
	<b>RESOLUTION</b>	Revision No. 00

**BIDS AND AWARDS COMMITTEE**  
**RESOLUTION NO. 101-2024**  
Request for Quotation (RQ) No. 04-071P-C/072P-F:  
Various Gate Valves

**WHEREAS,** the Baguio Water District-Bids and Awards Committee (BWD-BAC), in accordance with the provisions of Republic Act (RA) No. 9184, conducted the bidding for the procurement of the following, all with required specifications under RQ No. 04-071P-C/072P-F, dated 19 April 2024, under a two-envelope system of bidding but not to be awarded on a one lot basis and with approved budget unit costs of:

Quantity	Description	ABC (per piece)
1 piece	2" Ø Gate valve, threaded type	Php2,906.00
4 pieces	2" Ø Gate valve, flanged type with companion steel flanges and BNG	Php12,508.00
1 piece	4" Ø Gate valve, flanged type with companion steel flanges and BNG	Php27,479.00

**WHEREAS,** only **AVK PHILIPPINES, INC.** submitted its bids and during the opening of the technical bids on 15 May 2024, it was determined that the lone bidder submitted complete documentary requirements; thus, its bids were rated *“initially passed”* and its financial bids were opened;

**WHEREAS,** the technical bids of **AVK PHILIPPINES, INC.** were endorsed to the Technical Working Group (TWG) for evaluation, and on 24 May 2024 the TWG rated the offers of **AVK PHILIPPINES, INC.** for 2" Ø Gate valve, threaded type as *“non-complying”* since the offered item did not meet the required BWD specifications, and for the 2" Ø Gate valve, flanged type with companion steel flanges and BNG and 4" Ø Gate valve, flanged type with companion steel flanges and BNG as *“complying”*;

**WHEREAS,** **AVK PHILIPPINES, INC.** was informed through a letter on 10 June 2024 of its non-complying bid and was given three (3) calendar days upon receipt of the said letter or until 13 June 2024 to file its request for reconsideration; however, the period granted has already lapsed and BWD-BAC received no request for reconsideration. Thus, the *“non-complying”* rating of its offer for 2" Ø Gate valve, threaded type became final; (A copy of the letter is hereto attached as Annex A)

**WHEREAS,** the financial bids of **AVK PHILIPPINES, INC.** for its complying offers are calculated as follows:

DESCRIPTION	BID PRICE (per piece)	% VARIANCE FROM ABC	ABC (per piece)
<b>AVK PHILIPPINES, INC.</b>			
2" Ø Gate valve, flanged type with companion steel flanges and BNG	<b>Php10,747.88</b>	14.07%	Php12,508.00
4" Ø Gate valve, flanged type with companion steel flanges and BNG	<b>Php18,046.79</b>	34.33%	Php27,479.00

**WHEREAS,** upon post-qualification, careful examination, validation, and verification of all the documents submitted by and of the financial bids of the lone complying bidder, it has been determined that the financial bids of **AVK PHILIPPINES, INC.** for 2" Ø Gate valve, flanged type with companion steel flanges and BNG and 4" Ø Gate valve, flanged type with companion steel flanges and BNG are determined to be the lone calculated responsive bids;

**NOW THEREFORE, on motion duly seconded, be it**

**RESOLVED,** as it is hereby resolved, to recommend to the Head of the Procuring Entity (HoPE) awarding the procurement of 4 pieces of 2" Ø Gate valve, flanged type with companion steel flanges and BNG and 1 piece of 4" Ø Gate valve, flanged type with

companion steel flanges and BNG to **AVK PHILIPPINES, INC.** for being the lone calculated responsive bidder with its offered brands, specifications, and bid prices;

**RESOLVED FURTHER**, to declare a failure of bidding for the procurement of 2” Ø Gate valve, threaded type considering that the offer of the lone bidder was determined non-complying with the BWD specifications;

**RESOLVED FINALLY**, to recommend to the HoPE the conduct of re-bidding for the procurement of 2” Ø Gate valve, threaded type or a new bidding accordingly;

**UNANIMOUSLY APPROVED (25 June 2024)**

*Signed*  
**Engr. Noriel C. Calpito**  
Vice-Chairperson

*Signed*  
**Rodrigo O. De Venecia, Jr**  
Member

*Signed*  
**Engr. Shayne Margie S. Abellera**  
Member

*Signed*  
**Romeo S. Adriano**  
Member

*Signed*  
**Engr. Dominic T. Agusdan**  
Member

*Signed*  
**Atty. Francess Louise E. Gener**  
Member

*Signed*  
**Atty. Ma. Luisa C. Tenedero**  
Chairperson

Attested by:

*Signed*  
**Apple Jane P. Aviles**  
Secretariat

*Signed*  
**Sharlene M. Durante**  
Secretariat

Approved by:

*Signed*  
**Engr. Salvador M. Royeca**  
General Manager