



Republic of the Philippines  
Province of Misamis Oriental  
**MUNICIPALITY OF OPOL**  
☎ 555-1950

### **NOTICE FOR NEGOTIATED PROCUREMENT**

The LGU-Opol, Misamis Oriental through the Bids and Awards Committee (BAC) intends to undertake a procurement transaction, through Negotiated Procurement under Two Failed Biddings, in accordance with Section 53.1 of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184, for the following:

Name of Project : Supply and Delivery of Food and Other Goods for the Nutrition Program 2021  
Location : Opol, Misamis Oriental  
Total Approved Budget for the Contract (ABC) : Six Hundred Forty Two Thousand Eight Hundred Pesos Only (Php 642,800.00)  
Delivery Period : 120 calendar days for Nutribun; 180 calendar days for Iron-Fortified rice; and 180 calendar days for Iodized salt  
Brief Description : Posting – June 9, 2021 to July 5, 2021

#### **GENERAL CONDITIONS:**

1. To ensure effective competition, the BAC will hold a Pre-Negotiation Conference on June 21, 2021, 10:00 o'clock in the morning at the BAC Office. The prospective bidders shall be given equal time and opportunity to negotiate and discuss the technical and financial requirements of the project to be able to submit a responsive quotation.
2. Following completion of the negotiations, the BAC shall request all suppliers to submit, on or before July 5, 2021, 8:30 o'clock in the morning, a best offer based on the final technical and financial requirements, using the prescribed form, see Annex "A", at the BAC Office.

The suppliers shall prepare the necessary documents, as attached in Annex "A", to be enclosed, together with the Price Quotation Form (Annex "B") upon the Submission of Quotations.

A complete set of Negotiation Documents may be purchased by interested negotiators on June 9, 2021 to July 5, 2021 from the address below and upon payment of a non-refundable fee for the Bidding Documents, pursuant to the latest Guidelines issued by the Government Procurement Policy Board, in the amount of One Thousand Pesos (Php 1,000.00) only.

3. The Opening of Quotations shall be on the same day of the Submission of Quotations, July 5, 2021, 10:00 o'clock in the morning at the BAC Office. Quotations will be opened in the presence of the bidders/representatives who choose to attend at the address given. Late quotations shall not be accepted. Quotations exceeding the ABC shall be rejected.
4. The bidder with the Single or Lowest Calculated and Responsive Quotation shall submit a Performance Security, as prescribed in Annex "C", within ten (10) calendar days after the receipt of the Notice of Award.
5. The same entity shall also submit a Warranty Security, as prescribed in Annex "D", within ten (10) calendar days after the receipt of the Notice of Award.
6. The LGU-Opol reserves the right to reject any and all quotations, or not award the contract at any time prior to contract award in accordance with the IRR of RA 9184, without thereby incurring any liability to the affected bidder or bidders.

For further information/inquiry, please refer to:

#### **JOSE F. ESCUZAR, JR.**

BAC Secretariat  
Municipality of Opol, Misamis Oriental  
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#### **EDGAR C. OLACO**

Chairman, BAC  
Municipality of Opol, Misamis Oriental

📱 0926-114-8337



**PERFORMANCE SECURITY**

The performance security shall be in an amount not less than the required percentage of the total contract price in accordance with the following schedule:

<b>Form of Performance Security</b>	<b>Amount of Performance Security (Not less than the required percentage of the Total Contract Price)</b>
a) Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank.  For biddings conducted by LGUs, the cashier’s/manager’s check may be issued by other banks certified by the BSP as authorized to issue such financial instrument.	Goods and Consulting Services – Five percent (5%)  Infrastructure Projects – Ten percent (10%)
b) Bank draft/guarantee or irrevocable letter of percent (10%) 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.  For biddings conducted by LGUs, bank draft/guarantee, or irrevocable letter of credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.	
c) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty percent (30%)

The performance security shall be denominated in Philippine Pesos and posted in favour of the Procuring Entity, which shall be forfeited in the event it is established that the winning bidder is in default in any of its obligations under the contract. The performance security shall remain valid until issuance by the Procuring Entity of the Certificate of Final Acceptance.

The performance security may be released by the Procuring Entity after the issuance of the Certificate of Final Acceptance, subject to the following conditions:

- a) Procuring Entity has no claims filed against the contract awardee or the surety company;
- b) It has no claims for labor and materials filed against the contractor; and
- c) Other terms of the contract.

For the procurement of Infrastructure Projects, the winning bidder shall post an additional performance security following the schedule above to cover any cumulative increase of more than ten percent (10%) over the original value of the contract as a result of amendments to order or change orders, extra work orders and supplemental agreements, as the case may be.

The winning bidder shall cause the extension of the validity of the Performance Security to cover approved contract time extensions.

In case of a reduction in the contract value, or, in the case of procurement of Infrastructure Projects, for partially completed works under the contract which are usable and accepted by the GoP, and the use of which, in the judgment of the implementing agency or the Procuring Entity, will not affect the structural integrity of the entire project, the said agency or Procuring Entity shall allow a proportional reduction in the original performance security:

Provided, That any such reduction is more than ten percent (10%) and that the aggregate of such reductions is not more than fifty percent (50%) of the original Performance Security.



**WARRANTY SECURITY**

To guarantee that the contractor shall perform his responsibilities as prescribed in Section 62.2.3.1(a) of the IRR of RA 9184, it shall be required to post a warranty security in accordance with the following schedule:

<b>Form of Warranty Security</b>	<b>Amount of Warranty Security (Not less than the required percentage of the Total Contract Price)</b>
a) Cash or Letter of Credit issued by a Universal or Commercial Bank: Provided, however, That the Letter of Credit shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank.  For biddings conducted by LGUs, the Letter of Credit may be issued by other banks certified by the BSP as authorized to issue such financial instrument.	Five percent (5%)
b) Bank guarantee confirmed by a Universal or Commercial Bank.  For biddings conducted by LGUs, the bank draft/guarantee may be issued by other banks certified by the BSP as authorized to issue such financial instrument.	Ten percent (10%)
c) Surety bond callable upon demand issued by GSIS or a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty percent (30%)

The warranty security shall be denominated in Philippine Pesos, remain effective for one (1) year from the date of issuance of the Certificate of Final Acceptance by the Procuring Entity, and returned only after the lapse of the said one (1) year period.

In case of Structural Defects/Failure occurring during the applicable warranty period provided in Section 62.2.3.2 hereof, the Procuring Entity shall undertake the necessary restoration or reconstruction works and shall be entitled to full reimbursement by the parties found to be liable for expenses incurred therein upon demand, without prejudice to the filing of appropriate administrative, civil, and/or criminal charges against the responsible persons as well as the forfeiture of warranty securities posted in favor of the Procuring Entity.