REPUBLIC OF THE PHILIPPINES

## MINISTRY OF PUBLIC WORKS AND HIGHWAYS

OFFICE OF THE MINISTER

MANILA

27 October 1982



SUBJECT: Document contents of Envelopes under the "TWO ENVELOPE" System of submission of bids.

Supplemental to Ministry Order No. 22 dated 8 March 1982, which prescribed the submission of bids in the form of a "two envelope" system, the following guidelines shall be observed:

- ENVELOPE "A" shall contain the bidder's Basic Bid Proposal in the prescribed form. All pages thereof shall be signed by the person duly authorized to bind the contractor to the Bid. Corrections made shall be initialled by the person signing the Bid.
- ENVELOPE "B" shall contain the following documents, to II. wit:
  - 1. Bid Bond in the amount of two and one half percent  $(2\frac{1}{2}\%)$  of the total bid price in the form of cash, certified check, manager's check or bank draft/guarantee confirmed by a local bank (in the case of foreign contractor bonded by a foreign bank) against any reputable bank, or surety bond issued by the Government Service Insurance System (GSIS), payable to the Ministry of Public Works and Highways.
  - Authorization of the Signatory to the Bid
    - a. Bid by a single proprietorship shall be signed with the name of the contractor followed by the signature of the owner/ proprietor or the person authorized to bind the contractor to the bid. In the case of the latter, a Special Power of Attorney should be executed for the purpose or certified authorization under oath from the owner/proprietor to the concern person shall be submitted.
    - b. Bid by a partnership shall be signed with the name of the firm followed by the signature and title of any of the authorized member of the partnership. An authorization under oath signed by all partners giving authority to a partner to sign for and on behalf of all partners and bind the partnership to bid shall be submitted.
    - Bid by a corporation must be signed with the name of the corporation followed by the signature and title, e.g., President, Vice-President, Secretary, etc., of the person duly authorized to bind the corporation to the bid. A resolution of the Board of Directors of the Corporation, duly certified by the Board Secretary, authorizing the individual to sign the bid and bind the corporation, shall be submitted.

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- d. Bid by a joint venture shall be signed by the authorized representative of each member of the joint venture. An authorization under oath from all members of the joint venture to the concerned representative who was given the authority to sign the Bid and to jointly and severally bind the members of the joint venture to the Bid, shall be submitted.
- 3. Post C-2 (Contractor's Confidential Postqualification Statement) duly accomplished and complete with the required supporting documents.
- 4. Detailed Cost Analysis (Detailed Estimates) to justify and support the price(s) quoted in the Bid Schedule or Bill of Quantities. Detailed Estimate means the breakdown of the quantity and cost of all materials involved, equipment utilization and labor, with the itemized and particularized account reflecting the step by step process in arriving at the calculated quantity/amount.
- 5. Construction Methods a comprehensive memorandum, supported by drawings if necessary, discussing the methods proposed to be adopted in the execution of the work.
- 6. Project organizational chart to be followed in the execution of the Works, showing among other things, the senior technical personnel who will be assigned to the contract, supported by a statement of the experience of such senior technical personnel.
- 7. Certificate of Site Inspection when required.

The contents of Envelope "B" shall be thoroughly checked and screened against a prepared checklist for the purpose and only upon satisfaction of complete compliance by the bidder of all the foregoing requirements shall Envelope "A" be opened, otherwise the bid/tender documents shall be rejected outright and returned to the contractor or its representative.

It is necessary that in Pre-bid Conference the above matters must be clearly emphasized to prospective bidders to preclude misunderstanding between **bidders** and management.

This Order shall take effect immediately.

JESUS S HIPOLITO

Minister