



# BUGALLON WATER DISTRICT

N. Espino St., Poblacion, Bugallon, Pangasinan  
Telephone No.: (075)-632-2248

## INVITATION TO APPLY FOR ELIGIBILITY AND TO SUBMIT COMPARATIVE PROPOSAL

The **BUGALLON WATER DISTRICT (BUWAD)**, created pursuant to Presidential Decree No. 198, as amended, received an unsolicited proposal (JV Proposal) from the Original Proponent for the Financing, Improvement, Rehabilitation, Refurbishment, Building, Development, Expansion, Operation, Water Distribution, Maintenance and Management of the Water Supply System of Bugallon Water District, Bugallon, Pangasinan (“JV Project”) consisting of Twenty Four (24) Barangays, pursuant to the 2013 Revised Guidelines and Procedures for Entering Into Joint Venture (JV) Agreements Between Government and Private Entities approved by the National Economic and Development Authority (NEDA).

In compliance with BUWAD Board Resolution No. 2021-07-28, BUWAD, through its Joint Venture Selection Committee (JVSC), invites Interested Private Proponent/s (IPPs) to challenge the JV Proposal by submitting comparative proposal for the following:

**Name of Project:** *For the Financing, Improvement, Rehabilitation, Refurbishment, Building, Development, Expansion, Operation, Water Distribution, Maintenance and Management of the Water Supply System of Bugallon Water District, Bugallon, Pangasinan (“JV Project”) consisting of Twenty-four (24) Barangays.*

**Location of Project:** Municipality of Bugallon, Province of Pangasinan

**Project Description:** The project involves a joint venture undertaking between BUWAD and the Winning Private Proponent for the Financing, Improvement, Rehabilitation, Refurbishment, Building, Development, Expansion, Operation, Water Distribution, Maintenance and Management of the Water Supply System of Bugallon Water District, Bugallon, Pangasinan (“JV Project”) consisting of Twenty-Four (24) Barangays.

Applications for eligibility shall be evaluated based on a non-discretionary “pass/fail” criterion.

The following are among the basic qualification requirements:

### 1. Legal Eligibility Requirements

1.1 If the Interested Private Sector Participant (IPP) is a partnership or corporation, it must be registered with the Securities and Exchange Commission (SEC) and must be owned at least sixty percent (60%) by Filipino.

1.2 If the IPP is a Consortium, the ownership interest of each Member of the Consortium must at least be sixty percent (60%) Filipino.

For the purpose of determining an entity’s compliance with the applicable nationality requirements, the Control Test shall be applied, except when there is doubt on the entity’s nationality or on its equity ownership, in which case the Grandfather Rule shall be applied. A doubt shall exist when circumstances similar to those cited in the relevant Supreme Court decisions are present.

1.3 Each IPP (and in the case of a Consortium, each Consortium Member) must not have, during the five (5)-year period prior to Eligibility Documents Submission Date, committed any Unsatisfactory Performance.

1.4 This provision shall apply to the following persons:

- i. If the IPP is a partnership, to all its officers and members;
- ii. If the IPP is a corporation, to all its officers, directors, and controlling stockholders;
- iii. If the IPP is a Consortium, the provisions of this Section shall correspondingly apply to each of the members of the said Consortium, as may be appropriate.

1.5 The IPP, its officers, directors, and controlling stockholders are not related by consanguinity up to the third civil degree of consanguinity or affinity to the Board of Directors of BUWAD, the members of the JV-SC, project advisors, or to any government official, who will, directly or indirectly, take part in the Competitive Selection Process. For this reason, relation to the aforementioned persons within the third civil degree of consanguinity or affinity shall automatically disqualify the IPP notwithstanding the act of such government officials/advisors inhibiting themselves from the Competitive Selection Process.

## **2. Technical Eligibility Requirements**

### **2.1 Design and Construction Experience**

The IPP, or a related entity as described below, must have experience in having successfully completed, within the last five (5) years, a project/projects similar or related to the JV Activity, with aggregate value of at least **One Thirty-Seven Million Eight Hundred Three Thousand Four Hundred Twenty-Nine Pesos and 50/100 (₱137,803,429.50)**.

The entity that fulfills this requirement may be:

- a) if the IPP is a partnership or corporation, the IPP itself; or
- b) if the IPP is a Consortium, a Consortium Member.

### **2.2 Operation and Maintenance Experience**

The IPP, or a related entity as described below, within the last five (5) years, must have at least five (5) years cumulative experience in the Operation and Maintenance of Level 3 Water Distribution System, whose value is in accordance with the JV Guidelines, or at least **One Thirty-Seven Million Eight Hundred Three Thousand Four Hundred Twenty-Nine Pesos and 50/100 (₱137,803,429.50)**.

- a) The entity that fulfills this requirement may be:
  - 1) if the IPP is a partnership or corporation, the IPP itself; or
  - 2) if the IPP is a Consortium, a Consortium Member.
- b) The IPP must not have any record of delay (per phase/every five years) in the implementation of its capital expenditure commitment to its water district joint venture partner/s.
- c) The IPP must uphold the security of tenure of all water district employees regardless of status of employment, whether directly hired or deployed by agencies, absorbed through joint venture or not. It must not have any record of retrenchment, down-sizing, right-sizing, or any other scheme of removal of employees of any employment status. It shall have no record of association or contract with agencies who engage in retrenchment or down-sizing of employees.

### 3. Financial Eligibility Requirements

To be eligible, the IPP must have:

- a) A Net Worth of at least **Two Hundred Twenty Million Four Hundred Eighty-Five Four Hundred Eighty-Seven Pesos and 02/100 (₱220,485,487.2)** or a set-aside deposit equivalent to eighty percent (80%) of the Project Cost duly confirmed and authenticated by the issuing universal or commercial bank or the PSP;

The following documents shall be submitted by the prospective IPP:

- a. Bureau of Internal Revenue (BIR) certified true copies of Audited financial statements for the past three (3) calendar years, duly stamped “received” by the BIR or its duly accredited and authorized institutions;
- b. Bureau of Internal Revenue (BIR) certified true copies of Latest Income Tax Returns (ITR), duly stamped received by the BIR or its duly accredited and authorized institutions;
- c. Original copy of recently dated Certification from a domestic universal/commercial bank, or an international bank with a subsidiary/branch in the Philippines, or any international bank recognized by the Bangko Sentral ng Pilipinas (BSP), attesting that the IPP is one of its current clients, is in good financial standing, and has existing unused and available credit line in the amount of **Four Billion Pesos (₱4,000,000,000.00)**.
- d. Original copy of Latest Valid Tax Clearance issued by the Bureau of Internal Revenue (BIR).

The entity that fulfills this requirement may be:

- a) if the IPP is a partnership or corporation, the IPP itself; or
- b) if the IPP is a Consortium, the Lead Member by itself or all of the members on the basis of their combined net worth.

The following procedures, schedules and instructions shall be strictly observed:

ACTIVITY	SCHEDULE (using Philippine Standard Time)	ADDITIONAL INSTRUCTIONS
Publication (newspaper)	August 2, 2021	
Posting	August 2, 2021	
Purchase of Instruction to Private Sector Participant (IPSP) for a non-refundable fee of Five Hundred Thousand Pesos (₱500,000.00) in cash or Managers Check made payable to Bugallon Water District	August 2 to August 9, 2021 (from 8:00 am to 2:00 pm)	The Eligibility Documents may be purchased ONLY from BUWAD - JVSC at the Bugallon Water District Office, N. Espino St., Poblacion, Bugallon, Pangasinan
Submission of Eligibility Documents	On or before September 8, 2021 at 10:00 AM	Deadline of Submission of Eligibility Documents to Bugallon Water District Office, N. Espino St., Poblacion, Bugallon, Pangasinan
Opening of Eligibility Documents	On or before September 8, 2021 at 1:00 PM	JVSC will determine the completeness of the eligibility documents based on a non-

		discretionary pass or fail criteria. <b><i>For those IPPs with incomplete, irregular or patently insufficient submission shall be considered failed.</i></b> For those IPPs whose eligibility documents appear to be complete shall be further evaluated to determine its eligibility.
Determination of Eligibility	On or before September 16, 2021	JVSC will evaluate the eligibility documents of the IPPs to determine if they are eligible or ineligible, and the IPPs will be notified of the result of the evaluation.
Purchase of Tender Documents by IPPs declared “eligible” for non-refundable fee of Three Hundred Thousand Pesos (₱300,000.00), in cash or Managers 0Check made payable to Bugallon Water District	October 6, 2021, to October 13, 2021	Tender Documents may be purchased ONLY from BUWAD - JVSC at the Bugallon Water District, N. Espino St., Poblacion, Bugallon, Pangasinan
Pre-selection conference	November 8, 2021 (1:00 pm)	All Eligible IPPs are encouraged to attend the conference to be held at the Bugallon Water District, N. Espino St., Poblacion, Bugallon, Pangasinan
Submission and Opening of Comparative Proposal	January 3, 2022 at 1:00 pm	Comparative Proposals shall be addressed to:  <b>Florida G. De Quintos</b> Chairperson - JVSC BUGALLON WATER DISTRICT (BUWAD)

For any queries and/or clarifications, please address your communication in writing to the Chairperson of BUWAD-JVSC at the address indicated above or email the same at email: [bugallonwaterdistrict@yahoo.com.ph](mailto:bugallonwaterdistrict@yahoo.com.ph) or contact BUWAD-JVSC at telephone no. 075-632-22-48.

BUWAD reserves the right to reject any or all submissions, waive any minor deviations, and award the contract for the JV Project to the IPP whose financial proposal is the best among the qualified interested private proponent/s whose technical proposals are complying.

All proposals must be accompanied by a Proposal Security in the form of cash, certified check, manager’s check, domestic letter of credit, or bank draft/guarantee issued by a reputable local/foreign bank, or surety bond callable on demand issued by GSIS or an entity duly registered and recognized by the office of the Insurance Commissioner, or a combination thereof payable to the Government Agency concerned amounting to Two Percent (2%) of the Cost of the JV Project.

BUWAD assumes no responsibility whatsoever to compensate or indemnify any IPP for expenses incurred in the preparation of the comparative proposals.

**Sgd. Florida G. De Quintos**  
Chairperson  
Joint Venture Selection Committee