NOTICE OF AWARD

06 MAY 2019

(Date)

Mr. Robert M. Lee
Authorized Representative
MESCO, Inc.
MESCO Building, Reliance cor. Brixton Sts.,
Pasig City, Metro Manila

Dear Mr. Lee:

We are pleased to inform you that your Bid dated 07 January 2019 for the supply and delivery of CNC Lathe Machine with Bar Feeder under IB Nr. GA-BAC-2019DP-10 with a Contract Price equivalent to EIGHT MILLION PESOS (PhP8,000,000.00), in accordance with the Instructions to Bidders is hereby accepted.

You are hereby required to provide within ten (10) days from receipt hereof the performance security in any of the following form and amount:

<table>
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<tr>
<th>FORM</th>
<th>% of Total Contract Price</th>
<th>AMOUNT (PhP)</th>
</tr>
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<tbody>
<tr>
<td>a) Cash or cashier’s/manager’s check issued by a Universal or Commercial Bank payable to National Treasury for the account of Government Arsenal</td>
<td>5%</td>
<td>400,000.00</td>
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<tr>
<td>b) 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</td>
<td>30%</td>
<td>2,400,000.00</td>
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Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security:

Very truly yours,

DANIEL R. CASABAR, JR
Director

Conforme:

MR. ROBERT M. LEE
Date:____________________
WHEREAS, the Invitation to Bid (IB) for the Procurement of CNC Lathe Machine with Bar Feeder and Primer Composition Mixing Equipment consisting of two (2) lots (Lot I - 1 unit CNC Lathe Machine with Bar Feeder and Lot II - 1 lot Primer Composition Mixing Equipment) for the Government Arsenal (GA), with an Approved Budget for the Contract (ABC) amounting to a total of PhP12,000,000.00 was posted in the PhilGEPS, the GA Website and in conspicuous places at the GA premises from 06 to 13 December 2018;

WHEREAS, Techline, Inc. was declared as the Lowest Calculated Bidder (LCB) for Lot I - CNC Lathe Machine with Bar Feeder in the total amount of PhP5,779,000.00, and the subsequent conduct of post-qualification to the said bidder pursuant to approved Resolution No. GA-BAC-PB-2019-012 dated 31 January 2019;

WHEREAS, as a result of the said post-qualification of Techline, Inc., the GA BAC TWG I recommended to the GA BAC the declaration of Techline, Inc. as Post Disqualified for failure to substantiate its Single Largest Completed Contract (SLCC); and the conduct of Post Qualification to 168 Paragon International General Contractor & Equipment, after submitting the second lowest bid in the amount of PhP7,888,888.88 pursuant to approved Resolution No. GA-BAC-PB-2019-030 dated 21 February 2019;

WHEREAS, after verification of the submitted documents of 168 Paragon International General Contractor & Equipment, the GA BAC TWG I recommended to the GA BAC the declaration of 168 Paragon International General Contractor & Equipment as Post Disqualified for failure to meet GA’s required specifications specifically the spindle nose, spindle motor, turret stations and tail stock quill taper; and the conduct of Post Qualification to Mesco, Inc., for its bid amounting to PhP8,000,000.00 pursuant to approved Resolution No. GA-BAC-PB-2019-040 dated 14 March 2019;

WHEREAS, Mesco Inc. underwent post-qualification, after further verification of the documents and evaluation on the technical capability, the GA BAC TWG I recommended the declaration of Mesco, Inc. as post-qualified and as the Single Calculated and Responsive Bidder (SCRB); hence, qualified to undertake the supply and delivery of CNC Lathe Machine with Bar Feeder;
NOW THEREFORE, BE IT RESOLVED, as it is hereby resolved, that the GA BAC approves and adopts the recommendation of the GA BAC TWG I to declare Mesco, Inc. as post-qualified and as SINGLE CALCULATED AND RESPONSIVE BIDDER (SCRB) and recommends to the Director, GA the issuance of Notice of Award for the procurement of CNC Lathe Machine with Bar Feeder in the total amount of PhP8,000,000.00 under IB Nr. GA-BAC-2019DP-10.

Signed this 8th day of April 2019 at Camp General Antonio Luna, Lamao, Limay, Bataan.

MS TERESITA L VITUG  
Chairperson

MS AVELINA C ALIANGAN  
Vice-Chairperson

MS AMELITA Q OMADTO  
Member

ENGR JOPARI P NOCEDA  
Member

Approved/Disapproved:

DANIEL R CASABAR, JR  
Director