

TERMS OF REFERENCE

SALE AND DISPOSAL OF THREE (3) UNITS DECOMMISSIONED SHIP-TO-SHORE- (STS) CRANE INSTALLED AT THE MANILA INTERNATIONAL CONTAINER TERMINAL (MICT) ON AN “AS-IS-WHERE-IS” BASIS.

1. BACKGROUND

The Port Management Office of NCR-South (PMO-NCS), in line with the property and asset management program of the Philippine Ports Authority (PPA), is conducting sale and disposal of three (3) units decommissioned Ship-to-Shore (STS) crane installed at the Manila International Container Terminal (MICT) through sealed public bidding. These unserviceable properties are recommended to be disposed by the Disposal Committee as covered by its Resolution No. 01-2023 issued on May 11, 2023 and the Authority to Dispose approved by the PPA General Manager on June 19, 2023.

2. OBJECTIVE

The unserviceable properties have exceeded their economic value for their productive and optimum utilization. The estimated spending for repair, reconditioning and more frequent maintenance work outweighs the beneficial service of equipment at MICT.

The lifting capacity of quay cranes at MICT needs to be responsive to the new generation and bigger containerhips docking at the said port. Thus, the immediate disposal of these decommissioned properties is being pursued to prepare MICT wharf for the installation and commissioning of replacement STS cranes as per development schedule of the terminal operator - International Container Terminal Services, Inc. (ICTSI). PMO-NCS desires to generate fair return for the Government from the sale proceeds.

3. SCOPE OF PUBLIC BIDDING:

The public bidding is for the sale and disposal of three (3) decommissioned STS cranes installed at the MICT. Attached as **Annex A** is the detailed description of the three (3) STS cranes to be disposed.

The bid shall be for ALL three (3) STS cranes including the conduct of the following attendant activities:

- a. Removal of three (3) STS cranes from the MICT apron without cutting of parts and accessories;
- b. Loading and unloading from apron to barge/s of the STS cranes removed from the wharf apron;
- c. Barging from terminal to disposal site determined by the winning bidder including the deployment of barge appropriate for large volume and oversized cargoes;

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- d. Provision of needed equipment, gears, manpower and supplies for the removal of the STS cranes from MICT wharf and the transfer of same to disposal site from the port premises; and
- e. Clearing, cleaning and other necessary acts to ensure removal of waste generated from the disposal and transport activities inside and outside MICT premises.

4. GENERAL TERMS AND CONDITIONS:

4.1 Mode of Sale and Disposal

- 4.1.1 The sale is on "AS-IS WHERE-IS" basis including all attendant activities for the actual disposal of the unserviceable properties.
- 4.1.2 The bidder shall provide all necessary resources and organize all attendant activities for the removal and marine hauling of unserviceable properties from the port premises within the duration of **ninety calendar days (90)** reckoned from the issuance of Order to Release and Notice to Proceed (NTP).
- 4.1.3 A Work Schedule and Methodology shall be prepared and submitted, and shall form as an integral part of the Bid that should include, but not limited to, the following activities:
 - a. Compliance with permits and safety, health and environmental requirements of PMO-NCS, ICTSI, the identified disposal site, and other concerned government agencies;
 - b. Removal of STS cranes from the MICT wharf;
 - c. Loading and unloading from apron to barge;
 - d. Barging operation, and;
 - e. Clearing, cleaning and other necessary acts to ensure removal of waste generated from the disposal and transport activities inside and outside MICT premises.
- 4.1.4 The winning bidder shall be allowed to remove and dispose all items in batches PROVIDED that all three (3) units are withdrawn from the port premises and all attendant activities are completed at the end of the 90-day work period. Otherwise, a storage fee shall be charged in the amount One Thousand Pesos (PhP1,000.00) per square meter per calendar day of delay.
- 4.1.4 Proof of full payment of sold items shall be presented before the actual loading of the equipment to the carrying barge. Applicable port charges shall be paid in full before the actual departure of the barge.

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4.1.5 All items, not removed/withdrawn from the port premises after the 90-day work duration including approved time extension, if any, shall be disposed in a manner as may be prescribed by the Disposal Committee. All payments that have been made by the winning bidder to PMO-NCS in connection with the auction including the Performance Bond shall be forfeited in favor of PPA.

4.1.6 The TERMS OF REFERENCE (TOR) as published and posted, including all modifications/ amendments/revisions as may be declared/resolved by the PMO Disposal Committee during the Pre-Bid Conference shall be complied with.

4.2 Minimum Requirements for Prospective Bidders

4.2.1 It is understood that participating bidders have seen, inspected and assessed the subject properties on sale, as indicated in the INVITATION TO BID (ITB), located at the Manila International Container Terminal, Port Area, Manila.

4.2.2 Bidders must possess valid government registration/certification such as but not limited to:

- a. PhilGEPS Registration
- b. Tax Clearance for CY 2023 issued by the Bureau of Internal Revenue (BIR)
- c. Securities and Exchange Commission (SEC) with at least sixty percent (60%) Filipino ownership or Department of Trade and Industry (DTI)

The bidders' appointed supporting service provider, if any, must possess valid Certificate of Accreditation from Philippine Ports Authority and Permit to Operate issued by PPA-PMO NCR South and other permits required by other relevant government agencies and the International Container Terminal Services, Inc. (ICTSI).

4.2.3 Bidders must have at least two (2) years of experience in decommissioning similar cargo handling equipment or have undertaken and satisfactorily completed at least two (2) similar activities.

4.2.4 Bidder must have the following minimum equipment and manpower resources, whether owned or outsourced, committed for the implementation of disposal activities:

- a. Barge with crew possessing valid professional licenses.
- b. Safety Officer with Occupational Safety and Health (OSH) Certification

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- 4.2.4 Winning bidders of similar public bidding previously conducted by Philippine Ports Authority PMO NCR-South who failed to fully comply with their performance obligations shall be automatically disqualified to participate in this Bidding.

5 PRE-BID ACTIVITIES

5.1. Pre-Bid Conference

- 5.2.1 Pre-Bid Conference shall be held at the PMO NCR-South Conference Room, 2/F PMO NCR-South Administration Bldg., South Harbor Port Area, Manila on **August 22, 2023** to provide bidders the opportunity to clarify from the Disposal Committee any issues regarding the bidding.
- 5.2.2 A bidder's duly authorized representative attending the Pre-Bid Conference must present appropriate written authorization to represent the Company in the Pre-Bid Conference.
- 5.2.3 When necessary, a **Bid Bulletin** shall be published within forty-eight (48) hours after the adjournment of the Pre-Bid Conference to clarify and modify the bid terms arising from inquiries made during the pre-bid conference.
- 5.2.4 **Written inquiries**, if any, may be sent for further clarification of interested bidders that have actually purchased the bid documents within three (3) calendar days after the conduct of pre-bid conference.
- 5.2.5 No request for clarification shall be entertained by any member of the Disposal Committee outside of the Pre-Bid Conference including written inquiries received five (5) calendar days before the submission of the bid or later.

5.3 Inspection and Assessment of Properties on Sale

- 5.3.1 Photographs and technical description of properties to be bid-out shall be presented during the Pre-Bid Conference.
- 5.3.2 **Physical inspection** of items to be bid on shall be conducted on August 21, 2023 as indicated in the Invitation to Bid. Conduct of inspection shall be coordinated with the PMO-NCS representative, duly designated by the Disposal Committee.
- 5.3.3 Participating bidders who opted not to conduct physical inspection shall attach the duly notarized waiver (Form L-7A) to the submitted with the bid.

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6 PREPARATION OF BIDS

6.1 Sealing, Markings and Costing Considerations

- 6.1.1 Bids shall be prepared on the prescribed Bidding Forms and in strict compliance with the requirements as indicated in the TOR. Bids not in accordance with the prescribed form or unsigned shall be considered invalid and automatically be disqualified. Erasures/modifications, if any, must be countersigned by the bidder.
- 6.1.2 Sealed bids shall be properly labeled/marked **<Title of Tender> <Name of Bidder>** and shall be addressed to the Chairperson, PMO NCR-South Disposal Committee, PMO NCR-South Administration Bldg., Port Area, South Harbor, Manila.
- 6.1.3 One (1) copy of Bid Proposal shall be submitted in one (1) sealed and properly labelled envelope/packaging containing the two (2) separate sealed envelopes for the Legal & Technical Documents and Financial Documents.
- 6.1.4 All Bid documents shall be book-bound with hard cover and properly labelled and with index tab. All pages of the Bid Proposal should be numbered **<Page ____ of ____>** and shall be duly signed by the bidder or his/her authorized representative at the right side margin based on paper orientation.
- 6.1.5 The first envelope should be marked as **“ENVELOPE 1” –Legal & Technical Documents <Title of Tender> <Name of Bidder>**, and shall contain the following:

a.	Valid and current Mayor’s Permit or Municipal License	Form L-1
b.	Valid SEC or DTI Registration whichever is applicable	Form L-2
c.	Latest valid BIR Tax Clearance	Form L-3
d.	Valid PhilGEPS Registration	Form L-4
e.	Duly notarized Authority of Signing Official in any of prescribed form as maybe applicable	Form L-5 or Form L-5A
f.	Duly notarized Affidavit of Authenticity by the prospective bidder or his duly authorized representative that each of the documents submitted is an original copy or a true and faithful reproduction or copy of the original (T-Form-2)	Form L-6

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g.	Certification that the items for bidding have been seen/inspected by the Bidder or Waiver of Inspection whichever is applicable	Form L-7 or Form L-7A
h.	List of Similar/Related and Completed undertakings supported by Notice of Award and Certificate of Completion	Form L-8
i.	Work Schedule and Methodology	Form T-1
j.	Equipment Deployment Schedule	Form T-2
k.	Manpower Deployment Schedule	Form T-3

- i. The second envelope should be marked as **“ENVELOPE 2” – Financial Documents <Title of Tender> <Name of Bidder>**, and shall contain the following:

a.	Bid Security in the amount and any form prescribed per Section 6.2.1 of the TOR	Form F-1
b.	Bidders Certificate	Form F-2
c.	Duly Notarized Bid Proposal	Form F-3

6.1.6 Failure to comply with the sealing and marking requirements is a ground for automatic disqualification of the bidder. Bid tender shall be immediately returned unopened.

6.1.7 The prospective bidder shall submit a bid not lower than the minimum bid price as indicated in the ITB. The twelve percent (12%) VAT are excluded in the bid.

6.1.8 All expenses and attendant activities for the actual disposal, including but not limited to those listed in Section 4.1.3 are to be shouldered by the bidder.

6.2 Bid Security

6.2.1 Bid Security shall be in the form of Cash, Manager’s Check or Cashier’s Check acquired from a reputable bank in the amount of equivalent to ten percent (10%) of the total floor price and shall be stated in Philippine Peso and posted in favor of the Philippine Ports Authority.

6.2.2 The Bid Security shall be submitted together with the Bid Proposal and shall be returned based on the qualification status of participating bidders, as follows:

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Disqualified / Non-Complying Bidder	Upon determination of non-compliance or disqualification
Complying Bidders but Non-winning bidders	Upon conferment of Award to winning bidders, provided no motion for reconsideration is filed by the non-winning bidders
Winning Bidder	Upon acceptance of Award and posting of Performance Bond

6.2.3 The Bid Security of the winning bidder shall be deposited at the PPA cashier and shall be returned to the winning bidder upon the acceptance of the Award and posting of required Performance Bond.

6.2.4 The Bid Security shall be considered as partial payment and the difference of such payment and the offered bid price shall be paid in the form of cash, cashiers' check or managers' check of a reputable bank.

7 OPENING OF BIDS AND AWARD

7.1 Submission and Receipt Bid Proposals

7.1.1 Sealed Bids shall be submitted not later than **September 4, 2023, 9:00AM** to the Disposal Committee Secretariat at the PMO-NCR South Conference Room 2/F PMO NCR South Administration Building. **Unsealed bids shall not be accepted.**

7.1.2 Bids submitted late shall be time-stamped and shall be immediately returned to the Bidder unopened. Reference of time shall be the digital wall clock at the PMO NCR-South Conference Room, 2F PMO NCR-South Administration Building. **No bid shall be accepted after the deadline.**

7.1.3 A bidder may withdraw its tender before the opening of bids by submitting a written notice. Bid shall be returned unopened. Once the opening of bids started, no bidder shall be allowed to withdraw its tender.

7.2 Opening of Bids and Award

7.2.1 Opening of bids shall be on **September 4, 2023, Monday, 9:30AM** at the PMO NCR-South Conference Room and maybe witnessed by the Bidder's authorized representative.

7.2.2 There should be at least two (2) submitted bid proposal for the public bidding to proceed.

- 7.2.3 The complying bidder with the highest bid for all three (3) items on sale shall be declared the winning bidder.
- 7.2.4 When two or more complying bidders made identical offers, public bidding *viva voce* between those who made identical bids shall be resorted to at a price not less than the offered bid.
- 7.2.5 The **Notice of Award** shall be given to the highest-complying bidder. No transfer of the award shall be honored by PPA.
- 7.2.6 In cases when no bid was submitted or when all submitted bids are lower than the floor price, the bidding shall be declared a failure, and the sale of unserviceable properties shall be subject to rebidding.

8. IMPLEMENTATION OF DISPOSAL ACTIVITIES

- 8.1 **Order to Release and Notice to Proceed** shall be issued after confirmation of Award and posting of Performance Bond in Philippine Pesos and in favor of PPA.
- 8.2 The **Performance Bond**, in the form of Surety Bond shall be in the amount equivalent to thirty percent (30%) of the total bid price, or in the form of Cash or Manager's/Cashier's Check in an amount equivalent to five percent (5%) of the total bid price.
- Performance Bond in the form of Surety Bond shall be secured from any of the PPA-accredited surety companies listed in **Annex B**.
- 8.3 The Performance Bond shall be utilized to cover for damages, cost of delays, storage and any other incidental expenses attributable to the failure of the winning bidder to perform any of its obligation.
- 8.4 The winning bidder thru his/her authorized representative with Special Power of Attorney is required to submit the request for disposal of the awarded unserviceable properties to PPA thru the Manager, Resource Management Division (RMD), PMO NCR-South or its designated representative within three (3) calendar days before the schedule of disposal.
- 8.5 **Permit to Load**, for pull-out of disposed properties, shall be issued by the RMD Manager, PMO-NCR South or its authorized representative upon presentation of PPA Official Receipt as proof of payment for the items sold.
- 8.6 **Vessel Departure Clearance** of carrying barge of items sold shall be issued only upon presentation of PPA Official Receipt for the payment of assessed port charges.

- 8.7 In no case shall any item be disposed without the corresponding Permit to Load and Vessel Departure Clearance of the carrying barge.

9 BIDDER'S RESPONSIBILITIES

- 9.1 The Winning bidder shall determine the disposal site for the items sold for disposal and secure, at its own expense, all necessary government permits required for the hauling and transport by barge with suitable carrying capacity.
- 9.2 The **Work Schedule and Methodology**, submitted as part of the bid, may be revised/amended to ensure compliance with safety and operational protocol at the Manila International Container Terminal.
- 9.3 The all the items awarded shall be disposed within Ninety (90) calendar days after receipt of the Order to Release and Notice to Proceed. Failure to dispose all items within the prescribed duration shall subject the winning bidder to payment of a storage fee in the amount of **One Thousand Pesos (PhP1,000.00)** per day of the delay.
- 9.4 If warranted, only the winning bidder's authorized representatives with Authorization Letter may request for the extension time to complete the disposal activities no later than fifteen (15) calendar days before the 90-day work period lapses.
- 9.5 Failure to remove all the items within the ninety (90) calendar day work, including all time extension, if any, renders PMO NCR-South the right to dispose the remaining items in any manner as may be prescribed by the Disposal Committee, and hence forfeit all payments made by the bidder in favor of the Authority.
- 9.6 Ingress of winning bidders' equipment required for the disposal activities shall be pre-arranged with PMO NCR-South Disposal Committee or its duly authorized representatives. The withdrawal of these equipment from the port premises at any given time during the period of disposal, shall be likewise, coordinated for the issuance of appropriate gate passes.
- 9.7 All liability of the winning bidder, incurred for the acquisition of services, equipment, supplies and manpower by reason of executing the sale and disposal of auctioned items, shall be solely assumed by the winning bidder.

10 RESERVATION CLAUSE

The PPA reserves the right to reject any or all bids, declare a failure of bidding at any time prior to the issuance of Notice of Award without thereby incurring any liability.

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BY THE PMO NCR-SOUTH DISPOSAL COMMITTEE



MA. LUZ D. EDRALIN
Administrative Officer IV /
Member, Disposal Committee



AMROCIO O. ILAO
Manager, Resource Management Division /
Member, Disposal Committee



CATHERINE R. ESTO
Acting Port Manager
Chairperson, PMO NCR-South Disposal Committee

**DECOMMISSIONED SHIP-TO-SHORE CRANES INSTALLED AT THE MANILA
INTERNATIONAL CONTAINER TERMINAL**

QUAY CRANE NO. 1	Property No. 765069 (Non-operational)
Manufacturer	LIEBHERR
Serial Number	IR1406
Gross Weight	554 Tons
Date Acquired	1989
Technical Description	<ul style="list-style-type: none"> • Heavy structural steel frameworks • Cab operated • Under carriage lift hook assembly • 40.6 tons SWL u/ Spreader & 55 tons u/Hook • 37.00m outreach from waterside rail • 28.00m height u/ spreader • 18.50m wheel bay span • 20 flange steel wheels (10 wheels/bay) each complete with telescopic spreader • DC inverter, hoist, travel & traction DC drive motors, • Power & motor control center • Operation control console, • Wiring connections and other standard appurtenances
QUAY CRANE NO. 4 & 5	Property Nos. 766065 & 765067 (Operational)
Manufacturer	MITSUBISHI
Serial Number	1136 / 1313
Gross Weight	966 Tons per unit
Date Acquired	1991 / 1993
Technical Description	<ul style="list-style-type: none"> • Heavy structural steel frameworks • Cab operated • Under carriage lifthook assembly • 40.6 tons SWL u/Spreader & 55 tons u/ Hook • 42.00m outreach from waterside rail • 28.00m height u/ spreader • 18.50m wheel bay span • 20 flange steel wheels (10 wheels/bay), each complete with telescopic spreader • DC inverter, hoist, travel & traction DC drive motors • Power & motor control center • Operation control console • Wiring connections and other standard appurtenances.



May 17, 2023

MEMORANDUM

FOR : The Chairman, H.O.-Bids and Awards Committee (BAC)
The RC Head, PCMD, DSD, POSD and LSD
The Port Manager, All PMOs

FROM : The Officer-In-Charge, Treasury Department

SUBJECT : Accredited Surety and Insurance Companies/Corporations at PPA

Pursuant to PPA Administrative Order No. 15-2019, please be advised of the following list of surety companies accredited by the Philippine Ports Authority as of May 4, 2023, each with a corresponding validity period:

Company / Corporation	Accreditation Certificate No.	Validity Period
1. Prudential Guarantee and Assurance, Inc.	PPA-ASIC-062020-00005	June 15, 2020 to June 14, 2023
2. Alpha Insurance and Surety Company, Inc.	PPA-ASIC-072020-00006	July 10, 2020 to July 9, 2023
3. Commonwealth Insurance Company	PPA-ASIC-082020-00007	August 25, 2020 to August 24, 2023
4. Western Guaranty Corporation	PPA-ASIC-062020-00008	August 28, 2020 to August 27, 2023
5. Stronghold Insurance Company, Inc.	PPA-ASIC-112022-00009	November 23, 2022 to November 22, 2025
6. Pacific Union Insurance Company	PPA-ASIC-022023-00010	February 12, 2023 to February 11, 2026
7. Sterling Insurance Company Incorporated	PPA-ASIC-032023-00011	March 1, 2023 to February 28, 2026
8. Travellers Insurance and Surety Corporation	PPA-ASIC-042023-00012	April 17, 2023 to April 16, 2026
9. Liberty Insurance Corporation	PPA-ASIC-052023-00013	May 4, 2023 to May 3, 2026

To safeguard the interest of the government, may we respectfully reiterate that bond requirements from entities transacting with the Authority shall only be procured from PPA-Accredited Surety Companies. An updated list shall be provided by TD each time an insurance/surety company is accredited.

For your reference and appropriate action. Thank you.


TERESA A. DOMINGO

Copy Furnished: Office of the General Manager


Witnessed by:

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Website: www.ppa.gov.ph

PHILIPPINE
PORTS
AUTHORITY



JOSMAR S. DELMAGA
Executive Director

3:27 PM

05 JUN 2023

#13-003-*mailed?*

5 June 2023

MEMORANDUM

FOR : The Chairman, H.O -Bids and Awards Committee (BAC)
The RC Head, PCMD, DSD, POSD and LSD
The Port Manager, All PMOs

FROM : The Manager, Treasury Department

SUBJECT : Accredited Surety and Insurance Companies/Corporations at PPA

Further to our May 17, 2023 memo, please be informed that Alpha Insurance and Surety Company, Inc. whose accreditation will expire on July 9, 2023, has renewed its accreditation with the following details:

Company / Corporation	Accreditation Certificate No.	Validity Period
Alpha Insurance and Surety Company, Inc.	PPA-ASIC-052023-00014	July 10, 2023 to July 9, 2026

May we respectfully reiterate that bond requirements from entities transacting with the Authority shall be procured only from PPA-accredited surety companies pursuant to PPA Administrative Order No. 15-2019.

For consideration and appropriate action.

Thank you.

ERB
EMERINA R. BILLONES

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