



Republic of the Philippines
Office of the President
Philippine Postal Corporation

BAC RESOLUTION NO. 2022-56

27 July 2022

RECOMMENDING TO THE BOARD OF DIRECTORS TO AWARD THE CONTRACT FOR THE PROCUREMENT OF VARIOUS SPARE PARTS AND ADDITIONAL PSD BATTERIES FOR PITNEY BOWES DIGITAL POSTAGE METER MACHINE

WHEREAS, in the letter of the Acting Manager, Logistics and Property Management Department (LPMD) dated 1 June 2022, there was a request for the Procurement of Various Spare Parts and Additional PSD Batteries for Pitney Bowes Digital Postage Meter Machine from the Acting Manager, Financial Management Department with Purchase Request (PR) No. 093-04-22 dated 18 April 2022;

WHEREAS, the Approved Budget for the Contract (ABC) for the said procurement project was Php 5,455,069.31 based on Budget Utilization Request and Status (BURS) No. 219-05-22 dated 31 May 2022 which is in accordance with Annual Procurement Plan (APP) of this Corporation;

WHEREAS, the procurement of Various Spare Parts and Additional PSD Batteries for Pitney Bowes Digital Postage Meter Machine was included in the APP for CY 2022 approved by the Board of Directors wherein the mode of procurement was alternative method of procurement (Direct Contracting);

WHEREAS, under circumstances, Section 50 and Annex "H" of the 2016 Revised IRR of R.A. 9184 allows the alternative method of procurement through Direct Contracting, as follows:

"A. DIRECT CONTRACTING

1. **Definition.** *Direct Contracting or single source procurement is a method of procurement of goods that does not require elaborate Bidding Documents. The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the condition of sale. The offer may be accepted immediately or after some negotiations. Direct contracting may be resorted to by concerned Procuring Entity under any of the following conditions:*
 - a) *Procurement of Goods of proprietary nature which can be obtained only from the proprietary source, i.e. when patents, trade secrets, and copyrights prohibit others from manufacturing the same item;*
 - b) *When the procurement of critical components from a specific supplier is a condition precedent to hold a contractor to guarantee its project performance, in accordance with the provision of its contract; or*



- c) Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms to the GoP.

2. Procedure

- a) The BAC shall prepare the RFQ or pro-forma invoice together with the terms and conditions of sale, and shall send the same to the identified direct supplier.
- b) Simplified negotiations on the terms and conditions of the contract may be conducted by the BAC to ensure that the supplier is technically, legally and financially capable to deliver the goods at the most advantageous price and contract for the Government.
- c) The BAC shall recommend to the HOPE the award of contract in favor of the supplier. Award of contract shall be made in accordance with Section IV(L) of this Guidelines.”

WHEREAS, Messaging Solutions Provider, Inc. (MSPI) is exclusively providing franking Machines/Postage Meters, Desktop Inserters, Address Printers, and its accompanied parts, consumable and software. MSPI likewise exclusively provides competent technical support and comprehensive maintenance to the machines mentioned herein based on the Certification issued by Pitney Bowes on 11 April 2022;

WHEREAS, Messaging Solutions Provider, Inc. submitted its price quotation for the said project on 11 July 2022 with a bid amount as follows:

No.	Article	Unit Price	Total Amount
1	45 Pcs. Side Plate Assy PN#4G3-2123	2,167.64	97,543.80
2	45 Pcs. Printer Head PN#4G8-0024	39,772.17	1,789,747.65
3	50 Pcs. Waste Pad	1,108.52	55,426.00
4	30 Pcs. Control Panel PN# 4H3-0417	58,374.76	1,751,242.80
5	30 Pcs. Main Board PN# 3C900P7R	23,922.75	717,682.50
6	100 Pcs. Knob Release Jam PN# 4A3-4861	822.14	82,214.00
7	76 Pcs. PSD Battery Kit	10,907.56	828,974.56
8	15 Pcs. USB Ethernet Adapter PN#IE85030	8,815.87	132,238.00
Total Amount VAT Inclusive			5,455,069.31

WHEREAS, the BAC, through its Technical Working Group (TWG), conducted a negotiation with Messaging Solution Provider, Inc. regarding the price of the various spare parts and additional PSD batteries;

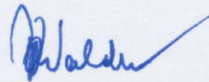
WHEREAS, after conducting negotiation, MSPI submitted its discounted price quotation on 19 July 2022, as follows:

No.	Article	Unit Price	Total Amount
1	45 Pcs. Side Plate Assy PN#4G3-2123	2,167.64	97,543.80
2	45 Pcs. Printer Head PN#4G8-0024	39,772.17	1,789,747.65
3	50 Pcs. Waste Pad	1,108.52	55,426.00
4	30 Pcs. Control Panel PN# 4H3-0417	58,374.76	1,751,242.80
5	30 Pcs. Main Board PN# 3C900P7R	23,922.75	717,682.50
6	100 Pcs. Knob Release Jam PN# 4A3-4861	822.14	82,214.00
7	76 Pcs. PSD Battery Kit	10,907.56	828,974.56
8	15 Pcs. USB Ethernet Adapter PN#IE85030	8,815.87	132,238.05
Total Amount VAT Inclusive			5,455,069.36
Less: 5% Special Discount			272,753.47
Total Discounted Amount VAT Inclusive			5,182,315.89

WHEREAS, upon review and evaluation of the price quotation and other documentary requirements, the TWG recommended to BAC to recommend to the Board of Directors to award the contract for the said project to **Messaging Solutions Provider, Inc.**;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE FOREGOING PREMISES, the Post Office-BAC hereby resolves to recommend to the Board of Directors to award the Contract for the Procurement of Various Spare Parts and Additional PSD Batteries for Pitney Bowes Digital Postage Meter Machine to **Messaging Solutions Provider, Inc.** (MSPI) with a total contract price of **P5,182,315.89**, pursuant to Section 50 and Annex H of the 2016 Revised IRR of R.A. 9184.

APPROVED, this 27th day of July 2022, Manila.



OLIVIA M. VALDERAMA
Member



GUZMAN B. MELGAREJO, JR.
Member



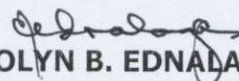
ANNIE T. BELMONTE
Member (End-User)



ALICIA N. SANTOS
Member (Technical Expert)



ATTY. JOSELITO B. GONZALES
Vice-Chairman



CAROLYN B. EDNALAGA
Member



MAXIMO C. STA. MARIA III
Chairman