

RESPONSES TO THE TERMS OF REFERENCE (TOR) QUERIES

	Topic	Terms of Reference	Query/Comment	TIEZA'S Response
1	Indicative Bidding Schedule	Sections 1.3 and 1.10	Since the Minimum Performance Standards Specifications (MPSS) and Joint Venture Agreement (JVA) will only be issued on February 17, 2020, will there be a Pre-Selection Conference, separate from that indicatively dated on February 19, 2020, to discuss the questions specifically raised for the MPSS and the JVA?	A Bid Bulletin was issued to reschedule the Pre-Selection Conference on 19 March to discuss the TOR, JVA and MPSS. This does not preclude the JVSC to set a one-on-one meeting to discuss the Eligible Proponent's (EP) queries and suggestions, as provided in PPPC's guide to Best Practices.
2	Bid Documents	Section 1.1	Please confirm that reference to Concession Agreement in the fourth paragraph refers to the Joint Venture Agreement.	Yes, we confirm.
3	Virtual Data Room	Section 1.2	Will the EP be notified through email if new documents are uploaded in the VDR?	Yes, we confirm. The JV Secretariat will notify the EP.
4	Virtual Data Room	Section 1.2	Is the VDR accessible 24/7?	Yes, we confirm.
5	Indicative Timeline - Pre Selection Conference on February 19, 2020 at 3:00 PM	Section 1.3	Will the agenda of the pre-selection conference just be about the TOR which was issued on January 31, 2020?	No, it will also include the EP's queries on the JVA and MPSS.
6	Responsibility of the Proponents	Section 1.4.1.d	Please provide the complete technical description (with tie line and orientation) and property boundaries of the Asset. Please confirm that the land area in the site development plan in the Virtual Data Room will govern over the estimate land area provided in the ED kit and TOR.	The land area shall be based on the technical description uploaded in the VDR.
7	Queries and Comments	Section 1.6	The TOR states that the deadline for submission of questions is on March 2, 2020. Considering that there may still be bid bulletins issued after such date, we request for the removal of said deadline until the date before actual submission of the Proposals.	The deadline for submission of clarifications shall be announced during the Pre-Selection Conference.
8	Site Visits	Section 1.9	a. When is the earliest date that would be allowed for the site visit? When is the last allowable date to schedule a site visit?	Site visit may be made any time until before the Submission of the Technical and Financial Proposals.

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			Site visit must be coordinated with the TIEZA's Project Officer for BIDR.
9	Site Visits	Section 1.9	b. During the site visit, will the representatives of an Eligible Proponent be accompanied by technical, operations and financial heads, who can answer queries regarding the asset? Yes.
10	Submission and Opening of Bids - Financial Proposal	Section 3.1.1.3	What is meant by the term "traceable"? Will there be a prescribed format for the traceable financial model in Microsoft Excel? The EP shall submit an auditable model which will enable TIEZA to track related financial information and it should not be hard coded.
11	Submission of Flashdrives	Section 3.2; Annex A	Section 3.2 requires the submission of one (1) flashdrive for each envelope containing the electronic copies of the Proposal. Meanwhile, Annex A enumerates the different components of an envelope (i.e., Legal Requirements, Technical Proposal, Financial Proposal, Track Record and Experience), and adds that the flashdrive is to be placed together with or inside the envelopes containing the original documents. Considering these, kindly confirm which of the following is the correct interpretation: (i) There will be only one (1) flashdrive containing the entire Proposal (i.e., Legal Requirements, Technical Proposal, Financial Proposal, and Track Record and Experience) and this will be placed in the envelope containing the original set; (ii) there will be four (4) flashdrives separately containing the different components of the Proposal, and these will be placed inside the respective envelopes of the different components only in the original set; (iii) there will be five (5) flashdrives containing the entire Proposal and these will be placed in all the five (5) sets of submissions; or (iv) there will be twenty (20) flashdrives with four (4) flashdrives separately containing the different components of the Proposal in each of the five (5) sets of submissions. We confirm that there will be four (4) flashdrives separately containing the different components of the Proposal, and these will be placed inside the respective envelopes in the original set. The EP may opt to submit 4 back-up flashdrives. The EP may bring their own laptop during the opening of the proposals which will be used to validate the integrity of the flashdrives.
12	Signing and Marking of Proposals	Section 3.2	If there is an unexpected error in the flash drive (e.g. incompatible, needs to be formatted, etc.) in the flash Please refer to our answer in Item 11.

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			drive submitted with the original set of submissions, will another flash drive in another set be considered?	
13	Signing and Marking of Proposals	Section 3.2	Section 3.2 requires to clearly mark each Proposal as "Proposal for Joint Venture of BIDR – COPY No. __". Can this marking be limited to just the cover folder and/or envelope encasing each copy instead of being on each page?	Yes, it may be limited to the cover folder/envelope.
14	Proposal Security	Section 3.8	Please confirm that the Proposal Security shall be based on the indicated minimum committed capital, fixed at Php110 million and not on the Eligible's proposed committed capital in its Proposal.	Yes, we confirm that it is based on the Minimum Committed Capital of Php 110M.
15	Proposal Security	Section 3.8	Will TIEZA accept a standby letter of credit ("SLC") issued by a universal or commercial bank duly registered and licensed by the Bangko Sentral ng Pilipinas (BSP) for the Proposal Security?	Yes.
16	Proposal Security	Section 3.8	For the option of a performance bond or SLC, what are the minimum contemplated release conditions of TIEZA and who would be the appointed representative?	Please refer to the attached Proposal Security format.
17	Proposal Security	Section 3.8	When will the Proposal Security be returned to the Winning Bidder?	The Proposal Security will be returned upon signing of the draft JV Agreement.
18	Construction Performance Security	Section 5.4a	Will TIEZA accept a SLC issued by universal or commercial bank duly registered and licensed by the Bangko Sentral ng Pilipinas (BSP) for the Construction Performance Security?	Yes, as stated in the draft JV Agreement.
19	Construction Performance Security	Section 5.4a	What are the minimum contemplated release conditions of TIEZA and who would be the appointed representative?	The prescribed format will be indicated in the Annex of the revised draft JV Agreement to be issued prior to the Pre-Selection Conference.
20	Construction Performance Security	Section 5.4a	When will the Construction Performance Security be returned to the Winning Bidder?	It will be returned upon completion of all construction works or after three (3) years whichever is earlier.
21	Operations Performance Security	Section 2.24 and Section 5.4B.ii	Please confirm that Operations Performance Security defined in Section 2.24 is the same as Performance Security in Section 5.4.B.ii.	No, the Operations Performance Security covers both the Performance Security and the KPI Charges. We have amended Sec. 5.4 to read that the Operations Performance Security is not required to

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				be posted with the NOA. The revised JVA will be released before the Pre-Selection Conference.
22	Operations Performance Security	Section 2.24 and Section 5.4B.ii	Please confirm that the performance security required under Section 5.4.B.ii. Of the TOR will be computed based on the net present value (NPV).	It will be based on the aggregate nominal amount of the total cashflow/benefits to TIEZA for the entire 25 year JV period as indicated in the financial proposal.
23	Operations Performance Security	Section 2.24 and Section 5.4B.ii	Will you accept a SLC issued by universal or commercial bank duly registered and licensed by the Bangko Sentral ng Pilipinas (BSP) for the Operations Performance Security?	Yes.
24	Operations Performance Security	Section 2.24 and Section 5.4B.ii	What are the minimum contemplated release conditions of TIEZA and who would be the appointed representative?	Please refer to the draft JVA.
25	Operations Performance Security	Section 2.24 and Section 5.4B.ii	When will the Operations Performance Security be returned to the Winning Bidder?	Upon posting of the Handback Security. Please refer to the draft JVA.
26	Operations Performance Security	Section 2.24 and Section 5.4B.ii	If there is a bad performing year and the project is unable to generate enough cash to cover the obligation will the whole Performance Security for the entire 25 years be drawn? Or will it only be partially drawn to cover any applicable shortfall from the guaranteed amounts?	The JV Partner shall remit the TIEZA benefits in accordance with the schedule and amounts indicated in the draft JV Agreement. There shall be a penalty in case the JV Partner fails to remit as scheduled. In case of failure of the JV Partner to remit the required amount, TIEZA will partially withdraw the applicable shortfall from the Performance Security. Please refer to the draft JVA.
27	Operations Performance Security	Section 5.4.b.ii	We request that the number of years to determine the amount of Performance Security required under Section 5.4.b.ii be reduced. Moreover, we propose that the amount of this Performance Security be proportionally reduced as the term of the joint venture progresses.	We reiterate the amount stated in the draft JV Agreement.
28	Key Performance Indicator Charges	Section 5.4b.i	What was the basis for the amount of the KPI Charges fixed at Php8.75M?	It is based on the KPI Charges indicated in the MPSS.
29	Key Performance Indicator Charges	Section 5.4b.i	Will you accept a SLC issued by universal or commercial bank duly registered and licensed by the Bangko Sentral ng Pilipinas (BSP) for the KPI Charges?	Yes. This will be covered by the Operation Performance Security.

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30	Key Performance Indicator Charges	Section 5.4b.i	What are the minimum contemplated release conditions of TIEZA and who would be the appointed representative?	Please refer to the JVA.
31	Key Performance Indicator Charges	Section 5.4b.i	When will the KPI Charges be returned to the Winning Bidder?	Upon posting of the Handback Security.
32	Presentation to the JVSC	Section 3.11.2.5	Will the 30 minute presentation exclude the Q&A portion of the JVSC?	Maximum of 30 minutes for the entire presentation by EP. Right after the presentation, the JVSC may ask its questions
33	Presentation to the JVSC	Section 3.11.2.5	Will the five (5) copies to be provided by the bidder to the JVSC be in soft or hard copy format?	The Eligible Proponent shall submit fifteen (15) hard copies of the presentation and one (1) flashdrive containing the same. In case of any inconsistencies, additions, or modifications in the submitted presentation and the submitted technical proposal, the technical proposal shall prevail.
34	Presentation to the JVSC	Section 3.11.2.5	During the presentation of the Technical Proposals, please confirm that all Eligible Proponents shall be required to attend and observe the presentations.	Yes.
35	Completion of Evaluation of Technical Proposals	Section 3.11.2.6	<i>We request that the result of the detailed evaluation of the Technical Proposals of all Eligible Proponents, including a breakdown of how they were graded for each of the criterion in Section 4.1.2., be published thru a bid bulletin before the opening of the Financial Proposal.</i>	No, the results of the detailed evaluation will not be released.
36	Technical Plan Criteria Questions	Section 4.1.2	a. If a Proponent complies with each of the items in annex F (Annex TP -0 to Annex TP -4) will the bidder automatically receive full points?	No, the JVSC formulated a scoring system for the technical proposal.
37	Technical Plan Criteria Questions	Section 4.1.2	b. Will the quality of the submission be weighted or will it simply be evaluated on a "Pass/Fail" criteria?	There will be a scoring criteria that assigns weight to each criterion.
38	Technical Plan Criteria Questions	Section 4.1.2	<i>c. Are there any situation that the bidder will receive partial points? If partial points be awarded, what is the criteria for this? What will be the parameters by which partial points will be issued?</i>	There will be a scoring criteria. Partial points may be awarded per criteria subject to the evaluation of the JVSC.

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39	Technical Plan Criteria Questions	Section 4.1.2	d. Are each of the items in annex F equally weighted (i.e., if there are 5 items in the checklist that each one is worth 1/5 of the points allocated to that section)?	No, please refer to Sec. 4.4.
40	Technical Plan Criteria Questions	Section 4.1.12, Section 4.4 and Annex F	Please confirm that the percentage weight for the Proposal Investment Plan in Annex F should be 30% and not 35%, to be consistent with the figures in Sections 4.1.2 and 4.4 of the TOR.	Yes, it shall be 30%.
41	Technical Plan Criteria Questions	Section 4.1.2	e. Considering the broad possibilities of establishing KPIs, could TIEZA provide a format which would be adequate to fulfill this requirement?	The KPIs are indicated in the MPSS.
42	Financial Plan Criteria - Escalation	Section 4.2.2.2.b	For the escalation on the annual fixed fee, please confirm if 10% Escalation of the minimum annual fixed fee is every third year or every after three years? What does maximum interval mean?	The maximum interval for the escalation of the annual fixed fee is every after three years. The EP may propose a shorter interval for the escalation.
43	Financial Plan Criteria - Secured Peso Share	Section 4.2.2.2.c	Please clarify "Secured Peso Share of TIEZA in Gross Revenue" :	This is the guaranteed peso share of TIEZA in the Gross Revenue of the Project.
44	Financial Plan Criteria - Secured Peso Share	Section 4.2.2.2.c	i. Based on the provided excel sheet there is a formula which is Proposed Peso Share of TIEZA in Gross Revenue X by 50%, Does this mean that the proponent will guarantee that TIEZA will get at least get 50% of the Proposed Peso Share in Gross Revenue in absolute amount even if the property does not perform according to projection?	No, the Eligible Proponent may propose a % share.
45	Financial Plan Criteria - Secured Peso Share	Section 4.2.2.2.c	ii. Does this mean that there is a minimum guaranteed amount in absolute value if effectively there should be 50% share?	The minimum guaranteed amount in absolute value is equivalent to the % share proposed by the proponent.
46	Financial Plan Criteria - Secured Peso Share	Section 4.2.2.2.c	iii. Will the estimated secured peso share figure in the project govern if the actual gross revenues is lower and/or even higher than the estimated projection?	Whichever is higher shall govern.
47	Financial Plan Criteria - Secured Peso Share	Section 4.2.2.2.c	iv Can we modify the 50% number in the secured peso share of TIEZA in Gross Revenue as coded in the excel sheet? Is the 50% the minimum financial requirement?	Yes, the EP may modify the 50%.
48	Supporting Projections	Section 4.2.3	Please provide a format for the financial projection TIEZA would like?	There is no required format.
49	Supporting Projections	Section 4.2.3	Are we required to submit Balance Sheet, Income Statement and Cash Flows?	Yes and they need to be linked to each other.

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50	Scoring	Section 4.2.4	What is the scoring system of the Financial Proposal?	Please refer to Sec. 4.2.4.
51	Scoring	Section 4.2.4	Is the only criteria for the scoring the percentage met of the minimum financial requirement?	Yes.
52	Scoring	Section 4.2.4	Do the various components of the financial proposal such as the annual fixed fee, % share of gross revenues, escalation etc. have different weights similar to the various components of the technical proposal?	No.
53	Scoring	Section 4.2.4	Please give guidance on how to determine if figures have reached the 130% of the minimum financial proposal or exceeded the 130% based on the various components of financial proposal	If it meets or exceeds the minimum financial parameters by 30%. For example, the Committed Capital will meet its minimum requirement if its value is PhP 143M.
54	Track Record	Section 4.3; Annex E	Please confirm that we can include all other hotel projects with less than 5 years operations? Will this be based on the projects listed in the ED Kit?	This will only be based on the projects submitted in the EDs.
55	Track Record	Section 4.3; Annex E	Please confirm your rating system of the net income - will this be compared to other bidders on a peso value basis?	No.
56	Track Record	Section 4.3; Annex E	What will be the basis for a perfect score for the track record criteria	The EP with the best track record merits the perfect score.
57	Track Record	Section 4.3; Annex E	Will TIEZA also consider the number of rooms that a Proponent manages in grading its track record experience?	No.
58	Track Record	Section 4.3; Annex E	Will you consider the level/categories of the hotel?	No.
59	Track Record	Section 4.3; Annex E	What is the basis for partial points, if any?	Proportionate to the highest number of years in business operation.
60	Track Record	Section 4.3; Annex E	Will an Eligible Proponent be required to submit supporting documents for the projects listed in its Annex E? If so, what will these be?	None. However, the submitted Eligibility Documents shall be considered in the evaluation and assignment of scores.
61	Recommendation to Award	Section 5.1	What will happen if there are two (2) or more proponents with the same highest calculated score? How will TIEZA break the tie?	The financial proposal with the highest absolute value shall be selected.
62	Notice to Award	Section 5.3	Please confirm that the reference to a non-existing Section 4.9 in Section 5.3 is actually meant to refer to Section 5.4.	Yes, we confirm.

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63	Notice to Award	Section 5.3	Please also confirm that the "five-working-day period" for the compliance with the Conditions Precedent should be "thirty (30) days after receipt of the Notice of Award" to be consistent with the first paragraph of Section 5.4.	Yes, we confirm.
64	Execution of JVA	Section 5.5	We request that the period to sign and execute the JVA be extended to at least fifteen (15) working days from the issuance of approval by the JVSC of the conditions precedent received from the Winning Proponent. This request is made due to the uncertainty in the date when this approval would be, as well as the availability of the authorized representative, who may have other prior scheduled business trips.	Adopting proposal of 15 days from issuance of approval by the JVSC.
65	Execution of JVA	Section 5.5	Please confirm that both the TIEZA Board's ratification and the OGCC's review of the JVA will occur at least five (5) working days prior to the date for submission of the Proposals, as the final terms and conditions in the JVA will be significant in the components of the Technical and Financial Proposals.	The JVA shall be submitted to the OGCC before and after its signing. The TIEZA Board shall ratify the signed JVA.
66	Checklist - General	Section 3.2; Annex A	Section 3.2 states that the Proposal will consist of one original and four machine copies. Meanwhile, the checklist in Annex A requires "one (1) original and five (5) machine copies." Please clarify the correct number of machine copies needed.	The Proposal shall consist of one original and four machine copies of each component (financial, technical, legal and track record).
67	Checklist - General	Section 3.2; Annex A	Please confirm that in each set to be submitted, there are 4 envelopes - (1) legal, (2) technical, (3) finance and (4) track record.	Each set shall consist of five copies of the respective component. For example there shall be 4 envelopes ((1) legal, (2) technical, (3) finance and (4) track record) with 5 copies each.
68	Annex A	Annex A	Item 5 of Annex A requires the submission of a "2018 BIR Tax Clearance." Based on experience, the BIR will not issue a tax clearance for a specific period, but only a current dated clearance that will be valid for a year. Please confirm that a tax clearance issued in 2019 or 2020, which remains valid, shall be sufficient for this requirement.	We confirm that a tax clearance issued in 2019 or 2020, which remains valid, shall be sufficient for this requirement.

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69	Annex A	Annex A	In connection with the preceding query, the BIR only issues one original tax clearance per entity and does not issue certified true copies. As such, please confirm that a copy certified true and correct by a consortium member's Corporate Secretary would suffice for this requirement.	We confirm that a copy certified true and correct by a consortium member's Corporate Secretary would suffice for this requirement.
70	Proposal Form	Annex B	Paragraph 19 of Annex B states that the consortium members shall incorporate a Special Purpose Company (SPC) within 45 days from signing date. Considering that the process of the Securities and Exchange Commission (SEC) is not within a Proponent's control, please clarify that the phrase "shall incorporate" pertains only to the complete submission of requirements to the SEC and not the release of the SPC's Certificate of Incorporation. If not, we request for at least 60 business days to limit the risk of non-compliance.	The formation of an SPC is optional.
71	Technical Proposal	Annex TP-1	Annex TP-1 Marketing and Operations Plan - How will the JVSC rate the marketing and operations plan? How can the proponent earn the full score?	Criteria have been set for TP-1.
72	Technical Proposal	Annex TP-2	Annex TP-2 PIP - How will the JVSC rate the PIP? How can the proponent earn the full score?	Criteria have been set for TP-2.
73	Community Relations	Annex TP-3	Annex TP-3 CSR and Safety- How will the JVSC rate this? How can the proponent earn the full score?	Criteria have been set for TP-3.
74	Community Relations	Annex TP-3-2	Does the VDR include legal cases of "community resistance" in the said municipality against the Resort, if any?	There are no documented legal cases of community resistance of the said Municipality against BIDR.
75	Community Relations	Annex TP-3-3	Are there displacements on record that TIEZA has directly or indirectly handled?	None.
76	Community Relations	Annex TP-3-3	Is TIEZA engaged to any covenants or contracts with the existing LGU?	None.
77	Environmental Safeguards	Annex TP-4	Annex TP4: Environmental - How will the JVSC rate this? How can the proponent earn the full score?	Criteria have been set for TP-4.
78	Technical Proposal	Annex TP4-9	Annex TP4-9: Please kindly clarify the KPI Monitoring System and its relation to the requirement of KPI Fee.	Please refer to the MPSS.