



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS

PREQUALIFICATION, BIDS AND AWARDS COMMITTEE

General Bid Bulletin No. 03-2015

Project: **ROAD TRANSPORT IT INFRASTRUCTURE PROJECT PHASE II**


TO ALL PROSPECTIVE BIDDERS:

For the purpose of clarifying and amending the Instructions to Prospective Bidders (ITPB) for the aforementioned Project, attached are the following:

1. Annex "A" – Answers to Queries; and
2. Annex "B" – Amendments to the ITPB.

For your guidance and information.

Issued this 4th day of September 2015.


ATTY. JOSE PERPETUO M. LOTILLA
Chairman, Pre-qualification, Bids and Awards Committee
and Undersecretary for Legal Affairs



NO	QUERY	RESPONSE
1.	<p>Project Information Memorandum (PIM), Page 36</p> <p>Aside from the lowest Availability-based Payment, will the use of the PhP 298M budget be used as a basis on how to determine the most preferred bidder?</p>	<p>The project will be implemented through a Public-Private Partnership under the Philippine BOT Law. The PhP 298 Million refers to the estimated initial capital expenditure, which is expected to be incurred by the concessionaire in connection with the project.</p> <p>In consideration of investments made, the concessionaire shall be paid Availability Based Payments (ABP) on a monthly basis over the period of 10 years starting from the commencement of Project Operations until the end of the concession.</p> <p>This monthly ABP shall be the bidding criterion. The qualifying bidder meeting the Technical and Financial Qualification Requirements which quotes the lowest ABP, shall be considered the winning bidder. We emphasize, however, that the total ABP is not limited to the PhP 298 million estimated initial capital expenditure.</p> <p>It is expected that the concessionaire, through ABP, will recover all costs incurred in connection with carrying out the project including capital investment, Operations and Maintenance (O&M) costs, refresh of hardware and margins.</p>
2.	<p>Project Information Memorandum, Page 28</p> <p>We would like to request for a current picture on data volumes, and data quality.</p>	<p>As of December 2014, the Land Transportation Franchising and Regulatory Board (LTFRB) had 270,834 franchisees/ Certificates of Public Convenience (CPCs) holders, with</p>

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		<p>375,164 units attached to the CPCs. During the year 2014, LTFRB conducted one million transaction comprising of Complex (with hearing) transactions (12%), Complex (without hearing) transactions (11%) and Simple transactions (77%). LTFRB offices maintain their records for 15 years.</p> <p>For roles and responsibilities on data conversion, please refer to section 6.3.2 of the PIM.</p> <p>Further details will be shared after the pre-qualification stage.</p>
3.	<p>Project Information Memorandum, Page 37</p> <p>We would like to request for a rationale or a basis for the implementation time of 1.5 years.</p>	<p>The period of 1.5 years is derived pursuant to the implementing agency's assessment of the proposed complexity of the system, and the expected period of time allotted for the designing, developing, testing and implementing the solution.</p>
4.	<p>Project Information Memorandum, Page 30</p> <p>We would like to request for more information on the current landscape, business processes (complexity), synching of batch processes and dependencies as well as data connectivity conditions at present.</p>	<p>The mapping of current business processes and its re-engineered processes is being conducted by LTFRB and will be provided to the concessionaire for reference and use. The concessionaire shall be required to update, modify and finalize the same and get the DOTC/LTFRB's approval before designing the automated workflow. Initial information on the same has been provided in Sections 4 and 5 of the PIM. Further details will be shared after the pre-qualification stage.</p>
5.	<p>Project Information Memorandum, Page 30</p>	<p>As indicated in PIM, currently, the data</p>

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	For Banks & Entities – Please define the entities, type of connectivity present, and types of transactions beyond pure data transmission.	exchanges between LTFRB and other departments are primarily done manually. At present, the fees are paid in cash at LTFRB offices. LTFRB is currently undertaking discussions with government banks relative to the proposed online payment facility, IT interface necessary for inter-connection with bank payment gateway, online reconciliation with bank(s) for receipts, revenue accounting system, etc.
6.	Project Information Memorandum; Sec. 6.2.2: Servers & Mainframes; Pages 23-24 Does it mean that Windows Server & Linux are the only acceptable operating system that can be proposed for this project? How about Solaris? Will it be acceptable or compliant?	The Windows and Linux servers were quoted merely to serve as examples of operating systems which can be utilised for the project. We confirm that the concessionaire may utilize other operating systems, such as Solaris, and other operating systems that enable compliance with system availability requirements.
7.	Project Information Memorandum; Sec. 6.3.3: Solution Architect; Pages 29-30 Are the Telco Subscriptions (for the main Data Center, DR Site/s, LTFRB Offices nationwide) part of the deliverables? Who will be responsible for the payments of these subscriptions? Is it LTFRB or the Concessionaire (Winning Bidder)?	The concessionaire shall be responsible for the payment of telco subscriptions.
8.	Project Information Memorandum; Sec. 7: Terms of Payment; Page 36 What do you mean by Availability Based Payment on a monthly basis? Is it a fixed amount?	“Availability Based Payment” means the amount to be paid by the DOTC/LTFRB (as “Grantors”) to the concessionaire on a monthly basis. Yes, this will be a fixed monthly amount payable pursuant to the terms and

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	Is it okay to propose a transaction-based payment scheme where the amount would vary depending on the amount of transaction?	<p>conditions to be set out in the concession agreement. The amount of payment shall be subject to the concessionaire's compliance with Minimum Performance Standard Specifications (MPSS)/ Key Performance Indicators (KPIs) i.e. deductions could be made under a deduction mechanism for failures to achieve compliance with MPSS/ KPIs.</p> <p>A transaction based payment scheme was ruled out due to uncertainty in the volume of transactions.</p>
9.	<p>ITPB; Sec. 12.2: Technical Qualification Requirements (System Integration); Pages 23</p> <p>For the two (2) client references, does it mean one (1) for software development & one (1) for system maintenance & technical helpdesk support? Or does it mean two (2) client references having both software development & system maintenance & technical helpdesk support?</p>	It means two (2) client references having both software development and system maintenance and technical helpdesk support.
10.	Will a public cloud setup be an acceptable solution for this project?	Public cloud setup is not an acceptable solution. Moreover, the solution should be hosted on dedicated servers housed in co-location facilities.
11.	Will you allow the submission of single largest contract which a particular project has contracted in a yearly renewal basis?	Yes, a contract for a project which is renewed on a yearly basis, and provided it fulfils the minimum requirements set in the ITPB, can be submitted as a response to the requirements, subject to meeting all other Technical Qualification Requirements.

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12.	What is the scope of Helpdesk requirement, is it referring to as BPO Call Center or like an in-house technical support?	The helpdesk requirement refers to in-house technical support with the purpose of helping resolve queries and issues faced by LTFRB officials while using the application.
13.	The project is P298M PPP for 11.5 years, how about the terms of payment? Do you allow terms by transaction fee? If yes, how many transaction are we looking at and how much transaction per year?	Please see response in item 1.
14.	Will you allow submission of two (2) or more completed similar contracts and the aggregated amounts equivalent to of 50% of the ABC in lieu of one (1) single largest completed contract?	No, the contracts need to meet the requirements individually.
15.	The TOR appears to indicate major changes in the LTFRB processes. Among other things, the TOR indicates online processing, at the very least online submission and approval of scanned document requirements, payments through bank integration, online approvals and digital signatures. These are high-level process statements and should be detailed out to conceptualize and design appropriate applications systems. Can the proponent assume that these detailed process changes have been formulated by the LTFRB. If not, will the proponent assume that a business process re-engineering is a required activity?	<p>The business process re-engineering, as undertaken by the DOTC/LTFRB, will be made available to the pre-qualified bidders for reference after the pre-qualification stage.</p> <p>The concessionaire is expected to firm up the same at the inception and develop its system in line with the approved processes. Further, some of the processes may require modification at the time of system development, and the concessionaire is expected to suitably update the same, in consultation with the DOTC/LTFRB and use them for system design and development.</p>
16.	Are the use of "internationally recognized ERP system" and the implementation of COTS-based solution a must? If so, and considering that the LTFRB processes and	It is imperative to use an internationally recognized ERP system and COTS based systems to ensure that the system remains compatible with applicable

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	business requirements could be unique, to what extent can we customize (percent) and still comply with this requirement?	standards after the transition period. The COTS product chosen should have the features provided in the system requirements, but the concessionaire is free to customize as necessary. The request to give a percentage of customization may not be practicable given the varying nature of different COTS based solutions.
17.	The TOR appears to require a paperless environment and hence the use of digital signatures. As this should be one of the criteria in the identification of suitable COTS, can the LTFRB confirm?	Yes, the use of digital signature should be used as a criteria in identification of suitable COTS.
18.	The requirements stated under "Business Intelligence" appear addressable without going through the route of data warehouse and business intelligence (DWBI) implementation. Just to be sure, does LTFRB require a DWBI solution?	The concessionaire has the flexibility to implement it via a DWBI solution, or with any other solution, provided the solution is consistent with internationally recognized ERP and COTS product requirement. It must also comply with the project's Functional Requirements & Specifications (FRS) to be shared with the pre-qualified bidders.
19.	The TOR requires that all payment be made through the banks. The banks may not allow real-time integration with the LTFRB system and hence might impact the end-to-end processing time. Is the LTFRB open to other modes of payment?	It is mandatory that all payments shall be made through banks via the appropriate online or offline channels. The system design and the functional requirements have taken into consideration the delay due to banking reconciliation, hence, the payments would be treated as processed by the system only after the reconciliation.
20.	On the data conversion, the LTFRB will	LTFRB shall be responsible for fixing

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	<p>provide the business rules for the proponent to develop and run programs to automatically isolate correct data. Please confirm that the LTFRB will be responsible to checking and correcting the "incorrect" data.</p>	<p>anomalies, or defining processes to fix the same once the “incorrect” data has been identified by the concessionaire in accordance with the defined rules. The concessionaire shall be responsible for updating the same in the new system/ database.</p>
<p>21.</p>	<p>It may take significant amount of time to correct the "incorrect" data. How much (in percent) should be the correct data before a proponent can proceed with go-live and seek acceptance of the project implementation, and hence start with the "operations") phase of the project?</p>	<p>The data correction and cleansing process can be performed in parallel with the application development, while data deemed to be “correct” in initial verification can be used for system testing. This approach will ensure that there is ample time for data verification and the system has the correct data before the operations phase of the project.</p> <p>Rules regarding data cleansing and its acceptability are being developed and will form part of the bidding documents to be uploaded in the data room after the pre-qualification stage.</p>
<p>22.</p>	<p>Is the LTFRB open to a network architecture where LTFRB offices are connected through a private network but access to external agencies and the general public will be provided through the public network?</p>	<p>The network architecture has to be a web based solution in line with the requirements specified in the bidding documents to be uploaded in the data room after the pre-qualification stage. Please refer to section no. 6.3.3 of PIM on LTFRB Network Architecture.</p>
<p>23.</p>	<p>Where does the LTFRB envision having the kiosks available to the public? Can the LTFRB provide an estimate of how many kiosks will be available?</p>	<p>The kiosks will be operated within the premises of all LTFRB offices. There will be at least 17 kiosks, with a minimum of 1 kiosk at each LTFRB office location. These kiosks will assist LTFRB officials on technical matters during the initial</p>

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		year of operation only. All the customer facing kiosks will be manned by LTFRB officials, essentially to provide assistance in online submission of applications to those who wish to get it done at LTFRB offices instead of doing it online.
24.	The TOR states that "in the future, an automatic data transfer mechanism would need to be defined between LTFRB and the concerned department." Does this mean that integration with the systems from the other departments will not be required for acceptance of project implementation and subsequently go-live and that this data transfer mechanism can be handled during the "operations" phase of the project?	The system can go live even without integration with concerned department/s, if the system cannot integrate with the concerned department/s due to delays in the IT systems of the concerned department/s (except for certain departments or agencies which would be specified in the bidding documents). However, the system should have the flexibility and the means to integrate with the concerned department/s once the concerned department/s is already in the position to integrate with the LTFRB solution.
25.	The TOR specifies the terms of payment as Availability Based Payments on a monthly basis. Is it correct to assume that the project is basically a fixed cost arrangement whereby the proponent gets the regular full payment if the required SLAs are met, and may even get less payment if the SLAs are not met? If so and considering that these are material information for the bidder, when can the LTFRB make details available as to what extent SLA compliance affects payments to proponent?	The details of the KPIs will be shared after the pre-qualification stage.
26.	At least 2 of the SLAs: perceived user experience (operator experience, employee	The details of the SLAs and corresponding weightages are being

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	satisfaction), are susceptible to being subjective. For purposes of determining the level of risks, can the LTFRB clarify this early on how much weight will be given to each SLA?	finalized and will be shared after the pre-qualification stage.
27.	There is no mention of network connection between the Principal Data Center and the DRC. What is the required connection and minimum speed?	The Principal Data Center and the Disaster Recovery Center (DRC) shall have connectivity via two dedicated lines of 20 Mbps each. Please refer to Section 6.4 of PIM for more details.
28.	There are many sites comprising the LTFRB and, per the indicated network architecture in' the TOR, may have individual and separate availability especially on the network side. How will the overall availability of service be measured?	System availability shall be defined in the bidding documents to be uploaded in the data room after the pre-qualification stage.
29.	The other SLA pertains to "data conversion of existing data" and the minimum performance standard is 100%. On the premise that only the LTFRB can correct erroneous data and that data conversion cannot be executed for erroneous data, what will LTFRB consider as 100% compliance to this SLA?	The entire set of data that has been approved by the LTFRB should be successfully uploaded to the new system. The same shall be considered as 100% compliant with the system. Further details are being worked out for inclusion in the draft concession agreement.
30.	On the data conversion, can the LTFRB provide estimate as to the size or volume of data to be converted? Is it correct to assume that there will be no data encoding from physical documents and that the sources for data conversion are in pure electronic form	Further details, as deemed necessary, shall be shared after the pre-qualification stage. However, the solution will involve encoding of data from physical records which shall be the responsibility of the concessionaire.

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31.	Considering that the DRC is a backup, can the LTFRB confirm that redundant links at the DRC is still a must?	The redundant links are required at all locations (Data Center, Disaster Recovery Center, and offices).
32.	To effectively operate the LTFRB system and infrastructure, there is a need for system management and monitoring tools. Does the LTFRB require the proponent to identify these tools in the bid proposal?	Yes, the proponent is required to identify and operationalize the tools in line with requirements, which will be made available after the pre-qualification stage. The DOTC/LTFRB shall monitor and use the tools for system management and monitoring.
33.	One of the major objectives of the project is to decrease processing time. Can the LTFRB provide information on the existing processing time as well as the target redundant which the proponent will have to shoot for?	The concessionaire's responsibility with respect to decrease in processing time is limited to compliance with system availability related Key Performance Indicators (KPIs). However, the application needs to enable tracking of time across various steps and departments to identify delays and scope of improvement, for LTFRB's internal reporting and MIS purposes.
34.	The ownership of the full IT infrastructure will be transferred to LTFRB on completion of installation/implementation. Will the operating costs like TELCO, consumables, electricity and the maintenance agreements for software and other IT infrastructure, among others, be shouldered by the LTFRB after implementation and on to the operations phase of the project? If not, can the LTFRB provide a detailed list of the consumables for which the proponent will be responsible for?	All operating costs including TELCO, consumables and maintenance agreements for software, electricity cost at co-location/ DRC and other IT infrastructure will be the responsibility of the private proponent. However, electricity cost for desktops, kiosks, scanners, printers to be set up at LTFRB premises will be for the account of LTFRB.

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35.	Does the LTFRB expect the DRC to be equal that of the primary data center? If not, how much (percent) in terms of capacity and processing power relative to the primary data center can the proponent configure the DRC?	The Disaster Recovery Center will have a lower capacity than the Primary Data Center. The recommended solution is to have two servers for each server type in an active-active mode in the Primary Data Center and one server for each server type in the Disaster Recovery Center.
36.	Can we request for an extension of the deadline of at least thirty (30) days?	The request is not granted.

No.	ITPB Page No.	Section	Original Text	Revised Text
1	10	aa	"LTFRB" means Land Transport and Franchising Regulatory Board.	"LTFRB" means Land Transportation <u>and</u> Franchising and Regulatory Board.
2	11		"Qualification Documents Submission Date" means September 14, 2015.	"Qualification Documents Submission Date" means September 14, 2015 October 2, 2015.
3	16	d- general procedure	"xxx If the accuracy and authenticity of its submissions is established, such Pre-qualified Bidder will be designated as the Winning Bidder and, within three (3) days from the completion of the evaluation of its Financial Proposal, the PBAC will recommend to the DOTC Secretary and the LTFRB through its Board of Directors that the Winning Bidder be issued Notice of Award. Within three (3) days from the PBAC recommendation, the DOTC Secretary with the concurrence of the LTFRB Board of Directors shall approve the award and within five (5) days from the approval, thereof, the DOTC Secretary and the Board of Directors of the LTFRB shall issue the notice of award to the Winning Bidder. This notice of award shall indicate the requirements that have to be submitted before the signing of the Concession Agreement."	"xxx If the accuracy and authenticity of its submissions is established, such Pre-qualified Bidder will be designated as the Winning Bidder and, within three (3) days from the completion of the evaluation of its Financial Proposal, the PBAC will recommend to the DOTC Secretary and the LTFRB through its Board of Directors that the Winning Bidder be issued Notice of Award. Within three (3) days from the PBAC recommendation, the DOTC Secretary with the concurrence of the LTFRB Board of Directors shall approve the award and within five (5) days from the approval, thereof, the DOTC Secretary and the Board of Directors of the LTFRB shall issue the notice of award to the Winning Bidder. This notice of award shall indicate the requirements that have to be submitted before the signing of the Concession Agreement."
4	16	e- general procedure	"xxx Within five (5) days from the receipt by the PBAC of all the requirements indicated in the notice of award, the DOTC Secretary shall determine and notify the Winning Bidder of its compliance with all the requirements in the notice of	"xxx Within five (5) days from the receipt of all the requirements indicated in the notice of award, <u>upon the recommendation of the PBAC</u> , the DOTC Secretary shall notify the Winning Bidder of its compliance with all the requirements in the notice of

			award. xxx”	award. xxx”
5	20	9	<p>“xxx Any printed literature or document furnished by Prospective Bidders written in another foreign language shall be accompanied by an English translation authenticated by a Philippine consular official. In case of conflict, the English translation shall prevail.</p> <p>xxx</p> <p>4. If the document is written in a foreign language, the Prospective Bidder should also submit an accurate English translation of such document, accompanied by a notarized certification by the Prospective Bidder that such translation is accurate in addition to the authentication by the relevant Philippine consular official in no. 1 above.</p> <p>xxx”</p>	<p>““xxx Any printed literature or document furnished by Prospective Bidders written in another foreign language shall be accompanied by an English translation authenticated by a Philippine consular official <u>and certified by the appropriate embassy or consulate in the Philippines.</u> In case of conflict, the English translation shall prevail.</p> <p>xxx</p> <p>4. If the document is written in a foreign language, the Prospective Bidder should also submit an accurate English translation of such document, accompanied by a notarized certification by the Prospective Bidder that such translation is accurate in addition to the authentication by the relevant Philippine consular official in no. 1 above <u>and certification by the appropriate embassy or consulate in the Philippines.</u></p> <p>xxx”</p>
6	24		<p>“The Prospective Bidder or a related entity should have:</p> <p>xxx</p> <p>The revenue received on account of installation of servers and networking equipment from each of these two projects should be at least Fifty Thousand Pesos (PhP 50,000,000.00)”</p>	<p>“The Prospective Bidder or a related entity should have:</p> <p>xxx</p> <p>The revenue received on account of installation of servers and networking equipment from each of these two projects should be at least Fifty Thousand <u>Million</u> Pesos (PhP 50,000,000.00)”</p>
7	29		<p>“xxx A notarized statutory auditor’s Certificate for the receipt of revenue exceeding One Hundred Fifty Thousand Pesos</p>	<p>“xxx A notarized statutory auditor’s Certificate for the receipt of revenue exceeding One Hundred Fifty</p>

ANNEX B- Changes in the ITPB as of 27 August 2015

			(PhP 150,000,000.00) for each project is to be submitted in the format attached in Annex QD 5-A”	Thousand <u>Million</u> Pesos (PhP 150,000,000.00) for each project is to be submitted in the format attached in Annex QD 5-A”
8	30		“xxx A notarized statutory auditor’s Certificate for the receipt of revenue exceeding Fifty Thousand Pesos (PhP 50,000,000.00) for each project is to be submitted in the format attached in Annex QD 5-B”	“xxx A notarized statutory auditor’s Certificate for the receipt of revenue exceeding Fifty Thousand <u>Million</u> Pesos (PhP 50,000,000.00) for each project is to be submitted in the format attached in Annex QD 5-B”
9	57		“xxx The minimum revenue receipt for each of these two projects should be at least One Hundred Fifty Thousand Pesos (PhP 150,000,000.00) per project xxx”	“xxx The minimum revenue receipt for each of these two projects should be at least One Hundred Fifty Thousand <u>Million</u> Pesos (PhP 150,000,000.00) per project xxx”