



**PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS
AUTHORITY**

APPLICATION NO: 11 OF 2019/2020

**ADMINISTRATIVE REVIEW REPORT FOR THE APPLICATION FOR
ADMINISTRATIVE REVIEW IN RESPECT FOR MANAGEMENT OF
REVENUE COLLECTION FROM MOBILE VANS, PROMOTERS AND
DISTRIBUTORS IN DIVISION A AND B.**

APPLICANT: BRIDGETTEE BUSINESS SERVICES (U) LTD

ENTITY: ENTEBBE MUNICIPAL COUNCIL

AUGUST, 2019

DECISION OF THE AUTHORITY

1.0 BRIEF FACTS

1. On 6th May 2019, Entebbe Municipal Council initiated the procurement for Management of revenue collection from mobile vans, promoters and distributors in Division A and B in Entebbe Municipality at an estimated cost of UGX 2,286,000.
2. On 10th May 2019, the Contracts Committee approved the use of the open domestic bidding method.
3. On 21st May 2019, the Entity published the bid notice in the Monitor Newspaper with a bid closing date of 12th June 2019.
4. The bidding documents were issued to six (6) bidders as indicated in Table 1 below:

Table 1: Bidders Issued with the Bidding Document

No.	Name of Bidder
1.	Adonai Investment
2.	New Kitooro Modern Market Vendors and Traders Association
3.	Skype Transport Services Ltd
4.	Jel Consulting Associates Uganda Ltd
5.	Bridgettee Business Services (U) Ltd
6.	Araregate Consulting Limited

5. On 12th June 2019, four (4) firms submitted bids which were opened and prices read out as indicated in Table 2 below:

Table 2: Bid Prices Read Out

No.	Name of Bidder	Price Read Out (UGX)
1.	New Kitooro Modern Market Vendors and Traders Association	2,880,000
2.	Bridgettee Business Services Ltd	3,286,000
3.	Jel Consulting and Associates Uganda Ltd	4,115,000
4.	Skype Transport Services Ltd	3,000,000

6. According to the Evaluation Report dated 26th June 2019, three bidders were eliminated at the preliminary stage as indicated in Table 3 below:

Table 3: Reasons for elimination of bidders at preliminary stage

No.	Name of Bidder	Reasons for Elimination
1.	New Kitooro Modern Market Vendors and Traders Association	a) Failure to submit a transaction tax clearance certificate b) Failure to submit a copy of Registered powers Attorney c) Failure to comply with the Non-

No.	Name of Bidder	Reasons for Elimination
		bid validity period d) Failure to submit dully filled and signed qualification form by an authorized signatory e) Failure to submit reference letters from previous clients f) Failure to submit bid security in the in the right form as stipulated in the bidding document.
2.	Jel Consulting and Associates Uganda Ltd	Failure to submit a bid security

7. Bridgettee Business Services Ltd and Skype Transport Services Ltd proceeded to the technical and commercial evaluation. Bridgettee Business Services Limited was eliminated for the following grounds;
 - a) Failure to submit evidence of two years' experience in management of revenue collection services.
 - b) Failure to submit bank statements for the last six months accompanied by a letter from the bidder's bankers.
 - c) Failure to submit audited books of accounts for the last two years 2017-2018
 - d) Failure to submit reference letters from the bidder's previous clients
8. Skype Transport Service Ltd proceeded to the financial evaluation stage and was recommended for award at a total contract price of UGX 3,000,000.
9. On 28th June 2019, the Contracts Committee approved the recommendation for the award of the tender to Skype Transport Services Ltd.
10. On 1st July 2019, the notice of best evaluated bidder was displayed with a removal date of 12th July 2019.
11. On 12th July 2019, the Applicant applied for Administrative Review to the Accounting Officer.
12. On 24th July 2019, the Accounting Officer issued the decision rejecting the application for Administrative Review.

2.0 APPLICATION FOR REVIEW BY THE AUTHORITY

1. On 2nd August 2019, the Applicant applied for Administrative Review to the Authority raising the following grounds:
 - i. *Non-responsiveness on submission of two years' experience in management of revenue collection services, financial capacity as evidenced by audited books of accounts for the*

last two years 2017-2018 and submission of bank statements for the last six months and evidence of reference letters from bidders of previous clients;

- ii. *In-debtness of the best evaluated bidder Skype Transport Services Limited; and*
- iii. *Bid price of the complainant was higher than that of Skype Transport Services Ltd*

3.0 DISPOSAL OF APPLICATION

1. In investigating the application for Administrative Review, the Authority analysed the following documents:
 - i) Bidding document;
 - ii) Record of bid opening;
 - iii) Bids submitted by the bidders;
 - iv) The evaluation report and minutes;
 - v) Minutes of the Contracts Committee;
 - vi) Notice of Best Evaluated Bidder;
 - vii) Application for Administrative Review by Bridgettee Business Services Ltd; and
 - viii) Correspondences with respect to the Administrative Review.
2. On 20th August 2019, the Authority convened an Administrative Review hearing which was attended by the following persons indicated in Table 3:

Table 3: Representation at the Administrative Review Hearing

No.	Name	Designation
Entebbe Municipal Council		
1.	Mr. Isaac Mukisa	Ag. PCO for Town Clerk
2.	Ms. Anne Namuyombi	Procurement officer
Bridgettee Business Services (U) Ltd		
1.	Mr. Ronald Kiggundu	Legal Counsel
2.	Mr. Robert Eric Mukisa	Field Manager
Skype Transport Services Ltd		
1.	Mr. Rogers Ssenyonjo	P.R.O
2.	Mr. John Nyombi	Finance officer

4.0 ISSUES

The Applicant submitted three grounds at the hearing from which the Authority raised the following issues:

- i. *Whether the complainant was responsive on submission of two years' experience in management of revenue collection services, financial capacity as evidenced by audited books of accounts for the last two years 2017-2018 and submission of bank statements for the last six months and evidence of reference letters from bidders of previous clients.*

- ii. *Whether the best evaluated bidder Skype Transport Services Limited was indebted to the Entity.*
- iii. *Whether the bid price of the complainant was higher than that of Skype Transport Services Ltd.*

4.0 SUBMISSIONS BY THE APPLICANT

Issue 1:

Whether the complainant was responsive on submission of two years' experience in management of revenue collection services, financial capacity as evidenced by audited books of accounts for the last two years 2017-2018 and submission of bank statements for the last six months and evidence of reference letters from bidders of previous clients.

The Applicant admitted in its application to the Authority dated 2nd August 2019 and at the hearing before the Authority that it did not have all the above requirements because the company had just been incorporated on 6th June 2019.

Issue 2:

Whether the best evaluated bidder Skype Transport Services Limited is indebted.

The Applicant stated in its application to the Authority that there were some anomalies in the payment schedule that was provided by the Administrative Review Committee. The Applicant further stated that there were changes in receipt numbers and payment dates and the discrepancies in the amounts that were paid by Skype Transport Services Limited.

Issue 3:

Whether the bid price of the complainant was higher than that of Skype Transport Services Ltd.

The Applicant stated in its application to the Authority that the bid price for Bridgettee Business Services (U) Ltd was higher than that of the Best Evaluated Bidder Skype Transport services Ltd.

5.0 SUBMISSIONS BY THE ENTITY

Issue 1:

Whether the complainant was responsive on the requirements to submit evidence of two years' experience in management of revenue collection services; financial capacity as evidenced by audited books of accounts for the last two years 2017-2018, bank statements for the last six months and evidence of reference letters from bidders of previous clients.

- i. The Entity in its decision stated that the bidder submitted a recommendation letter from a legal firm M/s Katende and Ssempebwa and Company Advocates indicating that the bidder could not have the above requirements since it has just been incorporated on 6th June 2019 after the invitation of the bids.

- ii. The Entity further indicated that these were technical requirements to be complied with by the bidder and a recommendation letter from the legal firm was not an equivalent of the said requirements.

Issue 2:

Whether the best evaluated bidder Skype Transport Services Limited was indebted.

The Entity stated that the Committee reviewed the payment details for Management of revenue collection from street parking in Divisions A and B for the period of August 2017 to August 2018 by Skype Transport Services Ltd and it was observed that all due payments in respect to the above contract were made and the bidder was not in any way indebted to the Entity at the time of bidding.

Issue 3:

Whether the bid price of the complainant was higher than that of Skype Transport Services Ltd.

The Entity stated it was clearly stated in the bidding document that “the best evaluated bid shall be the highest priced bid which is eligible and substantially responsive to the commercial and technical requirements of the Procuring and Disposing Entity”. Bridgettee Business Services (U) Ltd was eliminated at the technical and commercial evaluation stage and its price could not therefore be considered.

6.0 RESOLUTION BY THE AUTHORITY

Issue 1:

Whether the complainant was responsive on the requirements to submit evidence of two years’ experience in management of revenue collection services; financial capacity as evidenced by audited books of accounts for the last two years 2017-2018, bank statements for the last six months and evidence of reference letters from bidders of previous clients.

The Authority studied the submissions of both parties and established that:

- i. Under part 1 of the bidding document that was issued to bidders, bidders were required to submit the following:
 - a) Registered powers of attorney to the signatory(ies) of the bidding process;
 - b) Two reference letters from the bidder’s previous clients specific to the Entity;
 - c) Two years’ experience of the bidder in management of revenue collection services; and
 - d) Financial capacity of the bidder; submission of bank statements for the last six months accompanied by a letter from the bidder’s bankers and submission of audited books of accounts for the last two years 2017 and 2018.
- ii. The Authority reviewed Bridgettee Business Services (U) Ltd’s bid and found that it did not submit the following and was therefore eliminated at the technical evaluation stage:
 - a) Two years’ experience in management of revenue collection services;

- b) Financial capacity as evidenced by audited books of accounts for the last two years 2017 and 2018; and
 - c) Bank statements for the last six months.
- iii. Notwithstanding the above, the Applicant admitted in its application to the Authority dated 2nd August 2019 that it did not have all the above requirements as they were stated in the bidding document because the company had just been incorporated on 6th June 2019

Decision of the Authority on Ground One:

The Authority found **no merit** in ground one since the Applicant failed to submit evidence of two years' experience in management of revenue collection, bank statements and reference letters from previous clients.

Issue 2

Whether the best evaluated bidder Skype Transport Services Limited was indebted.

The Authority studied the submissions of both parties and established that:

- i. According to the bidding document that was issued to the bidders, bidders were required to “submit a no objection letter from the office of the Town Clerk that they had not in any way mismanaged their contractual obligations and were not indebted to the Municipal Council and any Government Agency or Division”.
- ii. According to the Evaluation Report dated 26th June 2019, all bidders were non-compliant on the submission of a “No Objection letter” from the office of the Town Clerk. The Evaluation Committee resolved to waive this requirement as non-material deviation in accordance with Regulation 75(3) of the Local Government PPDA Act.

Decision of the Authority on Ground Two:

The Authority found **no merit** in ground two since the requirement of submission of a letter from the Town Clerk showing that the bidder was not indebted to the Municipal Council and any Government Agency or Division was waived by the Evaluation Committee.

Issue 3:

Whether the bid price of the complainant was higher than that of Skype Transport Services Ltd.

The Authority studied the submissions of both parties and established that:

- i. According to the bidding document that was issued to bidders, it was stated that “the best evaluated bid shall be the highest priced bid which is eligible and substantially responsive to the commercial and technical requirements of the Procuring and Disposing Entity”.
- ii. Bridgettee Business Services Limited was eliminated at the technical evaluation stage for being non-responsive to the requirements in the bidding document and therefore its bid was not evaluated at the financial evaluation stage.

Decision of the Authority on Ground Three:

The Authority found **no merit** in ground three since Bridgettee Business Services Limited was eliminated at the technical evaluation stage for being non-responsive to the requirements in the bidding document and therefore its bid was not evaluated at the financial evaluation stage.

7.0 DECISION OF THE AUTHORITY

In accordance with Section 91 (4) of the PPDA Act, 2003 and considering the findings of the Authority in Ground 1, 2 and 3, the application for Administrative Review is **rejected** and the Entity is directed to proceed with the procurement process.