



KASAGANA-KA
Mutual Benefit Association, Inc.

KASAGANA-KA Mutual Benefit Association, Inc.
1st Special Board Meeting
5 Don Francisco St. Don Enrique Heights
Brgy. Holy Spirit, Quezon City
March 7, 2018 2:00 p.m

I. Present

Board of Trustees

- | | |
|-------------------------|-------------|
| 1. Isabel M. iliw-iliw | – President |
| 2. Marissa A. Loyola | – Treasurer |
| 3. Jerlene B. Perez | – Secretary |
| 4. Marilyn C. Aldave | – Member |
| 5. Ma. Teresa G. Bucad | – Member |
| 6. Elizabeth G. Fuentes | – Member |
| 7. Anita L. Manundo | – Member |


Management

8. Silvida R. Antiquera – Gen. Manager
9. Evangeline E. Pe – Operations Manager

Also Present

10. Arch. Eric Vincent Yusingco – Project Management Consultant

Certified Correct by:


Jerlene B. Perez
Secretary



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II. Minutes of the meeting

By way of background, Arch. Yusingco recounted the bidding process that was conducted:

-The first pre-bid conference was held on November 16, 2017. A total of nine bidders attended the conference. They were given a month to prepare their bid submissions, which was scheduled along with the opening of bids on December 18, 2017. Of the nine invited bidders, seven tendered their proposals. Only one qualified for civil, architectural and structural works (CAS); two bidders qualified work for the electrical works. This caused the declaration of failure of bidding.

-The second pre-bid conference happened in January 15, 2018. Subsequently, the opening of bids was held on January 31, 2018. Of the seven bidders who tendered their proposals, six qualified.

-The bidders with the three lowest financial proposals underwent post-qualification evaluation, where their respective proposals were reviewed by Arch. Yusingco line by line. After comments and negotiations, some did adjust their prices. There were those, however, who no longer replied to the comments. Rodsy came up with the better adjusted final offer of P41M for all areas of work.

-Following this process, Rodsy Construction was chosen as the most responsible and lowest bidder. Arch. Yusingco noted that from the start, it was Rodsy Construction which showed interest in the project and consistently asked technical and relevant questions. The BAC and the Architect visited one completed and one ongoing project of Rodsy. They received favourable comments from the owner of the four-story Ayala Heights house, which Rodsy constructed. In the construction site of eight three-story town houses Rodsy is undertaking, BAC took note of the modern equipment used, the safety measures employed and the presence of site managers overseeing the project. In its principal office in Novaliches, Rodsy maintains a stock yard. There is likewise a covered area for fabrication, an open area for garage and equipment, barracks, and its own purchasing office.

-Given these findings, BAC approved Arch. Yusingco's recommendation to award the construction contract to Rodsy. In turn, BAC now submits its recommendation to the Board for the award of the construction contract to Rodsy.



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During the deliberations, the Board took note of the total cost of construction. The standard cost of construction for condominiums is P27,000 per square meter. For open designs such as KMBA's proposed design, it is around P25,000 per square meter. Hence, for the 1,650 square meter property of KMBA, given Rodsy's P41million total, the cost will be around P24,800 per square meter. KMBA therefore is within range.

Note that the following are not included in the total financial proposal of Rodsy:

- Building Permit
- Contractor's tax
- CCTV Camera, console
- Projector, speaker, amplifier
- Utilities (Meralco, Manila water) upgrade, if necessary.

These exclusions are estimated to the around P1.5million in total. Add to this the purchase cost of the lot (P16million), the total construction cost of Rodsy (P41million) and some owner-supplied items, the total will reach P60million.

GM Salve reminded the Board that this may have an effect on our compliance with admitted assets and may likely result in lower rating from the Insurance Commission. Nevertheless, she noted that the property is an investment of KMBA. While the Association may receive lower rating for a year, KMBA will be able to recover given the continuous effort to expand membership and the consistent premium contributions. As it is, we are now in the process of discussing how to generate income from this investment. On the other hand, there is no benefit in delaying the start of construction.

To this, Ms. Letty agreed. She expressed joy in seeing the fruits of their years of hard work and prayers to see KMBA grow. Ms. Ana, and Pres. Isabel shared the same sentiments. Ms. Letty added that GM Salve will closely monitor the finances, while Arch. Yusingco is on top of the design and the quality of construction works.

According to Ms. Chona, the plans to invest in a property KMBA can call home was already being discussed during her term as KMBA President. She believes that now is the time to execute the plan.

Ms. Marlyn shared that she had some reservations because of the huge costs that the project will entail. However, with GM Salve's explanation and the fact that she, as BAC



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member, saw for herself the projects of Rodsy, she feels assured. Ms. Anita, also a member of the BAC, also agreed that Rodsy's ongoing projects prove its capabilities to undertake the project.

Ms. Jerlene noted that stringent bidding process that was conducted. This, she said, was designed to ensure that KMBA's investment will be fruitful. She was glad to be able to witness, through this project, the dreams of the nanay-members coming true. Ms. Tess and Ms. Beth Fuentes also gave their approval.

The above premises considered, the Board approved the award of the construction contract to Rodsy for P41million pesos. The approval was carried upon motion by Ms. Tess and seconded by Ms. Marlyn.

Arch. Bantilan and Engr. Yabut, representatives from Rodsy, joined the Board meeting to present the construction schedule and the safety measures that they will be employing.

The construction schedule will be for a total period of one year and seven months. This includes the demolition of the existing property and the turn-over of the occupancy permit to the owner. Rodsy shall endeavour to complete the project the soonest possible time. In case of delay, the contract shall provide for a penalty clause.

Safety provisions include personal protective equipment; use of reflective vests; and GI sheet canopy around the site. Also, Rodsy will conduct health and safety meeting; submit reports of inspection, accident investigations and reports. Cleanliness of the site will also be maintained at the end of every day. A safety officer shall also be designated.

The Board approved the construction schedule of one year and seven months, upon motion by Ms. Marissa, duly-seconded by Ms. Beth. The construction schedule does not include variation orders.