

Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL TOBACCO ADMINISTRATION
Scout Reyes Street, corner Panay Avenue, Quezon City
Tel No. (02) 374-3987 Fax. No. (02) 374-2505

OFFICE OF THE NTA GOVERNING BOARD

**ONE HUNDRED AND SEVENTEENTH (117TH) REGULAR MEETING OF THE NTA BOARD OF DIRECTORS HELD AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY
12 OCTOBER 2018, 12:00 NOON**

Present:

Adm. ROBERT L. SEARES	-	Vice-Chairman/Administrator /Presiding
Dir. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Dir. RODOLFO F. SALANGA	-	Member, Manufacturing Sector
Dir. WILFREDO C. MARTINEZ	-	Member, Tobacco Farmers Sector
Dir. TEOFILO R. QUINTAL	-	Member, Tobacco Farmers Sector
Dir. NESTOR C. CASELA	-	Member, Academic Community Sector
Dir. DANILO C. TRONGCO	-	Member, Tobacco Farmers Sector

Others Present:

Mr. ENRIQUE G. DELA CRUZ	-	Consultant, Office of Usec. Evelyn G. Laviña, DA-High Value Crops
Dr. ROBERTO R. BONOAN	-	Dept. Manager III, IRD
Ms. MYRNA O. LOZANO	-	Chief SRS, TLSID-IRD
Atty. ROBERT A. AMBROS	-	Dept. Manager III, Regulation Dept. & Acting Board Secretary
Ms. KYRA P. CLAMAÑA	-	Private Secretary II
Mr. RAMON R. MUNCAL	-	Stenographer II

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER

Honorable Robert L. Seares, M.D., Vice-Chairman of the NTA Governing Board, called the meeting to order at 1:45 P.M.

II. ACKNOWLEDGEMENT OF THE PRESENCE OF THE APPOINTIVE DIRECTORS AND DETERMINATION OF QUORUM

The Acting Board Secretary acknowledged the presence of the following Appointive Members of the NTA Governing Board, to wit:

1. Adm. ROBERT L. SEARES, M.D.
2. Dir. PEDRO J. MENDIOLA, JR.
3. Dir. RODOLFO F. SALANGA
4. Dir. WILFREDO C. MARTINEZ
5. Dir. TEOFILO R. QUINTAL
6. Dir. NESTOR C. CASELA; and
7. Dir. DANILO C. TRONGCO

The Acting Board Secretary declared that there is a quorum for the meeting with the presence of more than majority of the Members of the NTA Governing Board.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL OF THE AGENDA FOR THE ONE HUNDRED AND SEVENTEENTH (117TH) REGULAR MEETING HELD THIS 12 OCTOBER 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

Dir. Quintal moved for the approval of the Agenda for the 117th Regular Meeting of the Board, subject to the other matters that will be discussed later in the meeting. Dir. Trongco seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 920-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED that the NTA Governing Board approves the Agenda of the One Hundred and Seventeenth (117th) Regular Meeting of the NTA Governing Board held this 12 October 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

B. APPROVAL OF THE MINUTES OF THE EIGHTY-NINTH (89TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 21 SEPTEMBER 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the Eighty-Ninth (89th) Special Meeting of the NTA Governing Board held on 21 September 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City, for the consideration and approval of the Members.

Dir. Casela requested for minor corrections on the minutes. He then moved for the approval of the minutes, as amended. Dir. Mendiola seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 921-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Eighty-Ninth (89th) Special Meeting of the NTA Governing Board held on 21 September 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”



C. REQUEST FOR THE EXTENSION OF TERMS OF LOANS RELEASED UNDER THE KAKAHUYANG PANGKABUHAYAN AT PANGKALIKASAN (KPP) PROJECT FROM CY 2013 TO PRESENT

On motion of Dir. Salanga, duly seconded by Dir. Quintal, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 922-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby amends the Implementing Guidelines of the Kakahuyang Pangkabuhayan at Pangkalikasan (KPP) Project by extending the term of loan repayment thereof by the farmer-cooperators from four (4) years to seven (7) years, effective retroactively from CY 2013.

UNANIMOUSLY APPROVED.....”

D. REQUEST FOR THE AMENDMENT OF BOARD RESOLUTION NO. 901-2018 DATED 09 AUGUST 2018 INCREASING THE SALARIES OF JOB ORDER DRIVERS/BOD STAFF, TO INCLUDE THREE (3) ADDITIONAL JOB ORDER DRIVERS-HIREES

Upon motion of Dir. Casela, duly seconded by Dir. Salanga, the board adopted the following resolution, to wit:

RESOLUTION NO. 923-2018

“WHEREAS, on 09 August 2018, the NTA Governing Board adopted Resolution No. 901-2018, approving the increase of the respective monthly salaries of eleven (11) listed Job Order Drivers, to include Mr. Miguel Paculan, by P2,000.00, per month, per listed Job Order Hirees.

WHEREAS, the Administrative Department reported that there are three (3) additional Job Order Drivers who were already on board as of 01 August 2018 but were not included in the list.

NOW, THEREFORE,

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby amends Board Resolution No. 901-2018 dated 09 August 2018, to include the three (3) Job Order Drivers who were inadvertently not included in the original list earlier submitted to the board.

UNANIMOUSLY APPROVED.....”

E. REQUEST FOR AUTHORITY TO ENGAGE THE SERVICE OF THE MARIANO MARCOS STATE UNIVERSITY (MMSU), BATAK CITY,

ILOCOS NORTE, RELATIVE TO THE NTA CUSTOMER SATISFACTION SURVEY (CSS) FOR CY 2018

(deferred, pending the final negotiation on the terms and conditions of the agreement with MMSU and ISPSC)

- F. CONFIRMATION OF THE AWARD OF CONTRACT FOR THE PROJECT: "REPAIR AND IMPROVEMENT OF THE NTA CAGAYAN BRANCH OFFICE BUILDING AND CONSTRUCTION OF EMPLOYEES' QUARTERS" IN FAVOR OF NESTOR GENERAL ENGINEERING AND CONSTRUCTION (NGEC) WITH THE BID AMOUNT OF PHP3,057,985.59**

On motion of Dir. Salanga, duly seconded by Dir. Quintal, the board adopted the following resolution, to wit:

RESOLUTION NO. 924-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the award of contract for the project: "Repair and Improvement of the NTA-Cagayan Branch Office Building and Construction of Employees' Quarters" in favor of Nestor General Engineering and Construction (NGEC) with the Single Calculated and Responsive Bid (SCRB) in amount the of Php3,057,985.59.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to issue the Notice of Award to the winning bidder and execute the corresponding Contract/Agreement for and in behalf of the NTA, as well as issue the Notice to Proceed.

UNANIMOUSLY APPROVED....."

- G. CONFIRMATION OF THE AWARD OF CONTRACT FOR THE PROJECT: "REPAIR AND IMPROVEMENT OF THE NTA CANDON BRANCH OFFICE BUILDING" IN FAVOR OF LHS DRILLING ENTERPRISES WITH THE BID AMOUNT OF PHP2,770,147.48**

On motion of Dir. Quintal, duly seconded by Dir. Salanga, the board adopted the following resolution, to wit:

RESOLUTION NO. 925-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the award of contract for the project: "Repair and Improvement of the NTA-Candon Branch Office Building" in favor of LHS Drilling Enterprises with the Single Calculated and Responsive Bid (SCRB) in amount the of Php2,770,147.48.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to issue the



Notice of Award to the winning bidder and execute the corresponding Contract/Agreement for and in behalf of the NTA, as well as issue the Notice to Proceed.

UNANIMOUSLY APPROVED.....”

- H. **CONFIRMATION OF THE AWARD OF CONTRACT FOR THE PROJECT: “REPAIR AND IMPROVEMENT OF THE NTA VILLASIS BRANCH OFFICE BUILDING AND CONSTRUCTION OF EMPLOYEES’ QUARTERS” IN FAVOR OF NESTOR GENERAL ENGINEERING AND CONSTRUCTION (NGEC) WITH THE BID AMOUNT OF PHP3,274,932.69**

On motion of Dir. Martinez, duly seconded by Dir. Salanga, the board adopted the following resolution, to wit:

RESOLUTION NO. 926-2018

“BE IT RESOLVED, AS IT IS HEREBY **RESOLVED**, that the NTA Governing Board approves the award of contract for the project: “Repair and Improvement of the NTA-Villasis Branch Office Building and Construction of Employees’ Quarters” in favor of Nestor General Engineering and Construction (NGEC) with the Single Calculated and Responsive Bid (SCRB) in amount the of Php3,274,932.69.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to issue the Notice of Award to the winning bidder and execute the corresponding Contract/Agreement for and in behalf of the NTA, as well as issue the Notice to Proceed.

UNANIMOUSLY APPROVED.....”

- I. **CONFIRMATION OF APPOINTMENTS**

On motion of Dir. Martinez, duly seconded by Dir. Salanga, the board adopted the following resolution, to wit:

RESOLUTION NO. 927-2018

“BE IT RESOLVED, AS IT IS HEREBY **RESOLVED**, that the NTA Governing Board hereby confirms the appointments of the following NTA personnel, to wit:

Name	Position	SG	Official Station
1. Eleanor A. Rapanut	Chief Tobacco Production & Regulation Officer	24	Regulation Dept.
2. Elvira N. Sambrana	Supervising Tobacco Production & Regulation Officer	22	Regulation Dept.



3.	Nora A. Corre	Supervising Tobacco Production & Regulation Officer	22	Abra Branch
4.	Feliza R. Aurellano	Project Development Officer IV	22	FTSD
5.	Randy I. Abella	Supervising Science Research Specialist	22	FTSD
6.	Primitivo M. Abalos, Jr.	Senior Tobacco Prod. Regulation Officer	18	Regulation Dept.
7.	Amelia Veronica L. Lacaden	Senior Tobacco Prod. Regulation Officer	18	Candon Branch
8.	Adonis D. Lazo	Senior Tobacco Prod.	18	Candon Branch
9.	Noralyn I. Idica	Administrative Officer	18	Vigan Branch
10.	Franklin Ross S.	Tobacco Prod. Regulation Officer III	15	Regulation Dept.
11.	Jordan C. Turalba	Cashier II	14	Abra Branch
12.	Evangeline Y. Isip	Tobacco Prod. Regulation	11	Regulation Dept.
13.	Israel C. Ramos	Agriculturist I	11	Pangasinan Br.
14.	Ross Ann S. Dismaya	Tobacco Prod. Regulation	11	Pangasinan Br.
15.	Carmencita T. Bersalona	Agriculturist I	11	Abra Branch
16.	Ian Michael D. Ventura	Tobacco Prod. Regulation Officer I	11	Vigan Branch
17.	Merilene V. Sansano	Secretary I	7	Finance Dept.
18.	Angelique Nova H. Corpuz	Secretary I	7	Candon Br.

*****nothing follows*****

APPROVED UNANIMOUSLY....."

IV. OTHER MATTERS

**A. APPROVAL OF THE AWARD OF CONTRACT FOR THE PROJECT:
"LEASE OF OFFICE SPACE BY THE NATIONAL TOBACCO
ADMINISTRATION (NTA) FOR USE AS ITS CENTRAL OFFICE" IN
FAVOR OF BEN-LOR REALTY TRADING AND PUBLISHING
CORPORATION WITH THE LOWEST QUOTATION OF PHP758.93, PER
SQUARE METER, FOR TOTAL AREA OF 1,550 SQUARE METERS**

Dir. Mendiola asked on the date of effectivity of the lease contract. Atty. Ambros replied that he is not sure of the exact date of effectivity, however, he said that as per bidding procedure, once the contract is signed, the winning bidder shall be given seven (7) days to deliver the premises after the receipt of Notice to Proceed. Dir. Mendiola also commented that there are only 10 parking slots available for NTA which is not enough for officials and staff. Atty. Ambros reported that the NTA premises will still be used by the service vehicles and the 10 available parking slots shall be utilized by the officials and employees.

Still on related matter, Dir. Mendiola questioned the timeliness of leasing the subject office space when the NTA building is not yet due for demolition. Atty. Ambros replied that the transfer of offices was due to the report that the building is not structurally sound and the Manager of the Administrative Department is very much concerned on the safety of all officials and employees.

Mr. Dela Cruz inquired on the duration of the lease contract. Atty. Ambros replied that it is on a year to year basis, renewable every year.

Dir. Casela inquired on the status on the development on the proposed construction of new building. Atty. Ambros reported that the NTA Management has already discussed the matter with the consultant/structural engineer has already recommended for the construction of new building instead of retrofitting the building. Atty. Ambros further reported that the consultant will prepare his costings to show that the cost of retrofitting is more than 60% of the cost for the construction of a new one. He said that the recommendation and costings will be submitted to the DPWH for review before submission to the DBM for funding. Dir. Casela asked who will approve the recommendation of the consultant. Atty. Ambros responded that the Honorable Administrator will submit his final recommendation for approval by the board.

Without further comment from the members of the board and on motion of Dir. Mendiola, duly seconded by Dir. Trongco, the board adopted the following resolution, to wit:

RESOLUTION NO. 928-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the award of contract for the project: “Lease of Office Space by the National Tobacco Administration (NTA) For Use As Its Central Office” in favor of Ben-Lor Realty and Publishing Corporation with the lease rate in amount the of Php758.93, per square meter, for the first year of lease, for a total of 1,550 square meters, renewable every year, upon mutual consent by the NTA and Ben-Lor.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to issue the Notice of Award to the winning bidder and execute the corresponding Contract/Agreement for and in behalf of the NTA, as well as issue the Notice to Proceed.

UNANIMOUSLY APPROVED.....”

- B. APPROVAL OF THE AWARD OF CONTRACT FOR THE PROJECT: “SUPPLY AND DELIVERY OF PLC SIEMENS CONTROLLER FOR SMOKING MACHINE CERULEAN SM450 AND SMOKING HEAD 70ML ASSEMBLY FOR SM450 (2 PUFF ENGINE)” IN FAVOR OF WCD INTERNATIONAL CORPORATION WITH THE SINGLE CALCULATED AND RESPONSIVE BID (SCRB) IN THE AMOUNT OF PHP938,352.00**

Dir. Casela asked Dr. Bonoan because there is a pending request for the board to approve the award of contract for the purchase of smoking machine. He asked if the subject purchase is different from the one already purchased years ago. Dr. Bonoan said that this is different because the new smoking machine will be used to test IQOS and similar tobacco products.



Dir. Mendiola asked if the unit is new or just a duplication of the existing unit and what is the purpose of purchasing a new one. Ms. Lozano clarified that the subject of the purchase is actually the replacement of the computer unit of the existing smoking machine which was found defective.

Dir. Casela requested for the amendment of the BAC Resolution to clarify that the subject award is not a smoking machine but a replacement of the computer unit which is only a part of the existing smoking machine.

Upon unanimous decision, the board adopted the following resolution, to wit:

RESOLUTION NO. 929-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the award of contract for the project: “Supply and Delivery of PLC Siemens Controller for Smoking Machine Cerulean SM450 and Smoking Head 70ml Assembly for SM450 (2 Puff Engine)” in favor of WCD International Trading Corporation with the single and lowest quotation in amount the of Php938,352.00.

RESOLVED, FURTHER, that the BAC Resolution be amended to clarify that the subject purchase is not for the whole Smoking Machine itself but only the computer part which was found defective.

RESOLVED, FINALLY, that the Vice-Chairman/Administrator is hereby authorized to issue the Notice of Award to the winning bidder and execute the corresponding Contract/Agreement for and in behalf of the NTA, as well as issue the Notice to Proceed.

UNANIMOUSLY APPROVED.....”

Dir. Casela also asked Ms. Lozano what benefit does the NTA get from the smoking machine Ms. Lozano explained that the smoking machine analyzes the tar, nicotine and carbon monoxide of cigarettes. The analysis is just an initial step in establishing standards. Ms. Lozano reported that the Philippines is behind from other European countries. She also said that tar, nicotine and carbon monoxide testing are now obsolete and the trend is more on other cigarette contents and ingredients.

Dr. Bonoan also reported that there was already a draft of proposed regulation on the limit of cigarette contents as part of the NTA's regulatory authority in the monitoring of tobacco products. He said that the results of analyses will categorize a tobacco product as high priced, medium priced and low priced. However, Dr. Bonoan said that the draft of regulation was not submitted to the board for approval. He then requested for the purchase of new Smoking Machine for IQOS and other similar tobacco products.

Upon unanimous decision, the board adopted the following resolution, to wit:

RESOLUTION NO. 930-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the Industrial Research Department for the purchase of new Smoking Machine capable of testing/analyzing new tobacco products, such as IQOS and other similar products.

UNANIMOUSLY APPROVED.....”

V. ADJOURNMENT

The agreed to conduct the next Committee and Special Board Meetings, as follows:


- a. Committee Meeting - 10:00 A.M., 23 October 2018; and
- b. 90th Special Meeting - 12:00 noon, 24 October 2018.


There being no other matter to be taken up, and upon motion of Dir. Mendiola, duly seconded by Dir. Salanga, the meeting was officially adjourned at 3:05 P.M.


PREPARED AND CERTIFIED CORRECT:



ATTY. ROBERT A. AMBROS
Acting Board Secretary

ATTESTED:



Hon. ROBERT L. SEARES
*Administrator, National Tobacco Administration
and Vice-Chairman, NTA Governing Board*


Hon. PEDRO J. MENDIOLA, JR.
Appointive Director, Tobacco Trader/Exporter Sector



Hon. RODOLFO F. SALANGA
Appointive Director, Tobacco Manufacturing Sector




Hon. WILFREDO C. MARTINEZ
Appointive Director, Tobacco Farmers Sector



Hon. TEOFILO R. QUINTAL
Appointive Director, Tobacco Farmers Sector



Hon. NESTOR C. CASELA
Appointive Director, Academic Community Sector



Hon. DANILO C. TRONGCO
Appointive Director, Tobacco Farmers Sector

