

# DPWH FACES PEOPLE'S AUDIT

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By **JOSE B. PEREZ**, Editor

LEGAZPI CITY — With the so-called nationwide People's Audit of various government projects reportedly to start here in Bicol, many observers thought it wise that probers should start looking into the allegedly anomalous multi-million projects that had initially been exposed in various news outlets in Bicol, including this paper.

Sad to say, they said, such controversial projects have not been given appropriate action by the government agencies that are supposed to be tasked with the prosecution of thieves and plunderers.

The people's audit, to be initiated by the Association of Volunteer Lawyers Against Corruption (AVLAC), chose Bicol for its maiden investigation because according to reports Bicol has the most number of anomalies involving the controversial Priority Development Assistance Fund (PDAF), otherwise known as pork barrel funds of congressmen and senators.

AVLAC is in close coordination with Citizens Crime Watch (CCW) chaired by Jose Malvar Villegas, a grandson of the last Filipino general that surrendered to the Americans. The secretary-general is Carlo Batalla, former CamSur board member.

Both Villegas and Batalla had only recently formally filed cases of plunder and graft against Janet Lim Napoles, the alleged pork barrel scam queen, and implicated 5 senators, 4 incumbent congressmen, 4 former congressmen who are holding other government offices now, and 15 former congressmen.

Saying the probers have chosen the right place, local newsmen in the region welcomed the AVLAC initiative as they are particularly interested to see that thorough investigations be conducted and cases accordingly filed against those involved in big-time and yet anomalous projects (pork barrel funded or not) that lined the pockets of corrupt engineers and government officials, such as the following three projects, among others:

1. the P100M Yawa River dredging project where only 20% of the project had actually been accomplished despite full payment;
2. the P374M rehabilitation projects in the 3rd district of Albay under "negotiated procurement" where competitive bidding was done away with; and
3. the rigged bidding that allegedly attended the P682M road projects in Catanduanes.

## Dredging project

Fresh funds worth P100M had been allocated for the dredging of the Yawa River in this city, which funds were allegedly released through the efforts of Bicolano Sen. Francis Escudero. Details about the project, however, including its program of work, were kept away from the media which drew suspicions of collusion in the bidding and awarding of the multi-million dredging contract whose implementation reportedly began in February 2013, when election period then was about to start. This, despite the people's indignation over dredging projects because of too much corruption spawned by it.

Floreño Solmirano, president of Albay Press Association, also lamented that the media was not getting enough information about the dredging contract despite the controversy that it created.

According to Albay Rep. Fernando Gonzalez "Bicol DPWH dredging style" merely dredges the mid-portion of the silted river by dumping dredged debris on both sides of the river that when flood comes, the debris return back to the river. For the Yawa River dredging work, Gonzalez lamented that only 20% of the project was actually accomplished.

## Calamity fund



On June 3, 2012, an aggrupation of civic-minded citizens representing various sectors and media practitioners wrote President Benigno S. Aquino a letter about anomalies in various rehabilitation projects in the 3rd district of Albay involving P374M as total project cost.

The group took note of the haste in the implementation of the project under the watch of DPWH Director Dequito. They also noted that the date of the Special Allotment Release Order (SARO) and its publication in the Philgeps covered just 6 days which for anyone is too short a period to go over and validate the number of projects listed in the SARO.

“It appears the projects did not [undergo] competitive bidding but was done through “Negotiated Procurement” which, although allowed, [still] requires certain conditions and requirement.”

The group said they went to the specified locations and conducted ocular inspections. “We discovered that the described damaged areas were already altered by succeeding weather disturbances and no longer fits (sic) the rehab work it originally required.”

In a letter to Dequito dated Dec. 23, 2011, Rep. Gonzalez for his part reminded the DPWH regional director that in his apparent haste to implement the projects, “you may be overlooking to properly re-asses the present conditions of the required rehabilitation in a more comprehensive manner to ensure that the resources are properly used to the best advantage of [the] government.”

The multi-sectoral group further informed the President that the negotiated procurement called for by Director Dequito “did not meet the requisites” for its adoption. They argued that there was no “imminent danger to life and property since it has been good 10 months since Typhoon Bebeng hit Bicol.” Secondly, they said there was no failed bidding since there was no competitive bidding conducted. “We remember no less than Cong. Fernando Gonzalez voicing his apprehension through a letter sent to Engr. Danilo Dequito over the lack of consultation and the rush in the implementation of said rehab works.”

Documents also show that a contractor wrote Dequito saying he was offered two projects worth P30M from the P374M fund to keep quiet. The contractor said he wants the competitive public bidding to allow the more than 80 contractors in the region to freely participate in the bidding. As it turned out, only 17 selected contractors were invited for the negotiated bidding and only “four or six” favored contractors were actually awarded with the contracts.

### **Rigged bidding**

Rigged bidding reportedly attended the P682M national road project in the island province of Catanduanes.

The United Katandungan Against Graft and Corruption (UKAG) complained that the DPWH ignored their letter dated Aug. 22, 2011 requesting for Xerox copies of the bidding documents and program of work.

UKAG President Eddie Rodulfo said they were disturbed that two powerful politicians in the province allegedly demanded 5% and 15% of the contract amount respectively, in addition to 5% reserved for DPWH officials.

In his letters dated Aug. 25 and Sept 13, 2011 to state auditor Mamerto Santelices, Rodulfo claimed the names of the contractors awarded with P610M of the P682M contracts were not the actual contractors in the job sites, saying that the actual contractors were not qualified to implement the cost of the contracts. He said his investigation and actual inspection in the field showed there was no equipment working as required, not even the presence of their own material testing engineers.

On his examination of the bid documents, Rodulfo said only equipment lease agreements were submitted by the contractors to qualify in the bidding. Worse, Rodulfo discovered that the lease agreement documents were allegedly faked and falsified.

### **Too many crooks**

A retired official of the DPWH regional office here said that the office had produced too many millionaires and bogus contractors.



He said it is of public knowledge that one of the top Bicol contracting companies was merely used by a DPWH engineer who had become one of the wealthiest regional executives in the country. Saying he had no documents to prove his allegations, Esplana said a genuine lifestyle check will bear this out.

“Where can you find an ordinary engineer who rose to become division chief and a big-time contractor backed up by a motor pool of heavy equipment in Legazpi City and Manila? When his jobless son got married, the wedding reception was held at the famous international 5-star Sofitel Hotel. And there was an ordinary engineer who rose to become a district engineer who chartered two commercial planes to Boracay for the wedding reception of his daughter,” Esplana also bared.

And these millionaires, including a top ranked engineer at the regional office here, are not bothered at all when placing heavy bets during cockfighting derbies anywhere in Bicol and Metro Manila, Esplana added.

Well-known among contractors, legitimate or not, this top DPWH official is a major player in all construction projects. He has his own construction company with a large equipment pool at Tahao Road in this city. Today, he is touted as the wealthiest DPWH engineer in Bicol, next to a former regional director and assistant regional director who had both retired recently.

Esplana added that a four-time sacked district engineer on issue of graft and corruption simply returned to his old post as a proud division chief without having been formally charged. Also, an assistant regional director unabashedly retired with heavy investments in hotel, construction, restaurants, real estate, and luxury cars, Esplana disclosed.

Esplana also hinted of a contractual lady geodetic engineer who enjoys foreign travels. He said this lady employee was a PBAC clerk charged with forging bid documents. She bought a house and lot in a subdivision near the Legazpi airport, and sold it a few years later for P5 million.

