



**PHILIPPINE NATIONAL  
CONSTRUCTION CORPORATION**

[Minutes of PNCC PAN Committee Meeting] 1 / 6  
[July 27, 2023]

**MINUTES OF THE HYBRID PAN COMMITTEE MEETING OF PHILIPPINE NATIONAL  
CONSTRUCTION CORPORATION (PNCC)  
HELD AT THE PNCC BOARD ROOM  
PNCC Complex, KM 15, East Service Road  
Bicutan, Parañaque City  
27 July 2023, 1:03 P.M.**

**PRESENT:**

Mariano Jesus S. Averia	Committee Chairman, PAN Committee
Herculano C. Co Jr.	Vice-Chairman, PAN Committee
Miguel E. Umali	Member, PAN Committee
Jonathan S. Avanceña	Member, PAN Committee <i>(via Zoom Platform)</i>
Evelina G. Escudero	Member, PAN Committee <i>(via Zoom Platform)</i>

**ALSO PRESENT:**

Lamberto B. Mercado Jr.	Director - (Observer) <i>(via Zoom Platform)</i>
Danilo S. Constantino	Director - (Observer) <i>(via Zoom Platform)</i>
Oscar T. Zaldivar	Director - (Observer)
Alex L. Sembrano	Director - (Observer)
Alan R. Luga	Director - (Observer) <i>(via Zoom Platform)</i>
Rosalyn S. Delivios	Head - MIS Department
Kevin Jordan DL. Mendoza	Corporate Secretary
John Benedick R. Dela Cruz	Assistant Corporate Secretary
Renato M. Monsanto	Administrative Support- Corporate Secretariat

**APOLOGIES:**

Atty. Maan Vanessa L. Doctor	Chief Privatization Officer (PMO)
Conchita Q. Sagun	PMO Representative

I. CALL TO ORDER / ROLL CALL

During the committee meeting, all members of the PAN Committee were present, namely: (1) Committee Chairman Mariano Jesus S. Averia, (2) Vice-Chairman Herculano C. Co, Jr., (3) President & CEO Miguel E. Umali, (4) Director Jonathan S. Avanceña and (5) Director Evelina G. Escudero.

All of the above-mentioned directors were physically present with the exception of Director Jonathan S. Avanceña and Director Evelina G. Escudero, who joined the joint committee meeting thru Zoom platform.

On roll call, Dir. Avanceña and Dir. Escudero stated their [1] location, [2] the device they were using for the video conference, [3] that they can clearly see and hear fellow directors clearly, and [4] that they received the agenda and materials for today's meeting within the threshold period.

There being a quorum, Committee Chairman Averia called the meeting to order at 1:03 P.M. and presided over the same.

II. APPROVAL OF AGENDA

On motion duly made by Vice-Chairman Co and seconded by Dir. Escudero, the Committee approved the Agenda for today's meeting.

III. APPROVAL OF THE MINUTES OF PERFORMANCE AGREEMENT  
NEGOTIATION MEETING HELD LAST 22 JUNE 2023

On motion duly made by Dir. Avanceña and seconded by Pres. Umali, the Committee approved the corrected Minutes of PAN meeting dated 22 June 2023.

IV. FIRST & SECOND QUARTER PES MONITORING REPORT

Committee Chairman Averia informed the committee that Ms. Rosalyn S. Delivios, Head of Management Information System of PNCC, will give an update on

the First and Second Quarter of the Performance Evaluation Scorecard (PES) Monitoring Report.

Ms. Delivios then gave an update on the First and Second Quarter PES Monitoring Report, to wit:

For Strategic Measure (SM) 1 – Construction and Development of Real Properties. There is no significant development on this SM as PNCC is still awaiting for the Notice of Taking from Department of Transportation regarding the Bicutan property.

For SM 2 – Annual Vehicle Traffic of Metro Manila on Skyway Stage 3. The total traffic count as of June 2023 is 27,224,273 (49.91%) which is supposed to be 50% by the end of June. Dir. Avanceña inquired on the target of PNCC in this Strategic Measure and whether the SM's rating scale is all or nothing. Ms. Delivios answered that the target Annual Vehicle Traffic of Metro Manila for 2023 is about 54.5 million and the rating scale is not all or nothing. As of the second quarter of 2023, the total traffic count is 27.2 million, which is almost 50% of the annual target of 54.5 million.

For SM 3 – Percentage of Satisfied Customers. The 2022 Customer Satisfaction survey was given to PNCC's client and its result was analyzed by a third (3<sup>rd</sup>) party appraiser. PNCC's overall satisfaction rating is 4.5 or equivalent to 90%, thus, PNCC achieved its target for this SM.

For SM 4 – ISO Certification. PNCC has already completed all the activities required for certification. The selection and evaluation of the certifying body is still ongoing. On update on the bidding of the certifying body, the opening of bid will be conducted on 07 August 2023 and at least 1 qualifying bid is enough, for BAC to negotiate the award of service. PNCC will be conducting the alternative mode of procurement for this service.

For SM 5 – Construction and Development of Expressway Project. The Lucena-Matnog Expressway/SLEX TR 5 Detailed Engineering Design (DED) is 60%

to completion as of the second quarter of 2023. For Pasig River Expressway, the DED is 30% to completion. For Greater Capital Region Integrated Expressway, the Northern Access Link's has 25% accomplishment as of 2<sup>nd</sup> quarter as of 2023, while the advance work is ongoing but San Miguel has yet to provide us with its accomplishment report. For Southern Access Link, there is 35% completion on the Detailed Engineering Design. For Central Access Link, there is no update as to the development of the Supplemental Toll Agreement negotiations. Finally, for C6 project, the over-all project completion is 3.28% while they only completed the DED of Section 1A of the project.

For SM 6 – Percentage of Receivables Collected. PNCC made an oral motion to cite Ley Construction and Development Corporation in contempt for failure to consign their monthly rental payment. A Memorandum in support for the Motion for Issuance of Writ of Execution on Ley's unpaid rental payment was also filed.

Pres. Umali inquired if the developments in the Sedano case may be included in the 3<sup>rd</sup> quarter accomplishment. Ms. Delivios answered that we cannot amend SM6 but the collection revenues may be included in SM7 – Revenues. Ms. Delivios added that our total collectible for the Ley case amounts to PhP 231,000,000 and our target is only PhP 18,000,000. Pres. Umali then asked the Corporate Secretary on the status of Ley case and if the appropriate Motions for Early Resolution have been filed. The Corporate Secretary answered that the OGCC only filed a Motion in the Ejectment case with Branch 45 of the Metropolitan Trial Court – Pasay. However, with regard to the pending incidents (Motion for Execution and Motion for Contempt) in the Injunction case filed by Ley against PNCC, the OGCC has yet to file the said motions.

For SM 7 – Revenues. The total revenue as of the 2<sup>nd</sup> quarter of 2023 amounts to 307,712,017.07 which translates to 44.81% of the total projected revenue. The total projected revenue at the end of 2<sup>nd</sup> quarter should be 50% of the total projected revenue which is PhP 343.305 million, thus, PNCC is short of around 35.6million pesos. At the instance of Chairman Co, Ms. Delivios declared that the total revenue target is achievable for CY 2023.



For SM8 – Conversion of Debt-to-equity. There is no significant change as the company is awaiting for the Decision of the Office of the President on PNCC's Motion for Reconsideration.

For SM9 – Budget Utilization Rate (BUR). The total actual disbursement as of 2<sup>nd</sup> quarter is PhP 21,584,596.03 while the total approved Corporate Operating budget is PhP 64,935,898.00. The total Budget Utilization rate is 33%.

For SM10 – Percentage of Employees Meeting Required Competencies. There is an on-going review of job description to incorporate competency requirement for each position. Upon completion, the assessment of competency level will be undertaken. As to the summary of employees' competency as of 30 June 2023, the total number of employee profiled is at 50%. At the instance of Committee Chairman Averia, Ms. Delivios stated that the next step is to craft the assessment for the competency level of each employees. Pres. Umali inquired as to the target date of completion of competency, which Ms. Delivios answered that for the job profiling, they hope to finish the matter by August 2023.

Dir. Avanceña asked Ms. Delivios as to the overall percentage of PNCC to the PES accomplishment. Ms. Delivios answered that as of now, it is too early to assess the overall percentage accomplishment of PNCC to the PES.

At the instance of Dir. Escudero, Ms. Delivios clarified that the said monitoring report will be submitted to the GCG on or before 31 July 2023 without the need of any Board Approval.

## V. ADJOURNMENT

There being no further business to transact, on motion duly made and seconded, the meeting was adjourned at 1:25 P.M.

ATTESTED BY:



MARIANO JESUS S. AVERIA  
*Chairman, PAN Committee*



HERCULANO C. CO JR.  
*Vice-Chairman, PAN Committee*



MIGUEL E. UMALI  
*Member, PAN Committee*



JONATHAN S. AVANCEÑA  
*Member, PAN Committee*



EVELINA G. ESCUDERO  
*Member, PAN Committee*

Certified Correct:



KEVIN JORDAN DL. MENDOZA  
*Corporate Secretary*



JOHN BENEDICK R. DELA CRUZ  
*Assistant Corporate Secretary*