



Republic of the Philippines
Department of Education
REGION IV-A CALABARZON



CONTRACT OF SERVICE

KNOW ALL MEN BY THESE PRESENTS:

This contract made and entered into by and between:

DEPARTMENT OF EDUCATION REGIONAL OFFICE IV-A CALABARZON, a component field office of the government entity known as the Department of Education organized under existing Philippine laws with office address at Gate 2, Karangalan Village, Cainta, Rizal and herein represented by its Regional Director, **ATTY. ALBERTO T. ESCOBARTE**. It shall be referred in this agreement as the **CLIENT**.

-and-

AZTECO CORPORATION (AXIAA HOTEL), with principal address at 135 West Ave., Barangay Bungad, Quezon City, represented herein by its Authorized Representative, **CHESTINE CERILLA**, hereinafter referred to as the **HOTEL COMPANY**.

WITNESSETH

WHEREAS, the **CLIENT** has undertaken the procurement of **LEASE OF VENUE WITH FOOD AND ACCOMODATION** for the **"PLANNING WORKSHOP OF THE REGIONAL FACILITATORS"** on **October 16-18, 2023** and **"REGION-WIDE ROLL-OUT TRAINING OF EARLY LANGUAGE LITERACY AND NUMERACY FOCUSING ON THE SCIENCE OF READING"** on **October 23-29, 2023**.

WHEREAS, the Approved Budget for the Contract (ABC) is **THREE MILLION NINE HUNDRED SEVENTY-EIGHT THOUSAND PESOS ONLY (PhP3,978,000.00)**;

WHEREAS, the 2016 Revised IRR of RA 9184, particularly Section 10, rule IV thereof, states that all procurements shall be done through Competitive Bidding;

WHEREAS, Section 12.1 (j) Rule V of the 2016 Revised IRR of RA 9184 states that the Bids and Awards Committee (BAC) shall recommend to the Head of the Procuring Entity (HOPE) the use of Alternative Methods of Procurement as provided in Rule XVI thereof;

WHEREAS, Section 53, Rule XVI of the 2016 Revised IRR of 9184 states that for purposes of economy and efficiency, the agency concerned may adopt Alternative Methods of Procurement such as Negotiated Procurement;

WHEREAS, Section 53.10, Rule XVI of the 2016 Revised IRR of 9184 states that Negotiated Procurement under the Lease of Real Property and Venue for official use is subject to Annex "H" of the 2016 IRR;

WHEREAS, pursuant to the specific guidelines for the Alternative Methods of Procurement, Item V-D 9(b)(i) of Annex "H" in the 2016 Revised IRR of RA No. 9184, states that:

"i. Publicly-owned vis-à-vis privately-owned real property and venue.



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Certificate No. PHP QMS
22 93 0085

It is preferred that government agencies lease publicly-owned real property or venue from other government agencies.

If there is an available publicly-owned real property or venue that complies with the requirements of the Procuring Entity, it may enter into a contract of lease with the government-agency owner.

In the event that the Procuring Entity would resort to privately-owned real property or venue, the End-user unit shall justify that the same is more efficient and economical to the government."

WHEREAS, the end user submitted a justification indicating that resorting to privately-owned real property or venue is more efficient and economical to the government. Also, the end-user stated that publicly-owned venue cannot comply in some of their specifications;

WHEREAS, the BAC with the end-user decided to cater the services of the privately-owned venue that complies with the requirements of the end-user;

WHEREAS, Rule XVI, Section 48.2 of the IRR of RA 9184, otherwise known as the "Government Procurement Reform Act of 2003" provides the general rule that public bidding is the general mode of procurement. However, the same section allows procuring entities to resort to alternative methods of procurement such as Negotiated Procurement subject to the approval of the Head of Procuring Entity;

WHEREAS, Rule XVI, Section 53.10 of the IRR of RA 9184 allows Negotiated Procurement under Lease of Real Property and Venue as a mode of procurement subject to the approval of the Head of the Procuring Entity;

WHEREAS, the BAC, through its Secretariat, initiated the procurement activity by sending the Request for Quotation (RFQ) to three (3) prospective suppliers. The three (3) prospective suppliers are as follows: (1) Red Hotel; (2) Azteco Corporation (Axiaa Hotel); and (3) Swiss Belhotel Blulane;

WHEREAS, four (4) suppliers submitted their respective proposals before the deadline for the submission of bids, offering the following financial bids, as read:

NAME OF BIDDER	AMOUNT OF BID
The Selah Garden Hotel, Inc.	PhP3,779,000.00
Azteco Corporation (Axiaa Hotel)	PhP3,909,195.00
Great Eastern Hotel	PhP3,976,011.00
Eurotel Corp.	PhP3,978,000.00

WHEREAS, on September 22, 2023, the end-user together with the BAC-TWG conducted an ocular inspection at **Selah Garden Hotel** being the lowest calculated bid (LCB).

WHEREAS, based on the ocular inspection, the following were observed:

- a. breakout rooms are dim and cannot accommodate 250 pax as needed in the training;
- b. the additional bed is too small for an adult participant;
- c. limited slots for parking;
- d. room accommodations are far from the breakout halls; and
- e. the venue is not that accessible to participants coming from provinces riding public buses;

WHEREAS, on September 26, 2023, the end-user together with BAC-TWG conducted an ocular inspection at **Azteco Corporation (Axiaa Hotel)**, being the 2nd LBC.

WHEREAS, based on the ocular inspection, the following were observed:

- a. strong internet connection with a minimum of 150 Mbps;
- b. frequently sanitized grand/spacious hall that can accommodate 250 pax in one seating;
- c. function hall is ready for registration at 6:00 am;
- d. free use of 2 function rooms or wide lobby/area for display and set up of the presentation of LR's;
- e. can accommodate to observe health protocols;
- f. provision of medical personnel, 70% Solution Alcohol, and non-contact thermometer;
- g. with 2 LCD and widescreen and printer extension cords, quality sound system, microphones & microphone stands, whiteboard with markers;
- h. free tarpaulin at least 2 pcs-Outside & Main hall hanging with DepEd CALABARZON Logo;
- i. free flowing coffee (brewed), tea, and hot chocolate;
- j. purified drinking water, hot and cold, mess hall and dining area;
- k. meals for breakfast, am and pm snacks, lunch and dinner;
- l. October 16-18, 2023 (Planning workshop) – First meal is Breakfast on Day 1 and the last meal is PM Snacks on the Last Day;
- m. October 23-29, 2023 (Training Proper) – First meal is AM Snacks on the Day 1 and the last meal is Lunch on the Last Day; and
- n. parking lots for participants up to 20 slots.

WHEREAS, the report containing the result of the evaluation is attached hereto as Annex "A", Annex "B", and Annex "C" and made an integral part hereof;

WHEREAS, the evaluation report during the ocular inspection to **Selah Garden Hotel** and **Azteco Corporation (Axiaa Hotel)** and rated in accordance with the technical specification pursuant to Appendix "B" of Annex "H" of the Consolidated Guideline for the Alternative Methods of Procurement is attached hereto as Annex "B" is made integral parts hereof;

WHEREAS, after review and evaluation on the proposals and report submitted, **AZTECO CORPORATION (AXIAA HOTEL)** complied with the requirements and is hereby declared as the Lowest Calculated and Responsive Bid (LCRB);

WHEREAS, the Entity invited Bids for the Procurement of Lease of Venue (food and accommodation) of the participants, in the **"PLANNING WORKSHOP OF THE REGIONAL FACILITATORS"** on **October 16-18, 2023** and **"REGION-WIDE ROLL-OUT TRAINING OF EARLY LANGUAGE LITERACY AND NUMERACY FOCUSING ON THE SCIENCE OF READING"** on **October 23-29, 2023** and has accepted a Bid of **AZTECO CORPORATION (AXIAA HOTEL)** for the Lease of Venue (food and accommodation) in the sum of **THREE MILLION NINE HUNDRED NINE THOUSAND ONE HUNDRED NINETY-FIVE PESOS ONLY (Php3,909,195.00)**. (Hereinafter called "the Contract Price").

WHEREAS, on October 3, 2023, the Notice of Award was issued to **Azteco Corporation (Axiaa Hotel)** and it was posted in the Philippine Government Electronic Procurement System (PhilGEPS) on October 5, 2023, office website and conspicuous bulletin board in the premises of this Office on October 4, 2023;

NOW, THEREFORE, for and in consideration of the foregoing premises of the mutual covenants and provisions hereafter set forth, the parties hereto have agreed and do hereby mutually agree as follows:

Section 1 Responsibilities of the Hotel Company

The **Hotel Company** shall:

1. Provide food and hotel accommodation to the participant of the **Client**;

Date/s	No. of Participants	Unit Cost
October 16-18, 2023	54	PhP1,970.00
October 23-29, 2023	261	PhP1965.00

2. Maintain that all of the services to be performed under or pursuant to this contract shall be of the standard and quality which prevail among similar businesses and organizations of superior knowledge and skill engaged in providing similar services under the same or similar circumstances.

Section 2
Responsibilities of the Client

The **Client** shall:

1. Pay the **Hotel Company** the guaranteed number of participants
2. Agree that it shall be charged or billed the total amount of **THREE MILLION NINE HUNDRED NINE THOUSAND ONE HUNDRED NINETY-FIVE PESOS ONLY (PhP3,909,195.00)** for the whole duration of the event;
3. Exercise strict discipline, close supervision and exclusive control and administration over its personnel in accordance with law, ordinances and pertinent government rules and regulations as well as the rules and policies laid down by the **Hotel Company** on the matter;

Section 3
Terms of Payment

The **Client** binds itself to pay the **Hotel Company** within thirty (30) days after the conclusion of the training/seminar. The **Client** hereby understands that the focal person must be the one responsible for the immediate processing of payments.

Section 4
Inclusions in the services

The **Hotel Company** shall provide for the following:

- a. Food**
- Meal for breakfast, am and pm snacks, lunch and dinner;
 - October 16-18, 2023 (Planning Workshop):
 - First meal is Breakfast on Day 1
 - Last meal is PM Snacks on the Last Day
 - October 23-29, 2023 (Planning Proper):
 - First meal is AM Snacks on Day 1
 - Last meal is Lunch on the Last Day
 - Free flowing coffee (brewed), tea and hot chocolate;
 - Purified drinking water, hot and cold, mess hall and dining area;
- b. Room Accommodation**
1. Can accommodate 250 participants for Triple Sharing/Standard Sharing room accommodation to observe health protocols;
 2. No bed mattress on the floor
- c. Function Room:**
1. Strong internet connection with a minimum of 150 mbps;
 2. Frequently sanitized grand/spacious hall that can accommodate 250 pax in one eating;

3. Function hall is ready for registration at 6:00 am;
4. Free use of 2 function rooms or wide lobby/area for display and set up of the presentation of LRs;
5. Provision of medical personnel, 70% Solution Alcohol, and non-contact thermometer;
6. With 2 LCD and widescreen and printer extension cords, quality sound system, microphones & microphone stands, whiteboard with markers;

d. Other Concerns

1. Free tarpaulin at least 2 pcs-Outside & Main hall hanging with DepEd CALABARZON Logo;
2. Parking slots for participants up to 20 slots;
3. Maintaining cleanliness-function hall, restrooms, sleeping quarters, hallway, coffee/tea area, and dining area;
4. With 24-hour security, front-desk and housekeeping services.

Section 5

Use of Hotel Parking Space

The **Hotel Company** shall allow the use of its parking space to the participants free of charge.

Section 6

Termination of Contract

Any party may terminate this Contract based on the grounds provided and after compliance with Annex "I" of the 2016 Implementing Rules and Regulations of Republic Act 9184.

Section 7

Venue of Action

The parties shall make every effort to resolve amicably and by mutual consultation any or all disputes or differences arising between the Parties in connection with the implementation of this Contract. Should such dispute not be resolved amicably, it shall be submitted to arbitration in the Philippines according to the provisions of Presidential Decree No. 242 and Executive Order No. 292. Provided, however, that by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

Section 8

Warranty

The **Client** hereby warrants and attests that the signatory in this contract is duly authorized by the Board and / or its Management to sign for and its behalf.

Section 9

Other conditions of the contract

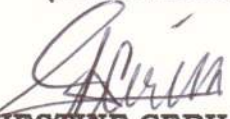
- a. In case of damage to the property of the participants of the **Client** caused by negligence of the personnel of the **Hotel Company**, the **Hotel Company** shall be liable for the damages;
- b. Necessary medical services and facilities shall be the responsibility and for the account of the **Hotel Company**; and
- c. The **Hotel Company** shall cause the notarization of this contract.

IN WITNESS WHEREOF, the parties have hereunto set their hands, this day of 11 OCT 2023 at CITY OF MANILA, Philippines.

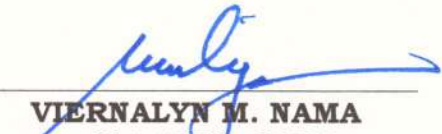
Department of Education
Region IV-A CALABARZON

Azteco Corporation
(Axiaa Hotel)


ATTY. ALBERTO T. ESCOBARTE, CESO II
Regional Director


CHESTINE CERILLA
Authorized Representative

SIGNED IN THE PRESENCE OF:


VIERNALYN M. NAMA
Chief EPS, CLMD



REPUBLIC OF THE PHILIPPINES)
CITY OF MANILA) SS.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of CITY OF MANILA, this 11 OCT 2023, personally appeared:

Name	Identification No.	Expiration Date
Atty. Alberto T. Escobarte	DepEd Office ID No. 4529876	
Chestine Cerilla		

who are known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their own free act and voluntary act and deed.

This instrument, consisting of six (6) pages, including the page on which this acknowledgment is written, has been signed on the left margin of each and every page hereof by the concerned parties and their witnesses, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL, at the place and date above-written.

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Book No. XVI
Series of 2023.

Notary Public
ATTY. HENRY D. ADASA
NOTARY PUBLIC CITY OF MANILA
APPOINTMENT 097/12/31/2023 MANILA
IBP NO. 181139 / 01/03/2023
PTR N. 0861145 / 01/03/2023
ROLL NO. 29679, TIN NO. 172-528-620
MCLE COMP. NO. VII-0000165 VALID UNTIL APRIL 14, 2025
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STA. CRUZ, MANILA