



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



Legal-CO01-2023-342

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-

RED HOTEL INC., with principal address at 627 Edsa Cubao, Quezon City, represented herein by its Authorized Sales and Representative, **CARIZA FERNANDEZ-MILO**, 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 **“REGIONAL TRAINING OF TRAINERS (RtoT) FOR LEARNING RECOVERY PROGRAM IN LITERACY AND NUMBERACY THROUGH SCHOOL-BASED LEARNING ACTION CELL-BAT .CH 2”** on **November 14-17, 2023**.

WHEREAS, the Approved Budget for the Contract (ABC) is **ONE MILLION EIGHT HUNDRED EIGHTY-EIGHT THOUSAND PESOS ONLY (PhP1,888,000.00)**;

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 requesting for quotation to at least three (3) prospective suppliers; The three (3) prospective suppliers are as follows: (1) Red Hotel; (2) Azteco Corporation (Axiaa Hotel); and (3) The Blulane Hotel Incorporated;

WHEREAS, three (3) 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
City State Tower Hotel	PhP1,840,800.00
Red Hotel, Inc.	PhP1,878,560.00
Sequoia Manila Corp.	PhP1,888,000.00

[Handwritten signature]



Address: Gate 2, Karangalan Village, Cainta, Rizal
 Telephone No.: 02-8682-2114
 Email Address: region4a@deped.gov.ph
 Website: depedcalabarzon.ph



Certificate No. PHP QMS
 22 93 0085

WHEREAS, on October 26, 2023, the end-user together with the BAC_TWG conducted an ocular inspection at **CITY STATE TOWER HOTEL** being the lowest calculated bid (LCB) and rated the venue in accordance with the technical specification pursuant to Appendix "B" of Annex "H" of the Consolidated Guideline for the Alternative Method of Procurement;

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

- a. The venue is not that accessible to those who will travel through public utility buses. From the bus terminal, they still need to ride jeepney twice or a taxi;
- b. The hotel can only accommodate 10 cars in its parking space which is also outside the hotel;
- c. The light is gloomy and is also evident along the hallways;
- d. The room is not wide enough to cater additional bed;
- e. The noise along Mabini Street may distract/disturb participants while they are in their rooms. Window glass is not sound proof;
- f. Provision of a room for program management team is at the ground floor while the participants are at the higher floors (for Day 3 & 4);
- g. Participants in one breakout room need to transfer to the ground floor for Day 3 & 4 because the room has been reserved by other guests.

WHEREAS, on October 29, 2023, the end-user conducted an ocular inspection at **RED HOTEL INC.** being the 2nd LCB and rated the venue in accordance with the technical specification pursuant to Appendix "B" of Annex "H" of the Consolidated Guidelines for the Alternative Method of Procurement

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

- a. The rooms are clean and well-maintained;
- b. Beds are comfy and the toilet is clean and hygienic;
- c. The hotel staff are friendly accommodating, and responsive;
- d. The function rooms/halls are well-lit and well-ventilated;
- e. The hotel is accessible to those who will be travelling via public transport;
- f. All prescribed specifications for the activity/training are met.

WHEREAS, based on the result of the ocular inspection reflected in the Rating Factors and Determination of Reasonableness of Rental Rate, **RED HOTEL INC.** ranks the highest with the score of **92.80** compared to **CITY STATE TOWER HOTEL** with the rating of **74.10** and made an integral part thereof;

WHEREAS, after review and deliberation on the proposal, **RED HOTEL INC.** 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 "**REGIONAL TRAINING OF TRAINERS (RtoT) FOR LEARNING RECOVERY PROGRAM IN LITERACY AND NUMBERACY THROUGH SCHOOL-BASED LEARNING ACTION CELL-BAT .CH 2**" on **November 14-17, 2023** and has accepted a Bid of **RED HOTEL INC.** for the Lease of Venue (food and accommodation) in the sum of **ONE MILLION EIGHT HUNDRED SEVENTY-EIGHT THOUSAND FIVE HUNDRED SIXTY PESOS ONLY (PhP1,878,560.00)**. (Hereinafter called "the Contract Price").

WHEREAS, on November 8, 2023, Notice of Award was issued to **RED HOTEL INC.;**

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 on November 14-17, 2023 to the **Two Hundred Thirty-Six (236) participants** of the **Client**;
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 **ONE MILLION EIGHT HUNDRED SEVENTY-EIGHT THOUSAND FIVE HUNDRED SIXTY PESOS ONLY (PhP1,878,560.00)** 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**
 - **Two Hundred Thirty-Six (236) participants**
 - Manage buffet for breakfast, lunch and dinner (**first meal to be served is breakfast on November 14, 2023**, and the **last meal on November 17, 2020 is lunch** with packed PM snacks);
 - Unlimited coffee/tea/chocolate drink and candies set-up;
- b. **Accommodation/Function Room and others**
 - Twin to triple sharing rooms (single beds only);
 - One (1) plenary hall for opening/closing program that can accommodate **236** participants;
 - Four (4) breakout rooms that can accommodate **55** participants per room;
 - One (1) room for program management team and learning facilitators;

- Two (2) serviceable/wireless microphones and complete sound system per room;
- At least one (1) whiteboard per breakout room;
- At least one (1) LCD projector and white screen per breakout room;
- Group workshop tables per breakout room (maximum of 6 pax per table);
- **Fast and reliable internet connection (at least 50-mbps).** Most of the activities of the training will require access to internet;
- Able and willing to ensure provisions for participants and guests with special conditions, breastfeeding moms, PWDs and other emergency situations;
- Responsive to safety and security requirements of the government;
- Accessible means of transportation for the participants; and
- Preferred venue is in National Capital Region (NCR).

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

Capacity and Authorization

Each of the parties to this Agreement hereby represents and warrants to the other that it is duly authorized and empowered to execute, deliver and perform this Agreement and that such action does not conflict with or violate any provision of law, regulation, policy, contract, deed of trust or other instrument to which it is a party or by which it is bound and that this Agreement constitutes a valid and binding obligation of it enforceable in accordance with its terms.

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 10 NOV 2023 at MAKATI CITY, Philippines.

**Department of Education
Region IV-A CALABARZON**

Red Hotel, Inc.


ATTY. ALBERTO T. ESCOBARTE, CESO II
Regional Director


CARIZA FERNANDEZ-MILO
Authorized Sales and Representative

SIGNED IN THE PRESENCE OF:

EDUARDA M. ZAPANTA
Chief EPS, HRDD
DepEd Region IV-A CALABARZON

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) SS.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of MAKATI CITY, this 10 NOV 2023, personally appeared:


Name	Identification No.	Expiration Date
Atty. Alberto T. Escobarte	DepEd Office ID No. 4529876	_____
Cariza Fernandez-Milo	_____	_____

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 five (5) 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.

Doc. No. 229;
Page No. 46;
Book No. 13;
Series of 2023.


ATTY. JOSEFINO N. SUCION
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2023
2746 ZENAIDA ST. POBLACION MAKATI
IBP NO. 257632/01/02/23
PTR NO. 956233/01/03/23
MCLE COMPLAINT NO. VII-0013028/04/14/2025
ROLL NO. 60799
APPOINTMENT NO. M-078