



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



Legal-CO01-2024-243

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), a domestic corporation duly registered under the Philippine laws, with principal address at 135 West Ave., Barangay Bungad, Quezon City, represented herein by its Authorized Representative, **JENNY LUSUAN**, hereinafter referred to as the **HOTEL COMPANY**.

W I T N E S S E T H

WHEREAS, the **CLIENT** has undertaken the procurement of **LEASE OF VENUE WITH FOOD AND ACCOMODATION** for the **"WORKSHOP ON THE DEVELOPMENT OF LEARNING RESOURCES FOR LEARNERS WITH DISABILITIES IN THE SPECIAL NEEDS EDUCATION PROGRAM (PHASE 1-2)"** on **July 22 to 26, 2024** and **August 5 to 9, 2024**.

WHEREAS, the Approved Budget for the Contract (ABC) for each lot are as follows:

| | |
|---------------|------------------------|
| LOT I | Php940,000.00 |
| LOT II | Php1,050,000.00 |

WHEREAS, Rule XVI, Section 48.2 of the IRR of R.A. 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 report to alternative methods of procurement such as Negotiated Procurement subject to the approval of the Head of the Procuring Entity;

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

WHEREAS, the Request for Quotation (RFQ) was posted in the Philippine Government Electronic System (PhilGEPs) on June 22, 2024, at the website of DepEd

Region IV-A CALABARZON, and conspicuous bulletin board in the premises DepEd Region IV-A CALABARZON on June 21, 2024 to June 27, 2024;

WHEREAS, RFQs were sent to four prospective suppliers as follows: (1) BGISTS Development Corporation (Luxent Hotel); (2) Red Hotel Inc.; (3) Camelot Hotel; and (4) Azteco Corporation (Axiaa Hotel);

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

| NAME OF BIDDER | LOT | AMOUNT OF BID | REMARKS |
|---|-----|-----------------|---------------|
| Great Eastern Hotel, Inc. | I | PhP843,650.00 | Non-Complying |
| | II | PhP942,375.00 | Non-Complying |
| Azteco Corporation (Axiaa Hotel) | I | PhP845,530.00 | Complying |
| | II | PhP944,475.00 | Complying |
| Richworld Hotel & Resort Management Corp. (Makati Palace) | I | PhP932,950.00 | Non-Complying |
| | II | PhP1,042,125.00 | Non-Complying |
| Selah Pods Hotel Inc. | I | PhP916,500.00 | Complying |
| | II | PhP1,023,750.00 | Complying |

WHEREAS, on June 28, 2024, the end-user conducted an ocular inspection at **GREAT EASTERN HOTEL INC.** and **AZTECO CORPORATION (AXIAA HOTEL)** and rated the venue in accordance with the technical specification pursuant to Appendix "B" of Annex "H" of the Consolidated Guidelines for the Alternative Methods of Procurement;

WHEREAS, based on the result of the ocular inspection reflected in the Rating Factors and Determination of Reasonableness of Rental Rate, **GREAT EASTERN HOTEL INC.** rated with the score of **76.55** and **AZTECO CORPORATION (AXIAA HOTEL)** rated with the score of **93.95**;

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

WHEREAS, after review and deliberation on the proposal and report submitted, **GREAT EASTERN HOTEL INC.** appears non-compliant for failure to passed based on the passing rate under the "Rating Factors and Determination of Reasonableness of Rental Rates;"

WHEREAS, after review and deliberation on the proposals and report submitted **AZTECO CORPORATION (AXIAA HOTEL)** complied with the requirements and is hereby declared as the Lowest Calculated and Responsive Quotation (LCRQ) for **LOT I** and **Lot II**;

WHEREAS, the Entity invited Quotation for the Procurement of Lease of Venue with food and accommodation of the participants, in the **“WORKSHOP ON THE DEVELOPMENT OF LEARNING RESOURCES FOR LEARNERS WITH DISABILITIES IN THE SPECIAL NEEDS EDUCATION PROGRAM (PHASE 1-2)”** on **July 22 to 26, 2024** and **August 5 to 9, 2024** and has accepted a Quotation of the **Hotel Company** for the Lease of Venue with food and accommodation of **LOT I** in the sum of **EIGHT HUNDRED FORTY-FIVE THOUSAND FIVE HUNDRED THIRTY PESOS ONLY (PhP845,530.00)** and for **LOT II** in the sum of **NINE HUNDRED FORTY-FOUR THOUSAND FOUR HUNDRED SEVENTY-FIVE PESOS ONLY (PhP944,475.00)**. (Hereinafter called “the Contract Price”).

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 following participants of the **Client**:

| | Date/s | No. of participants |
|--------|---------------------|----------------------------|
| LOT I | July 22 to 26, 2024 | 94 |
| LOT II | August 5 to 9, 2024 | 105 |

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 SEVEN HUNDRED NINETY THOUSAND FIVE PESOS ONLY (PhP1,790,005.00)** 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:

1. The Meals shall be:

- 1.1 Complete Meals (breakfast, AM snack, lunch, PM snack and dinner for **94** participants on July 22 to 26, 2024; and **105** participants on August 5 to 9, 2024;
- 1.2 First meal is **breakfast** for July 22, 2024 and Last meal is **PM snack** for July 26, 2024 – **LOT I**;
- 1.3 First meal is **breakfast** for August 5, 2024 and Last meal is **PM snack** for August 9, 2024 – **LOT II**;
- 1.4 Buffet type with stand-by waiters for Breakfast, Lunch and Dinner;
- 1.5 AM snack and PM snack are with drinks
- 1.6 Free-flowing coffee, mineral water, and/or tea and candies

2. The Function Room shall be:

- 2.1 Conference set-up and can accommodate at least 150 participants in a conference set-up;
- 2.2 Well-lighted and well ventilated;
- 2.3 Availability of audio-visual equipment with stand-by assistant such as:
 - 2.3.1 Five LCD projector with wide screens for Breakout rooms;
 - 2.3.2 Five whiteboard with markers and erasers;
 - 2.3.3 Complete set sound system, ten (10) extensions cords for laptops;
 - 2.3.4 Five wireless microphones;
 - 2.3.5 One microphone stand; and
 - 2.3.6 Podium/lectern
- 2.4 Strong and unlimited access to Internet/Wi-Fi in all areas of venue;
- 2.5 Three tables for the Secretariat (Registration area)
- 2.6 No pillars in the middle of the function room;
- 2.7 Five **Breakout Rooms**

3. The Room Accommodation shall be:

- 3.1 At least three Single bed (No Bed Sharing);
- 3.2 No bed mattress on the floor;
- 3.3 24-hours hot and cold shower, clean beddings, rooms and restrooms;
- 3.4 Room check-in time is 2:00 PM and check-out is 12:00 Noon

4. The following shall be provided:

- 4.1 Maintaining cleanliness-function hall, restrooms, sleeping quarters, hallway, coffee/tea area, and dining area;
- 4.2 Provision for backdrop for the activity; and Tarpaulin display at Project Site, not to exceed 3" x 4"; optional for Projects not exceeding 5 days (COA Circ. 2013-004);
- 4.3 Appropriate and sufficient parking area for VIP and other Guests;
- 4.4 24-hour security front desk and housekeeping

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 contract hereby represents and warrants to the other that it is duly authorized and empowered to execute, deliver and perform this contract 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 contract constitutes a valid and binding obligation between the parties.

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 19 JUL 2024 at QUEZON CITY, Philippines.

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



ATTY. ALBERTO T. ESCOBARTE, CESO II

**Azteco Corporation
(Axiaa Hotel)**



JENNY LUSUAN

SIGNED IN THE PRESENCE OF:


VIERNALYN M. NAMA
Chief Education Supervisor, CLMD
DepEd Region IV-A CALABARZON

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) SS.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public for and in the City of QUEZON CITY, this 19 JUL 2024, personally appeared:

| Name | Identification No. | Expiration Date |
|-----------------------------------|--|------------------------|
| <u>Atty. Alberto T. Escobarte</u> | <u>DepEd Office ID No. 4529876</u> | _____ |
| <u>Jenny Lusuan</u> | <u>Driver's license NO 4-03-006304</u> | _____ |

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 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.


ATTY. JOHNREY L. VILLALAGON
NOTARY PUBLIC
UNTIL DECEMBER 31, 2024
ADM. MATTER NO. NP-475 (2023-2024)
IBP No. 406966 / 01-08-24 / QC
PTR No. 5410002 / 01-08-24 / QC
Roll No. 83492
MCLE: Admitted to the Bar in 2022
52 Ilocos Sur St., Brgy. Ramon Magsaysay, QC

Doc. No. ...135;
Page No. ...28;
Book No. ...1...;
Series of 2024.