



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

COLLECTION OF SPECIAL WASTE AND DISPOSAL SERVICES
SERVICE AGREEMENT

(Project Reference No. GF-20-04-00733)

KNOW ALL MEN BY THESE PRESENTS:

This Agreement entered into by and between:

QUEZON CITY GOVERNMENT, a public corporation existing under the laws of the Philippines, represented herein by the Honorable **MA. JOSEFINA G. BELMONTE**, in her capacity as City Mayor, with office at Quezon City Hall Compound, Elliptical Road, Diliman, Quezon City, Metro Manila, and hereinafter referred to as the "CITY"

-and -

STERIPLUS CORPORATION, a corporation duly organized and incorporated under the laws of the Republic of the Philippines with office address at 346 F. Manalo St., Brgy. Batis, San Juan City, represented herein by its Authorized Representative/General Manager, **ALBERT DELA FUENTE**

In Joint Venture with

ECO SAFE HAZMAT TREATMENT INC., a corporation duly organized and incorporated under the laws of the Republic of the Philippines with office address at Lot 7 West Los Angeles St. California Village San Bartolome, Novaliches, Quezon City, represented herein by its President, **CHIJUN KIM**

STERIPLUS CORPORATION and **ECO SAFE HAZMAT TREATMENT INC.**
SAFE hereinafter collectively referred to as the "SERVICE PROVIDER"

RECITAL

WHEREAS, on 08 March 2020, President Rodrigo Roa Duterte, through Proclamation No. 922, declared a State of Public Health Emergency throughout the entire Philippines to address the COVID-19 outbreak in the country;

WHEREAS, given the COVID-19 pandemic, the Government Procurement Policy Board (GPPB) issued Resolution No. 03- 2020 allowing Procuring Entities (PEs) to apply the rules on Negotiated Procurement (Emergency Case) during a State of Calamity and simplifying the process therefor.

WHEREAS, on 16 March 2020, President Rodrigo Roa Duterte, through Proclamation No. 929, declared a State of Calamity throughout the entire Philippines and placed the entire Island of Luzon under Enhanced Community Quarantine (ECQ);

WHEREAS, on 24 March 2020, the President signed R.A. 11469 or the Bayanihan to Heal as One Act, which granted the President temporary emergency powers to address the national emergency brought about by the COVID-19 pandemic.

MA. JOSEFINA G. BELMONTE
City Mayor

ALBERT DELA FUENTE
General Manager

CHIJUN KIM
President



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

WHEREAS, the GPPB issued Circular No. 01-2020 which established the guidelines for emergency procurement under R.A. 11469 or the Bayanihan to Heal as One Act to expedite the procurement of highly needed supplies, materials, equipment, utilities, telecommunications, and other critical services authorized under said law at the most advantageous price to the government with the necessary safeguards for the prevention of abuses and corruption in the procurement process;

WHEREAS, in consideration of the City's actions of mitigating and containing the transmission of COVID-19, there is an immediate need to procure through Negotiated Procurement (Emergency Cases) under R.A. No. 11469 or the Bayanihan to Heal as One Act for the collection, cleaning and disposal of generated special waste, such as but not limited to, infectious and hazardous wastes, from quarantined households, city government hospitals, barangay health centers and similar facilities, city government-identified interim facilities, collection and disposal of used personal protective equipment (PPE), face mask, gloves and the like (collectively, "Special Waste") in accordance with the CITY's desired parameters;

WHEREAS, in accordance with pertinent laws, rules and issuances on Negotiated Procurement (Emergency Cases) *vis-a-vis* R.A. 11469 or the Bayanihan to Heal as One Act, the City sent Requests for Quotation/Proposal to various suppliers of known qualification;

WHEREAS, the CITY negotiated with the **SERVICE PROVIDER**, a supplier which possesses the technical, legal and financial capability to deliver the required services to address the COVID-19 emergency;

WHEREAS, on JUN 04 2020, the Notice of Award was issued to the **SERVICE PROVIDER**;

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties hereto agreed and do hereby mutually agree to be bound by the covenants and stipulations herein set forth as follows:

Section 1. Scope of Work. Pursuant to and in accordance with the Contract Documents provided herein, the **SERVICE PROVIDER** undertakes to supply and deliver to the **CITY** the collection, cleaning and disposal of generated special waste, such as but not limited to, infectious and hazardous wastes, from quarantined households, city government hospitals, barangay health centers and similar facilities, city government-identified interim facilities, collection and disposal of used personal protective equipment (PPE), face mask, gloves and the like in accordance with the CITY's desired parameters (the "**Services**") as defined herein, which shall include, but is not limited to, the following:

- a) Special Waste collection, which entails the removal of solid wastes from quarantined households, city government hospitals, barangay health centers and similar facilities, city government-identified interim facilities;
- b) Special Waste transport and disposal to the **SERVICE PROVIDER's** duly registered Treatment, Storage and Disposal (TSD) Facility;
- c) Treated Special Waste transport and disposal, which involves the direct and proper hauling and discharge of collected Special Waste from identified sources to an MMDA accredited or designated disposal facility for 10-wheeler trucks and staging area for 6-wheeler and mini dump trucks (the "**Disposal Facility**");

MA. JOSEFINA G. BELMONTE
City Mayor

ALBERT DELA FUENTE
General Manager

CHUN KIM
President



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

MA. JOSEFINA G. BELMONTÉ
City Mayor

Consistent with the Terms of Reference (TOR), the **SERVICE PROVIDER** shall ensure that Special Waste will be handled separately and properly through the deployment of qualified/trained personnel with PPE and suitable collection equipment.

In performing the Services, the **SERVICE PROVIDER** shall provide one (1) driver and three (3) Special Waste collection personnel per trip to undertake the Scope of Work. All **SERVICE PROVIDER** personnel must be provided with proper identification, uniform and appropriate protective wear which must be worn during working hours/operation.

Similarly, the **SERVICE PROVIDER** must provide at least twelve (12) 6 wheeler/Forward-type collection vehicles/dump trucks. The Parties understand that the number of vehicles may increase upon the determination by the Task Force on Solid Waste Management (TFSWM), the lead implementing agency of the Project on behalf of the City.

The Service Provider shall be tasked to collect Special Waste from the following identified areas:

- A. Quezon City Hall Premises
 - 1. Materials Recovery Facility
 - 2. Quezon Memorial Circle
- B. City-identified COVID-19 Support Facilities
 - 3. HOPE 1 - Fersal Hotel at Malakas St
 - 4. HOPE 2 - Quezon City University San Bartolome
 - 5. HOPE 3 - Barangay Old Balara
 - 6. Designated District Community Testing Centers
 - 7. City-government hospitals
- C. Barangay Health Center and similar barangay-based facilities
- D. Quarantined Households in Barangays, put under Extreme Enhanced Community Quarantine (EECQ)
- E. City government-certified facilities (both private and government-run) identified as providing support for the fight against COVID-19

The Parties understand that areas of coverage may change upon the instruction of the TFSWM based on monitoring and reports by its field personnel.

The **SERVICE PROVIDER** shall perform the required services daily and upon the instruction of the Task Force on Solid Waste Management (TFSWM). All trips will be done in coordination with the management of the facilities/barangays concerned.

The disposal system shall be based on the guidelines set by the DENR and in accordance to Revised Procedures and Standards for the Management of Hazardous Wastes.

ALBERT DELA FUENTE
General Manager

CHUJUN KIM
President



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

MA. JOSEFINA G. BELMONTÉ
City Mayor

All the deliverable of the **SERVICE PROVIDER** and the submitted documents or certifications shall be monitored and evaluated by, and shall be subject to the approval of the TFSWM.

Section 2. Contract Documents. The following documents shall be deemed to form and be read and construed as part of this Agreement, *viz*:

- (a) Request for Quotation;
- (b) Terms of Reference (TOR);
- (c) The Service Provider's Quotation, including the Operation and Collection Cost Forms and all other documents/statements submitted;
- (d) Eligibility requirements, documents, undertakings and/or statements;
- (e) Notice of Award;
- (f) Notice to Proceed; and
- (g) Any and all other documents submitted to the CITY during the course of the procurement process.

The documents mentioned above shall be collectively referred to as "Contract Documents".

ALBERT DELA FUENTE
General Manager

Section 3. Delivery Schedule. The **SERVICE PROVIDER** shall perform, supply and deliver to the CITY its Services provided herein in accordance with the TOR, including and the service performance standards required by the CITY.

Section 4. Term. This Agreement shall be effective for the period of six (6) months commencing on JUN 04 2020 - DEC 03 2020 subject to monthly evaluation by the CITY to determine the **SERVICE PROVIDER's** compliance with the terms and conditions provided herein.

Section 5. Contract Price. In consideration of the complete and faithful delivery of any and all Services and performance of any and all obligations of the **SERVICE PROVIDER** under this Contract, the **SERVICE PROVIDER** shall be paid for the entire duration of the Agreement the total amount of Philippine Peso: **SEVENTY FOUR MILLION SEVENTY EIGHT THOUSAND THREE HUNDRED FORTY SEVEN PESOS & 50/100 (Php 74,078,347.50)**, inclusive of the 12% Value Added Tax (VAT) (the "Contract Price") in accordance with the conditions set forth in Section 6 hereof.

CHIUJUN KIM
President

Section 6. Terms of Payment. The payment of the Contract Price shall be made on a monthly basis based on the number of trips conducted, and covered by the necessary trip tickets and other appropriate verification documents. A Certificate of Treatment must be submitted to the TFSWM to validate the proper disposal of the collected wastes.

Only those trips that have been duly validated and approved by the CITY, through the TFSWM, shall be considered in computing the accumulated payments for each month.

The processing of payments will entail the approval by the CITY of the Service Provider's complete documentation and deliverables before invoices may be processed for payment. The CITY likewise reserves the right to validate billing/invoice before payment of fees.



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

Section 7. Project Cost Adjustment. As stated in Republic Act 9184, otherwise known as the Government Procurement Reform Act, Section 61.2, in cases where the cost of the awarded contract is affected by any applicable new laws, ordinances, regulations, or other acts of the Government of the Philippines, promulgated after the date of bid opening, [such as, but not limited to, increase in minimum daily wage pursuant to law or new wage order], a contract price adjustment shall be made on a no loss-no gain basis.

Section 8. Standard of Performance. The **SERVICE PROVIDER** shall perform the required services and carry out its obligations with all due diligence, efficiency and economy. It shall observe the highest degree of standards based on industry practice.

Section 9. Penalties. The **SERVICE PROVIDER** shall be liable for penalty for any breach of contract under all applicable laws, issuances and regulations.

Section 10. Liquidated Damages. It is understood and agreed that time is of the essence of this Agreement. In the event the **SERVICE PROVIDER** refuses or fails to completely supply and deliver to the **CITY** the **Services** defined herein within the delivery schedule provided under Section 3 hereof at no fault of the **CITY**, the **SERVICE PROVIDER** shall be liable for liquidated damages in the amount equivalent to one tenth of one percent (1/10 of 1%) of the Contract Price for every day of delay until the Project is completely delivered: *Provided*, that, the total cumulative amount of liquidated damages shall not exceed ten percent (10%) of the Contract Price: *Provided*, further, that, once the cumulative amount of liquidated damages exceeds ten percent (10%) as provided herein, the **CITY**, in accordance with Section 68 of the IRR of R.A. 9184, may rescind or terminate this Agreement without prejudice to other remedies and other courses of action available to the **CITY** under this Agreement and pursuant to any and all applicable laws.

Section 11. Representations and Warranties of the Service Provider. The **SERVICE PROVIDER** hereby represents and warrants to the **CITY** as follows:

- a. The **SERVICE PROVIDER** is a corporation duly organized, validly existing and in good standing under the laws of the Republic of the Philippines.
- b. The **SERVICE PROVIDER** has full legal right, power and authority to carry on its present business, to own its properties and assets, and to execute and deliver this Agreement and all other documents executed, or required or necessary to be executed pursuant thereto, and to perform and observe the terms and conditions thereof.
- c. All appropriate and necessary corporate and legal actions have been taken by it to authorize the execution and delivery of this Agreement, and all other documents executed, or required or necessary to be executed pursuant thereto and the performance of all provisions, conditions, covenants, and other terms hereof and thereof, as well as all the transactions contemplated herein.
- d. This Agreement and all other documents executed, or required or necessary to be executed pursuant thereto, constitute, or when executed and delivered pursuant thereto, will constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms.
- e. The execution and delivery of this Agreement and all other documents executed, or required or necessary to be executed pursuant thereto and the performance of its obligations hereunder will not:

MA. JOSEFINA G. BELMONTÉ

City Mayor

ALBERT DELA FUENTE

General Manager

CHIUIN KIM

President



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200455

MA. JOSEFINA G. BELMONTÉ

City Mayor

i. conflict with its Articles of Incorporation, By-Laws or other constitutive documents;

ii. conflict with, result in the breach of, or constitute an event which would either immediately or with the lapse of time or giving of notice or both, result in a default under, or accelerate the performance required by, the terms of any agreement, document, contract, instrument or commitment to which it is a party or by which it or any of its assets is bound;

iii. conflict with or require any written consent or approval under any judgment, order, writ, decree, permit or license to which it is a party or by which any of its assets is bound; or

iv. require the written consent or approval of any other party to any agreement, document, contract, instrument or commitment to which it is a party or by which any of its assets is bound.

f. There are no actions, suits or proceedings existing, pending or, threatened against or directly affecting the **SERVICE PROVIDER** and/or any of its assets before any court, arbitrator or governmental or administrative body or agency that affect the validity or enforceability of this Agreement or that would affect the ability of the **SERVICE PROVIDER** to perform its obligations hereunder.

g. No event has occurred and is continuing which might materially and adversely affect the carrying out of its obligations under this Agreement.

h. It is in compliance with all applicable laws and regulations in connection with the delivery of the Project.

i. Each of the representations and warranties herein shall survive the execution of this Agreement and shall be deemed repeated during the effectivity of this Agreement.

Section 12. Indemnification. The **SERVICE PROVIDER** shall indemnify and save the **CITY** and all its officers, employees, personnel and persons acting as agents or representatives and render them free and harmless from any and all claims, actions, liabilities, losses and suits which may be brought or instituted against them arising out of or resulting from the **SERVICE PROVIDER's** supply, deliver and performance of its Services under this Agreement.

Section 13. Events of Default of the Service Provider. Any of the following shall constitute an Event of Default under this Agreement:

a. When the **SERVICE PROVIDER** becomes insolvent, or commits or suffers any act of bankruptcy, which term shall include: (i) the filing of a petition, by or against the **SERVICE PROVIDER**, in any bankruptcy, insolvency, administration, suspension of payment, reorganization, winding-up or liquidation proceeding, or any other proceeding analogous in purpose and effect; (ii) the making of an assignment by the **SERVICE PROVIDER** for the benefit of its creditors; (iii) the admission in writing by the **SERVICE PROVIDER** of its inability to pay its debts; (iv) the entry of any order of judgment of any competent court, tribunal or administrative agency or body confirming the bankruptcy or insolvency of the **SERVICE PROVIDER** or approving its reorganization, winding-up or liquidation, or (v) the lawful appointment of a receiver or trustee to take possession of the properties of the **SERVICE PROVIDER**;

Albert dela Fuente
General Manager

ALBERT DELA FUENTE

CHIJUN KIM
President



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

- b. When the **SERVICE PROVIDER** suspends or discontinues all or a substantial portion of its business operations, whether voluntarily or involuntarily, for a period of at least sixty (60) days;
- c. Any material breach by the **SERVICE PROVIDER** of any of its warranty, representation or covenant made under this Agreement.

Section 14. Consequences of Default. Upon occurrence of any Events of Default under this Agreement, the **CITY** may declare the **SERVICE PROVIDER** in default and shall have the right to:

- a. Terminate this Agreement;
- b. Call on the Performance Security to answer for any and all damages of whatever nature suffered by the **CITY** resulting or arising from the **SERVICE PROVIDER**'s default; and
- c. Take such other steps or actions against the **SERVICE PROVIDER** for the full protection and enforcement of the **CITY**'s rights and interests.

Section 15. Compliance with Laws, Ordinances and Regulations. The **SERVICE PROVIDER** shall comply with any and all laws, ordinances and regulations of the national and local government applicable to or binding upon the parties hereto. For this purpose, any and all pertinent provisions of RA 9184 and its IRR, and other applicable laws and regulations are deemed written and incorporated in this Agreement. In case of conflict between any of the provisions of this Agreement and those of the applicable laws and regulations, the latter shall prevail.

Section 16. Indemnities and Attorney's Fees. Should any of the parties resort to court action in order to enforce their respective rights under this Agreement, the prevailing party or its successors-in-interest shall be entitled to be indemnified by the other party by way of attorney's fees, a reasonable sum equivalent to the actual amount of fees paid or to be paid by the prevailing party.

Section 17. Notification. All notices and communications shall be done in writing and shall be directed as follows:

CITY : **OFFICE OF THE CITY MAYOR**
c/o Bids and Awards Committee Secretariat
2nd Floor Finance Bldg, Quezon City Hall Complex,
Elliptical Road, Diliman, Quezon City

SERVICE PROVIDER: **STERIPLUS CORPORATION / ECO SAFE HAZMAT TREATMENT INC.**
346 F. Manalo Street, Bgy. Batis, San Juan City /
Lot 7 West Los Angeles Street, California Village, San
Bartolome, Novaliches, Quezon City

Section 18. Effectivity. This Agreement shall be effective upon execution by the parties hereto.

MA. JOSEFINA G. BELMONTÉ
City Mayor

ALBERT DELA FUENTE
General Manager

CHIJUN KIM
President



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

Section 19. Miscellaneous Provisions.

- a. This Agreement, including the documents and/or agreements specifically incorporated herein by reference, constitutes the entire agreement between the parties. This Agreement may be amended and supplemented in writing at any time as decided and agreed upon by mutual consent of the parties.
- b. This Agreement and all documents related thereto shall be binding upon and inure to the benefit of the parties herein and/or their respective heirs, agents, representatives, successors-in-interest, and assigns. The **SERVICE PROVIDER** shall not assign its rights and obligations under this Agreement without the written consent of the **CITY**.
- c. This Agreement embodies the entire arrangement or agreement of the parties and no undertaking, verbal or otherwise, in relation thereto, shall exist between the parties except as herein expressly set forth.
- d. The parties hereby certify that they have read or caused to be read to them all the provisions of the foregoing Agreement, receipt of a signed copy of which is hereby expressly acknowledged by the parties and that they have fully understood the same.
- e. The parties hereby represent and warrant that they have the necessary power and corporate authority to execute and deliver this Agreement and perform their obligations as incorporated herein and that such execution, delivery and performance do not and will not contravene any provision of their respective Articles of Incorporation, by-laws, any agreements or instruments to which they are a party or any laws or regulations of any governmental authority.
- f. If any provision of this Agreement be declared by any court or other authorized agency of the government to be null and void, the nullity thereof shall not affect the validity of this transaction or any other provisions herein which shall then be considered as valid and binding between the parties.
- g. Any and all disputes arising from the implementation of this Agreement shall be submitted to arbitration in the Philippines according to the provisions of RA 876, otherwise known as the "Arbitration Law" and RA 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004". Provided, that, by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

IN WITNESS WHEREOF the parties have hereunto set their hands to this Agreement on JUN 04 2020, at Quezon City.

QUEZON CITY GOVERNMENT

By:


MA. JOSEFINA G. BELMONTE
City Mayor

By:


ALBERT DELA FUENTE
Authorized Representative/General Manager

STERIPLUS CORPORATION



Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government



200455

ECO SAFE HAZMAT TREATMENT INC.

By:


CHIJUN KIM
President

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES }
_____ } s.s.

BEFORE ME, a Notary Public for and in _____, this JUN 04, 2020, personally appeared:

Name

Competent Proof of Identity

HON. MA. JOSEFINA G. BELMONTE, in her
capacity as Mayor of the Local Government of
Quezon City

GOVERNMENT ID:

CS-0015480 / DCM-0081744

ALBERT DELA FUENTE, in his capacity as the
Authorized Representative/General Manager
Steriplus Corporation

DRIVER'S LICENSE:

N02-97-345253

CHIJUN KIM, in his capacity as the
President
Eco Safe Hazmat Treatment Inc.

all known to me and to me known to be the same persons who executed this Agreement, and they acknowledged to me that the same is their free and voluntary act and deed, and the free and voluntary act and deed of the parties which they respectively represent.

I certify that the foregoing Special Waste Collection, Cleaning and Disposal Service Agreement, signed by the parties and their instrumental witnesses, consists of ten (10) pages, including this page on which the acknowledgement is written.

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

Doc. No. 257;
Page No. 57;
Book No. MB;
Series of 2020.

ATTY. MARK JOSEPH E. MARCELO
NOTARY PUBLIC
ROOM 405 PH BUILDING, MATAINO ST. Q.C.
ROLL NO. 68314 / NOTARIAL NO. 259
UNTIL DECEMBER 31, 2020
PTR NO. 7377353 / I-08-10 / Q.C.
IBP NO. 016606 / MCLE NO. V-0026095