



Republic of the Philippines  
PROCUREMENT DEPARTMENT  
Quezon City Government



☆ P. Reso 12-295  
2012145

CONTRACT  
(Rental of Establishment - HOPE 3 Facility)  
Purchase Request No. GF-20-11-02094

KNOW ALL MEN BY THESE PRESENTS:

This Contract 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 -

**LOCAL WATER UTILITIES ADMINISTRATION**, a government-owned and controlled corporation created under P.D. No. 198 with office address at LWUA Building, LWUA-MWSS Complex, Katipunan Avenue, Balara, Quezon City, represented by its **ACTING ADMINISTRATOR, JECI A. LAPUS** and hereinafter referred to as "LWUA"

**CITY** and **LWUA** may be referred to individually as a "Party" and collectively, as "Parties."

RECITALS:

**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. 11494 or the Bayanihan to Recover as One Act the rental or leasing of a real property and/or venue to be used as quarantine facilities for the **CITY (Hope-3)** in accordance with the **CITY's** desired parameters;

**WHEREAS**, in the Bids and Awards Committee on Goods and Services (BAC) Resolution No. 12-295, Series of 2020 duly approved by the **CITY** Mayor, the BAC recommended the use of Emergency Procurement under Republic Act No. 11494 or the Bayanihan to Recover as One Act, to expedite the procurement of highly needed supplies, materials, equipment, utilities, telecommunications and other critical services;

**WHEREAS**, the **CITY** sent Requests for Quotation to service providers of known qualification who are qualified to participate in the instant procurement;

**WHEREAS**, **LWUA** participated and submitted its quotation, and was determined to be the Single Calculated Offer.

**WHEREAS**, **LWUA** has observed all the requirements and procedures prescribed under Republic Act No. 11494 or the Bayanihan to Recover as One Act and was

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator



Republic of the Philippines  
PROCUREMENT DEPARTMENT  
Quezon City Government



2012145

determined to be the Single Calculated and Responsive Offer and a service provider which possesses the technical, legal and financial capability to deliver the CITY's required services;

WHEREAS, an award for the Project was issued to LWUA on AUG 07 2020;

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, LWUA undertakes to supply and deliver to the CITY an alternative medical facility to house the quarantine of identified PUIs and COVID-19 patients as it complements the local government hospitals, based on the CITY's parameters.

The CITY shall utilize the LWUA Residences located at 5 Carriedo, Quezon City 1108 (HOPE-3) as a quarantine facility center to shelter identified Persons Under Investigation (PUIs), and confirmed cases of COVID-19 patients with mild symptoms whose home environment cannot support isolation (e.g. crowded living condition).

For the avoidance of doubt, utilities (electricity and water) for the booked rooms during the 90 day period shall be charged at the cost of the CITY.

LWUA may likewise reasonably charge for contingencies including consumption of consumable items.

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

- (a) Request for Quotation;
- (b) Terms and Condition;
- (c) Purchase Request;
- (d) LWUA's Quotation and all other documents/statements submitted;
- (e) Eligibility requirements, documents, undertakings and/or statements;
- (f) Notice of Award.

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

*Section 3. Term.* This Contract shall be effective for the period commencing on AUG 07 2020 and ending on NOV 05 2020, subject to monthly evaluation by the CITY to determine the LWUA's compliance with the terms and conditions provided herein.

*Section 4. Contract Price.* In consideration of the complete and faithful delivery of any and all performance of any and all obligations of the LWUA under this Contract, the LWUA shall be paid for the entire duration of the Contract the total amount of **Two Million Four Hundred Seventy-Three Thousand Two Hundred Pesos (Php2,473,200.00)**, inclusive of all applicable taxes. (the "Contract Price"), which is equivalent to a rate of **Twenty-Seven Thousand Four Hundred Eighty Pesos (Php27,480.00)** per day.

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator



Republic of the Philippines  
PROCUREMENT DEPARTMENT  
Quezon City Government



2012145

*Section 5. Terms of Payment.* LWUA shall be paid based on the total number of rooms consumed for 61 persons based on the rate of Twenty-Seven Thousand Four Hundred Eighty Pesos (Php27,480.00) per day.

The processing of payments will entail the approval by the CITY of the LWUA'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.

*Section 6. 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 7. Obligations of LWUA.* For the entire duration of the Contract, LWUA shall:

- i. Assign two (2) security guards and two (2) maintenance staff, divided on day and night shift with relievers in case the assigned workers cannot perform their duties, and the cost of which shall be chargeable to the CITY;
- ii. Assist the CITY on the disposal of the garbage/waste that by tagging such wastes as infectious/hazardous. However, the disposal shall be handled by the CITY who shall coordinate with the LWUA regarding the daily collection of the garbage/wastes;
- iii. Coordinate and cooperate with the CITY particularly on any infection control or other health protection measures of protocols;
- iv. Not to allow public access to HOPE-3;
- v. Ensure the confidentiality of the PUI's identity and protect the personal data of all patients admitted;
- vi. Not to disclose the name or location of HOPE-3 in its public statements, except in so far as required by law or protection of public health.

*Section 8. Obligations of the CITY.* For the entire duration of the Contract, the CITY shall:

- i. Be responsible for determining acceptable patients for HOPE-3 and any patients admitted into HOPE-3 shall be deemed to be in the custody of, and under the care of the CITY, provided that CITY may delegate the care and/or management of any particular patient to personnel from the referring hospital, or to any suitable health professional.
- ii. Determine when a patient may be discharged, or when a patient's condition requires transfer to a hospital or other facility;

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator



- iii. Provide proper disinfection of the inside and outside of HOPE-3 upon commencement of the Contract and prior to return of the facility to LWUA;
- iv. Conduct orientation and supervision of the staff on sanitation (including garbage disposal and disinfection) and infection control;
- v. Conduct health monitoring and prompt referral of patients;
- vi. Conduct treatment, including discharge instructions including home care and follow-up;
- vii. Provide psychosocial wellness and support;
- viii. Ensure the confidentiality of the PUI's identity and protect the personal data of all patients admitted; and
- vii. Not to disclose the name or location of HOPE-3 in its public statements, except in so far as required by law or protection of public health.

*Section 9. Standard of Performance.* LWUA 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 10. Penalties.* The LWUA shall be liable for penalty for any breach of contract under all applicable laws, issuances and regulations.

*Section 11. Liquidated Damages.* It is understood and agreed that time is of the essence of this Contract. In the event the LWUA refuses or fails to completely supply and deliver to the CITY the services required herein at no fault of the CITY, the LWUA 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 Contract without prejudice to other remedies and other courses of action available to the CITY under this Contract and pursuant to any and all applicable laws.

*Section 12. Representations and Warranties of the Facility.* LWUA hereby represents and warrants to the CITY as follows:

- a. LWUA is a corporation duly organized, validly existing and in good standing under the laws of the Republic of the Philippines.
- b. LWUA 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 Contract 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 Contract, and all other documents

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator



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 Contract 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 Contract and all other documents executed, or required or necessary to be executed pursuant thereto and the performance of its obligations hereunder will not:

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 LWUA 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 Contract or that would affect the ability of the LWUA 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 Contract.

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 Contract and shall be deemed repeated during the effectivity of this Contract.

*Section 13. Indemnification.* LWUA 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 LWUA's supply, delivery and performance of its services under this Contract.

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator



*Section 14. Events of Default of the Service Provider.* Any of the following shall constitute an Event of Default under this Agreement:

- a. When LWUA becomes insolvent, or commits or suffers any act of bankruptcy, which term shall include: (i) the filing of a petition, by or against LWUA, 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 LWUA for the benefit of its creditors; (iii) the admission in writing by LWUA 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 LWUA 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 LWUA;
- b. When LWUA 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 LWUA of any of its warranty, representation or covenant made under this Agreement.

*Section 15. Consequences of Default.* Upon occurrence of any Events of Default under this Agreement, the CITY may declare LWUA 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 LWUA's default; and
- c. Take such other steps or actions against LWUA for the full protection and enforcement of the CITY's rights and interests.

*Section 16. Compliance with Laws, Ordinances and Regulations.* The Parties 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 17. Indemnities and Attorney's Fees.* Should any of the parties resort to court action in order to enforce their respective rights under this Contract, 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 18. Notification.* All notices and communications shall be done in writing and shall be directed as follows:

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator



Republic of the Philippines  
PROCUREMENT DEPARTMENT  
Quezon City Government



2012145

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

**LWUA:** OFFICE OF THE ACTING ADMINISTRATOR  
Local Water Utilities Administration  
LWUA-MWSS Complex, Katipunan Avenue  
Balara, Quezon City

*Section 19. Effectivity.* This Contract shall be effective upon execution by the parties hereto.

*Section 20. Miscellaneous Provisions.*

a. This Contract, including the documents and/or agreements specifically incorporated herein by reference, constitutes the entire agreement between the parties. This Contract may be amended and supplemented in writing at any time as decided and agreed upon by mutual consent of the parties.

b. This Contract 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. LWUA shall not assign its rights and obligations under this Contract without the written consent of the CITY.

c. This Contract 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 Contract, 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 Contract 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 Contract 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 Contract 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,

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator



Republic of the Philippines  
PROCUREMENT DEPARTMENT  
Quezon City Government



2012145

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 Contract on AUG 07 2020, at Quezon City.

QUEZON CITY GOVERNMENT  
(CITY)

LOCAL WATER UTILITIES  
ADMINISTRATION  
(LWUA)

By:

By:

*[Signature]*  
MA. JOSEFINA G. BELMONTE  
City Mayor

*[Signature]*  
JECI A. LAPUS  
Acting Administrator

SIGNED IN THE PRESENCE OF:

*[Signature]*  
RUBY G. MANANGU  
Officer-in-Charge, City Accounting Dept.

*[Signature]*  
ALICE MARIE O. CRUZ  
Acting Deputy Administrator  
Administrative Service  
LWUA





ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
Quezon City, Metro Manila ) S.S.

BEFORE ME, a Notary Public for and in the above locality, personally appeared:

Name Competent Evidence of Identity

Quezon City Government  
represented by  
MA. JOSEFINA G. BELMONTE OCM - 0081744

Local Water Utilities Administration  
represented by  
JECI A. LAPUS PO 715422 B FEB 17, 2029

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all known to me to be the same persons who executed the foregoing Contract and they acknowledged to me that the same is their free and voluntary deeds as well as the free and voluntary deeds of the parties they represent.

I certify that the foregoing Contract signed by the parties and their instrumental witnesses, is consisting of nine (9) pages, including this page on which the acknowledgement is written.

IN WITNESS WHEREOF, I have affixed my signature and seal this AUG 07 2020 day of \_\_\_\_\_, at the Quezon City, Metro Manila, Philippines.

Doc. No. 15  
Page No. 3  
Book No. 005  
Series of 2020.



ATTY. MARK JOSEPH E. MARCELO  
NOTARY PUBLIC  
ROOM 405 PM BUILDING, MATALINO ST. Q.C.  
ROLL NO. 68314 / NOTARIAL NO. 259  
UNTIL DECEMBER 31, 2020  
PTR NO. 7377353 / 1-08-10 / Q.C.  
IBP NO. 016606 / MCLE NO. VI-0026095

MA. JOSEFINA G. BELMONTE  
City Mayor

JECI A. LAPUS  
Acting Administrator