SERVICE AGREEMENT
SUPPLY, INSTALLATION, TESTING, AND COMMISSIONING OF THE QUEZON CITY DEPARTMENT OF BUILDING OFFICIAL ONLINE CENTRALIZED AUTOMATED SYSTEM PHASE 2
(DBO-23-IT-1684)

KNOW ALL MEN BY THESE PRESENTS:

Award notice
APP

This Agreement entered into by and between:

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

-and –

SPARKSOFT SOLUTIONS, INC., a corporation duly organized and incorporated under the laws of the Republic of the Philippines with office address at Room 213 2/F PLDT-CTC Building, Ateneo de Manila University, Loyola Heights Quezon City, represented herein by its Authorized Representative, **MS. EUNICE O. TEJERO** hereinafter referred to as "**SUPPLIER**".

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

- RECITAL -

WHEREAS, the Bids and Awards Committee conducted a competitive bidding on 1 December 2023 for the Supply, Installation, Testing and Commissioning of the Quezon City Department of Building Official Online Centralized Automated System Phase 2 under Project No. DBO-23-IT-1684 (the "**Project**").

WHEREAS, the **SUPPLIER** participated in the competitive bidding and was declared to be the Single Bid as Read;

WHEREAS, the **SUPPLIER** passed both the detailed evaluation and post qualification stages, and was declared as the Single Calculated and Responsive Bid;

WHEREAS, on ___JAN 1 1 2024___ a Notice of Award was issued to the **SUPPLIER**;

NOW THEREFORE, for and in consideration of the foregoing premises and of the mutual covenants and undertakings hereinafter provided, the parties hereto agree, as they have hereby agreed, as follows:

Section 1.   *Deliverables.* Pursuant to and in accordance with the Contract Documents provided herein, the **SUPPLIER** undertakes to deliver to the **CITY** the scope of work required by the Project, the specifications of which are defined under Section VII. Technical Specifications of the Bidding Documents and the Terms of Reference.

Section 2.   *Contract Documents.* The following documents shall be read and deemed incorporated in this Agreement, *viz.*:

(a)   Invitation to Bid;
(b)   Instruction to Bidders;
(c)   Bid Data Sheet;
(d)   General Conditions of Contract;
(e)   Special Conditions of Contract;
(f)   Schedule of Requirements;
(g)   Technical Specifications;
(h)   Terms of Reference;
(i)   Supplemental Bid Bulletins, if any;
(j)   Notice of Award;
(k)   Notice to Proceed;
(l)   Bid Form;
(m)   Schedule of Prices;
(n)   Obligation Request
(o)   Certificate of Availability of Fund (CAF);
(p)   Performance Security; and
(q)   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".

Section 3.   *Delivery Schedule.* The **SUPPLIER** shall deliver to the **CITY** the required deliverables within ninety (90) days from issuance of the Notice to Proceed (NTP) commencing on <u>JAN 1 1 2024</u>   and ending on <u>APR 1 0 2024</u>. Project Duration shall be for One (1) year period.

MILESTONES	CALENDAR DAYS
Software Implementation and Project Turnover	90 calendar days from the date of the Notice to Proceed
Training	7 days after Certificate of Acceptance
Project Support (Maintenance/Warranty)	1 year
Total	Delivery: 90 calendar days from Notice to Proceed Maintenance: 1 calendar year

MA. JOSEFINA G. BELMONTE
CITY MAYOR

EUNICE O. TEJERO
Authorized Representative

Section 4. **Contract Price.** In consideration of the complete and faithful delivery of the deliverables defined herein and the performance of any and all obligations of the **SUPPLIER** under this Agreement, the **SUPPLIER** shall be paid the total amount of **ELEVEN MILLION NINE HUNDRED TWENTY-FIVE THOUSAND PESOS AND 00/100 ONLY (PhpP11,925,000.00)**, inclusive of the 12% Value Added Tax (VAT) (the "**Contract Price**").

Section 5. **Terms of Payment.** Payment to the **SUPPLIER** shall be made upon project turnover.

The processing of payments will entail the approval by the **CITY** of the **SUPPLIER'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. **Price Adjustment.** The Contract Price shall be fixed and there shall be no price adjustment and escalation for the duration of the Agreement until and unless there exists an extraordinary circumstance as may be determined by the National Economic Development Authority that may warrant an increase of the Contract Price in accordance with Section 61 of the Implementing Rules and Regulations of RA 9184, otherwise known as the Government Procurement Reform Act.

Section 7. **Standard of Performance.** The **SUPPLIER** shall, consistent with the TOR, 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 8. **Penalties.** The **SUPPLIER** shall be liable for penalty for any breach of contract under all applicable laws, issuances and regulations.

Section 9. **Liquidated Damages.** It is understood and agreed that time is of the essence of this Agreement. In the event the **SUPPLIER** refuses or fails to completely supply and deliver to the **CITY** the requirements for the **Project** defined herein within the delivery schedule provided under Section 3 hereof at no fault of the **CITY**, the **SUPPLIER** 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 10. **Authority to Deduct Liquidated Damages.** For purposes of assessment and enforcement of the liquidated damages provided under Section 8

MA. JOSEFINA G. BELMONTE
CITY MAYOR

EUNICE O. TEJERO
Authorized Representative

hereof, the **CITY**, upon written notice to the **SUPPLIER**, is hereby authorized to deduct any amount due as liquidated damages from any amount due or may become due and owing to the **SUPPLIER** or from any and all bonds or securities posted by the **SUPPLIER** in favor of the **CITY**, at the option of the latter. It is hereby agreed and understood that the assessment of liquidated damages are cumulative and not alternative remedies of the **CITY** under this Agreement.

Section 11. Representations and Warranties of the Supplier. The **SUPPLIER** hereby represents and warrants to the **CITY** as follows:

a.   The **SUPPLIER** is an entity duly organized, validly existing and in good standing under the laws of the Republic of the Philippines.

b.   The **SUPPLIER** 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:
   i.   conflict with its Articles of Incorporation, By-Laws or other constitutive documents, as may be applicable;
   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 **SUPPLIER** and/or any of its assets before any court, arbitrator or governmental or administrative body or agency that affect the validity

MA. JOSEFINA G. BELMONTE
CITY MAYOR

EUNICE O. TEJERO
Authorized Representative

or enforceability of this Agreement or that would affect the ability of the **SUPPLIER** 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 **SUPPLIER** 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 **SUPPLIER**'s supply, delivery and performance of its obligations under this Agreement.

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

a.   When the **SUPPLIER** becomes insolvent, or commits or suffers any act of bankruptcy, which term shall include: (i) the filing of a petition, by or against the **SUPPLIER**, 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 **SUPPLIER** for the benefit of its creditors; (iii) the admission in writing by the **SUPPLIER** 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 **SUPPLIER** 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 **SUPPLIER**;

b.   When the **SUPPLIER** 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 **SUPPLIER** 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 **SUPPLIER** 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 **SUPPLIER**'s default; and

c. Take such other steps or actions against the **SUPPLIER** for the full protection and enforcement of the **CITY**'s rights and interests.

Section 15. *Compliance with Laws, Ordinances and Regulations.* The **SUPPLIER** 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
SUPPLIER	:	**SPARKSOFT SOLUTIONS, INC.**
		Room 213 2/F PLDT-CTC Building, Ateneo de
		Manila University, Loyola Heights Quezon City

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

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 **SUPPLIER** shall not assign its rights and obligations under this Agreement without the written consent of the **CITY**.

MA. JOSEFINA G. BELMONTE
CITY MAYOR

EUNICE O. TEJERO
Authorized Representative

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 _____ JAN 1 1 2024 _____, at Quezon City, Philippines

QUEZON CITY GOVERNMENT

By:

MA. JOSEFINA G. BELMONTE
City Mayor

SPARKSOFT SOLUTIONS, INC.

By

EUNICE O. TEJERO
Authorized Representative

SIGNED IN THE PRESENCE OF:

RUBY G. MANANGU
City Accountant

Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government

QUEZON CITY
Great Green Growing

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES   }
  QUEZON CITY   }s.s.

QUEZON CITY **1 1 JAN 2024**

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

Name	Competent Proof of Identity
HON. MA. JOSEFINA G. BELMONTE, in her capacity as Mayor of the Local Government of Quezon City	OCM - 0081744
MS. EUNICE O. TEJERO, in her capacity as the authorized representative of Sparksoft Solutions, Inc.	OCA - 000 - 01098669 & Q.C. ID

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 Agreement, signed by the parties and their instrumental witnesses, consists of eight (8) pages, including this page on which the acknowledgement is written.

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

Doc. No. 54 ;
Page No. 13 ;
Book No. V-B ;
Series of 2024 .

02984970

ATTY. RUBEN M. AZAÑES, JR.
NOTARY PUBLIC
Commission No. NP-425 (2023-2024)
VALID UNTIL DECEMBER 31, 2024
213rd Aveu, BAGONG LIPUNAN NG CRAME QUEZON CITY
IBP No. 384112 1/1/2024 - Qc
PTR No. 5555119 1/3/2024 - Qc
MCLE Compliance No. VI 0018605
Attorney's Roll No. 46421

(margin, left side, vertical text) MA. JOSEFINA G. BELMONTE / CITY MAYOR

(margin, left side, vertical text) EUNICE O. TEJERO / Authorized Representative

Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government

Purchase Order Date: JAN 0 8 2024

Procuring Unit	: **DEPARTMENT OF BUILDING OFFICIAL**
Company Name	: **SPARKSOFT SOLUTIONS, INC.**
Address	: **Room 213 2/F PLDT-CTC Building, Ateneo de Manila University, Loyola Heights, Quezon City**
Business Type	: Corporation Registration #CS201100081

Project Number	:DBO-23-IT-1684
Mode of Procurement	:Public Bidding
Resolution No.	:23-PB-960
TIN Number	:007-953-794-000
Contact Number	:0965-695-5777

Sir/Madam:
Please furnish this office the following articles subject to the terms and conditions contained here

Place of Delivery : Upon end-user's instruction subject to proper coordination with CGSD

Delivery Schedule Ninety (90) Calendar Days

Payment Term : Credit

Stock No.	Item	Unit of Issue	QTY	Unit Cost	Amount
	CPU, and 120 GB storage will be allocated for the online system. A minimum of 8 GB memory. 2 virtual CPU, and 120 GB storage will be allocated for the database.				
	xvii. The on premise server will be provided by the DBO but the system provider will set-up the server to deploy the on premise components of the system.				
	xviii. The system will allow periodic backups of the database.				
	xix. The system will conform with data privacy laws. The application must also conform/abide with the Department of Information and Communications Technology (DICT) Philippine Government's Cloud First Policy (latest version)				
	xx. The DBO-OCAS, including source code and data captured and generated by the system, will be owned and controlled by the City. If the service agreement expires or is terminated the data on cloud can be retrieved without additional cost to the City.				
	xxi. The service provider will provide all necessary training to at least 5 DBO personnel comprising of encoders, inspectors, administrators, IT personnel for the usage, administration, and management of the system for a minimum of 2 days and maximum of 7 days.				
	xxii. The system provider will register the subdomain to the DNS service provider of quezoncity.gov.ph				
	TERMS AND CONDITIONS:				
	Warranty: 12 Month				
	(With attached Terms of Reference which will form an integral part of this Purchase Order)				

	Total Amount :	11,925,000.00

Total Amount in Words (Pesos): Eleven Million Nine Hundred Twenty-Five Thousand Pesos and 00/100 Only

MA. JOSEFINA G. BELMONTE
City Mayor

Signature Over Printed Name of Supplier / Date 01/11/24

Funds Available:

RUBY G. MANANGU
City Accountant

OBR : IN. 2122-12-1414

Approved Budget for the Contract : 12,000,000.00

Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government

QUEZON City
Quezon/Great.Growing.

Purchase Order Date: JAN 0 8 2024

Procuring Unit	: DEPARTMENT OF BUILDING OFFICIAL	Project Number	:DBO-23-IT-1684
Company Name	: SPARKSOFT SOLUTIONS, INC.	Mode of Procurement	:Public Bidding
Address	: Room 213 2/F PLDT-CTC Building, Ateneo de Manila University, Loyola Heights, Quezon City	Resolution No.	:23-PB-960
		TIN Number	:007-953-794-000
Business Type	: Corporation Registration #CS201100081	Contact Number	:0965-695-5777

Sir/Madam:
Please furnish this office the following articles subject to the terms and conditions contained here

Place of Delivery : Upon end-user's instruction subject to proper coordination with CGSO

Delivery Schedule Ninety (90) Calendar Days

Payment Term : Credit

Stock No.	Item	Unit of Issue	QTY	Unit Cost	Amount
1	SUPPLY, INSTALLATION, TESTING AND COMMISSIONING OF THE QUEZON CITY DEPARTMENT OF BUILDING OFFICIAL ONLINE CENTRALIZED AUTOMATED SYSTEM PHASE 2	Lot	1	11,925,000.00	11,925,000.00

The Quezon City DBO-OCAS 2 will continue DBO-OCAS 1's success in improving the citizen's Ease of Doing Business with the Department. It will be a hybrid system that provides an online one stop shop for citizens and on-premise system for officials and administrators. The DBO-OCAS Phase 2 will enable greater convenience among citizens and productivity among the Department's officials and administrators.

Scope of Work:
The service provider shall provide the City with a system with the following specifications:

i. The Quezon City Department of Building Official Online Centralized Automated System (DBO-OCAS 2) will be a hybrid system that will have cloud-based and on premise modules that are accessible using the most recent versions of Chrome, Firefox, and Safari.

ii. The DBO_OCAS 2 will be mobile responsive and compatible with the browsers of mobile smartphones and tablets

iii. The on premise modules will be used by the Department to process applications. They are not dependent on an internet connection and are accessible to the Department within the Quezon City Hall local area network.

iv. Department personnel can still process applications outside City Hall premises through the cloud-based modules.

v. The cloud-based components will be used by the citizens to apply for permits online.

vi. The databases of the cloud-base and on premise components will

MA. JOSEFINA G. BELMONTE
City Mayor

Signature Over Printed Name of Supplier / Date
01/11/24

Funds Available:

RUBY G. MANANGU
City Accountant

OBR : M- 0123-12 /4147

Approved Budget for the Contract : 12,000,000.00

Republic of the Philippines
PROCUREMENT DEPARTMENT
Quezon City Government

QUEZON CITY
Great.Green.Growing

Purchase Order Date: JAN 0 8 2024

Procuring Unit	: DEPARTMENT OF BUILDING OFFICIAL
Company Name	: SPARKSOFT SOLUTIONS, INC.
Address	: Room 213 2/F PLDT-CTC Building, Ateneo de Manila University, Loyola Heights, Quezon City
Business Type	: Corporation Registration #CS201100081

Project Number	:DBO-23-IT-1684
Mode of Procurement	:Public Bidding
Resolution No.	:23-PB-960
TIN Number	:007-953-794-000
Contact Number	:0965-695-5777

Sir/Madam:
Please furnish this office the following articles subject to the terms and conditions contained here

Place of Delivery : Upon end-user's instruction subject to proper coordination with CGSD

Delivery Schedule Ninety (90) Calendar Days

Payment Term : Credit

Stock No.	Item	Unit of Issue	QTY	Unit Cost	Amount
	periodically synchronize when there is an internet connection to make sure that applications submitted online can be processed by the Department and updates to applications done by the Department will be visible to citizens.				
	vii. Data needed for permit applications will be retrieved from other systems such as DBO-OCAS 1 and QC-eservices using authenticated and authorized API communications. Fields will be prefilled based on the data provided by these systems.				
	viii. The system will update processes in DBO-OCAS 1 to make them more responsive to the needs of DBO and the applicants such as but not limited to revising the process for Pre-Evaluation and Tech Evaluation.				
	ix. The system provided will migrate all data from DBO's legacy systems to DBO-OCAS.				
	x. The system will allow evaluators to correct the encoded data of applicants and their professionals. The system will store both the encoded and actual data.				
	xi. The system will log all changes to the application including the DBO personnel that made the changes.				
	xii. Applicants and their professional team will receive email every time there is a relevant change in the status of the application.				
	xiii. The system will generate pertinent reports for the Department.				
	xiv. The system provider will also provide ZAU and BFP on premise modules for their technical evaluation.				
	xv. The system will implement industry standard measures to protect user data and prevent unauthorized access. A firewall will be implanted for secured cloud connection.				
	xvi. The cloud-based hosting will operate for one (1) year and subject to renewal thereafter. A minimum of 8 GB memory, 2 virtual				

MA. JOSEFINA G. BELMONTE
City Mayor

CANICK O. TEJERO 01/11/24
Signature Over Printed Name of Supplier / Date

Funds Available:

RUBY G. MANANGU
City Accountant

OBR : ILA-2023-12.14147

Approved Budget for the Contract : 12.000,000.00