

TAKE OVER CONTRACT FOR JANITORIAL SERVICES

KNOW ALL MEN BY THESE PRESENTS:

This AGREEMENT is made and entered into this 28th day of September 2018 in Mariveles, Bataan, by and between:

The **AUTHORITY OF THE FREEPORT AREA OF BATAAN**, a body corporate created and existing under Republic Act No. 9728, with office address at the Second Floor AFAB Administration Building, Freeport Area of Bataan (FAB), Mariveles, Bataan, represented herein by its Chairman and Administrator, **EMMANUEL D. PINEDA**, hereinafter referred to as the "AFAB";

- and -

MMA COMPETENT MANPOWER AND GENERAL SERVICES, INC., a duly organized and existing corporation under Philippine laws, with office address at Room 301, RCBC Building, Freeport Area of Bataan (FAB), Mariveles, Bataan, represented herein by its Vice President for Operations, **LEONARD J. ADRIANO**, who is likewise duly authorized, hereinafter referred to as the "CONTRACTOR";

WHEREAS, the AFAB invited Bids for certain goods and ancillary services *viz*, **JANITORIAL SERVICES**, hereinafter referred to as the "PROJECT", and has accepted a Bid by the CONTRACTOR for the supply of those goods and services in the sum of **TWO MILLION TWELVE THOUSAND ONE HUNDRED FORTY SEVEN PESOS AND TWENTY CENTAVOS (PHP 2,012,147.20)**, hereinafter called the "CONTRACT PRICE":

WITNESSETH:

1. In this Agreement words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed integral parts of this Agreement and the terms and conditions embodied therein shall be deemed reproduced herein by reference and/or incorporation:
 - a. the Bid Form, the Price Schedule, the Schedule of Requirements, and the Technical Specifications submitted by the CONTRACTOR;
 - b. the other documents/statements contained in the bidding envelopes submitted by the CONTRACTOR;


- c. the additional Post-Qualification Documents submitted by the CONTRACTOR;
 - d. the Invitation to Bid and Bid Documents issued to the CONTRACTOR including Bid Bulletin/s (if any) and Minutes of Pre-Bid Conference;
 - e. the Resolution of the Bids and Awards Committee declaring the Lowest Complying Responsive Bidder and Recommendation for Award;
 - f. the Entity's Notice of Award with the CONTRACTOR's conforme thereto;
 - g. the CONTRACTOR's Performance Bond;
 - h. Special Conditions of the Contract, attached herewith as Annex "A";
 - i. Other requirements of laws, rules and regulations and executive orders applicable thereto.
3. The CONTRACTOR shall furnish all labor, materials, equipment and supplies, and the performance of all operations necessary for the complete implementation of the PROJECT, all in strict compliance with the terms and conditions of this Agreement, as well as all the applicable terms and conditions of the documents listed in Section 2 above.
4. Payment for the Project shall be paid in increments upon submission of the CONTRACTOR of progress billing to the AFAB. The progress billing shall be based upon the actual and satisfactory accomplishment of the various phases of the Project done or services rendered by the CONTRACTOR, as evidenced by a Certificate of Acceptance to be issued by the AFAB.
5. In relation to this Contract, the CONTRACTOR shall pay taxes in full and on time and that failure to do so will entitle the AFAB to suspend payment of the services delivered by the CONTRACTOR.
6. The SUPPLIER is the sole employer of all the workers assigned under this Contract and shall be solely responsible and liable for strict compliance with all pertinent labor legislation, rules and regulations. No employer – employee relationship exists between the AFAB and the CONTRACTOR or any of the workers in the CONTRACTOR's employ. Neither is there deemed any agency, partnership, license or joint venture. The CONTRACTOR holds the AFAB absolutely free and clear by any of the said workers, for any reason whatsoever.
7. The terms and conditions herein set forth shall be automatically modified by the applicable provisions of laws, rules and regulations, especially as they pertain to minimum wage rates and other statutory benefits of the workers.

8. Should the CONTRACTOR fail to satisfactorily deliver goods under the contract within the specified delivery schedule, inclusive of duly granted extensions, if any, the CONTRACTOR shall pay liquidated damages, and not by way of penalty, in the amount equivalent to one tenth (1/10) of one percent (1%) of the cost of the unperformed portion of the Project for each calendar day of delay, including Sundays and Holidays, but not more than ten percent (10%) of the contract amount, until the work is completed and accepted by the AFAB, in accordance with the formula and conditions set forth in the existing rules and prevailing rules and regulations; *Provided*, that the payment of liquidated damages shall not in any manner relieve the CONTRACTOR from its obligations and responsibilities under this Contract.
9. The CONTRACTOR shall commence the execution of this Agreement within seven (7) calendar days from receipt of the Notice to Proceed, and must comply with its obligations under this Agreement within the date stated in the Special Conditions of the Contract attached herewith as Annex "A", unless otherwise terminated for failure of the CONTRACTOR to perform its obligations under this Contract, in line with the Guidelines on Termination of Contracts issued by the Government Procurement Policy Board (GPPB Resolution No. 018-2004 dated 22 December 2004).
10. This Agreement shall be for a period of one (1) year and shall take effect upon the date of receipt by the CONTRACTOR of the Notice to Proceed from the AFAB.

IN WITNESS WHEREOF, the parties have set their hands on the date and at the place first written above.

**AUTHORITY OF THE FREEPORT
AREA OF BATAAN**

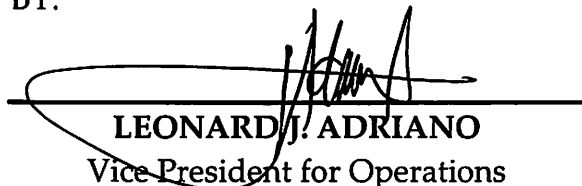
BY:



EMMANUEL D. PINEDA
Chairman and Administrator

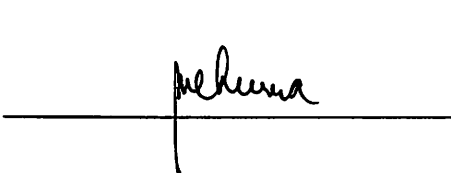
**MMA COMPETENT MANPOWER
AND GENERAL SERVICES, INC.**

BY:



LEONARD J. ADRIANO
Vice President for Operations

SIGNED IN THE PRESENCE OF:





JOCELYN C. ABAYOS

ACKNOWLEDGMENT

Republic of the Philippines)
Mariveles, Bataan) S.S.

SEP 28 2018

BEFORE ME, this _____ of _____ 2018 in Mariveles, Bataan, personally appeared:

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE & PLACE OF ISSUE/EXPIRY
EMMANUEL D. PINEDA	Passport No.EC4011784	22 Apr 2015/DFA Manila/ 21 Apr. 2020
LEONARD J. ADRIANO	PRC NO- 0106431	05 DEC 2006 / MANILA 03 JAN 2022

both known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free and voluntary will and deed, as well as that of the corporations they represent.

This instrument refers to a "CONTRACT FOR JANITORIAL SERVICES" that consists of four (4) pages including the page whereon this acknowledgment is written, and which is signed by the Parties and their instrumental witnesses on each and every page thereof and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my hand on the date and at the place first written above.

Robert S. Garcia
ATTY. ROBERT S. GARCIA
NOTARY PUBLIC until December 31, 2019
FOR AND IN THE PROVINCE OF BATAAN
Notarial Commission Case No. 2017-005-ML
1/F FAB Post Office Bldg., Mariveles, Bataan
Roll No. 47411, PTR No. 0618524, 1/4/2018
IBP No. 3046 (Life), MCLE No. V - 0018023

Doc. No. 102 ;
Page No. 22 ;
Book No. xxx ;
Series of 2018.

ANNEX "A"

SPECIAL CONDITIONS OF THE CONTRACT JANITORIAL SERVICES

I. PRICE, NUMBER OF PERSONNEL AND DURATION OF THE CONTRACT

The take-over contract of the Janitorial Services at the Authority of the Freeport Area of Bataan shall be for one (1) year from October 1, 2018 to September 31, 2019 .
(The breakdown of allotted budget is attached as "Annex B")

II. AREAS COVERED

2.1. The contract shall cover the Janitorial Services for the AFAB Administration Building, the National Transmission Corporation (TransCo) Substation II and AFAB Staff House, the AFAB Multi-purpose Covered Court and other areas as may be identified by the Administrative Services Department.

2.2. The service provider shall provide janitorial and sanitation services as well as provision for cleaning solutions, equipment and/or materials and assign janitorial personnel who shall maintain the cleanliness and orderliness of the offices in accordance with the standards prescribed by the AFAB.

III. SERVICE PROVIDER and PERSONNEL QUALIFICATIONS

3.1. The service provider must have been engaged in manpower services business for a minimum of ten (10) years.

3.2. The service provider must have current and valid government permits, licenses and certificates including labor laws compliance certificate from DOLE, certified photocopies of which should be submitted to the Administrative Services Department.

A. RECRUITMENT/PLACEMENT

3.3. The service provider shall provide the Authority with ten (10) janitorial personnel and two (2) janitor-supervisors who shall oversee the performance of the janitors based on the prescribed schedule.

3.4. The field or area manager shall visit the Authority at least twice a month (during weekdays) to ensure that the concern/s of the Authority shall be properly addressed.

3.5. The service provider shall deploy janitorial personnel who are:

3.5.1. Physically and mentally fit as evidenced by a medical certificate including clearance from drug tests;

3.5.2. Of good moral character and reputation, courteous and with no derogatory records as evidenced by Police and NBI clearances;

3.5.3. Pre-oriented and trained with sanitary and housekeeping procedures;

3.6. The service provider shall submit to the Chief of Administrative Services Division, Administrative Services Department the certified photocopies of the above documents evidencing that the janitorial personnel meet the above-mentioned requirements.

The qualifications of janitorial personnel who will be deployed by the service provider are subject to evaluation, screening and approval of the Authority through the Administrative Services Department.

B. SALARY AND BENEFITS

3.7. The service provider shall provide the janitorial personnel with appropriate uniforms (2 sets of uniform per person annually and identification cards).

3.8. Payment of salaries of janitorial personnel shall be made semi-monthly (10th and 25th of the month) without delay. Janitorial personnel shall also be provided with the corresponding pay slip every month.

3.9. The service provider shall pay the janitors compensation equivalent to the wage indicated in Annex B subject to increase in accordance with law;

C. MONTHLY BILLING

3.10. The monthly billing fee for services rendered by the service provider shall be released only upon submission of the following requirements:

- a. Sworn Statement that actual services have been rendered by the janitors for the billing period claimed;
- b. Proof of payment and receipt of salaries, wages and/or benefits of all its janitors for the previous billing period;
- c. Proof of remittances of SSS, Philhealth, Pag-ibig/ECC and BIR premium payments and other deductions/contributions such as SSS salary loan, Pag-Ibig loans and deductions required or authorized by law for the latest applicable period;
- d. DTRs duly signed by AFAB-assigned supervisor;
- e. Certification from the Manager of Administrative Services Department stating that the service provider has satisfactorily performed the scope of work as provided for in the contract;
- f. Billing Statement with breakdown of expenses, as prescribed by the Agency's Finance Department;
- g. Accomplishment report and monthly evaluation report and
- h. Photocopy of contract.

- 3.11. The monthly billing should indicate the janitorial services fee, management fee and input VAT prior to the total amount of billing.

D. PROVISION FOR MONTHLY SUPPLIES

- 3.12. The service provider shall continuously supply and provide sufficient cleaning supplies and equipment in good running condition as contained in the List of Supplies and Equipment (Annex A1).
- 3.13. The List of Supplies and Equipment may be revised subject to the approval of the Authority through the Administrative Services Department;
- 3.14. Supplies should be equivalent or approximate to the amount for supplies indicated in the contract and should be delivered on or before the first day of the month.
- 3.15. The Service provider shall provide heavy duty equipment and supplies/solutions. The service provider agrees that the AFAB reserves the right to reject supplies with poor quality and condition.

E. HOURS OF WORK

- 3.16. Ten (10) janitors shall render services from 7:00 a.m. to 4:00 p.m., Two (2) shall work from 9:00 a.m. to 6:00 p.m.
- 3.17. The service provider shall deploy relieving personnel in case of absence of regular janitors. Relieving personnel shall have the same qualifications and meet the criteria in Sec. 3.2. They shall receive the same salary as indicated in Annex B
- 3.18. On extraordinary occasions or when circumstances warrant, the Authority may require the Service provider's personnel to be on call and/or render night duty or deploy additional personnel for which the service provider shall make the necessary time and/or shifting adjustments. The service provider shall provide on call personnel who are:

3.18.1.1. Physically and mentally fit

3.18.1.2. Of good moral character and reputation and courteous
Pre-oriented and trained with basic sanitary and
housekeeping procedures;

F. MONTHLY PERFORMANCE EVALUATION

- 3.19. The service provider, through its supervisor, shall submit a monthly performance and behavioral evaluation report of its janitorial personnel to the Chief of the Administrative Services Division, Administrative Services Department. A grade of at least 80% or adjectival rating of Satisfactory is required. Failure to maintain this rating shall result to janitorial personnel replacement.

3.20. The AFAB through its Administrative Services Department (ASD) shall conduct a monthly performance evaluation. An adjectival rating of very satisfactory is required for each evaluation.

3.21. Service providers' compliance to contract including timely payment of salaries, compliance of documentary requirements and compliance of good quality cleaning supplies/solutions shall be also included on the performance rating. Failure rating for two (2) months may result to termination of this contract.

IV. CONTRACT WARRANTIES OF THE SERVICE PROVIDER

4.1. The service provider warrants that it shall conform strictly to the terms and conditions of this TOR and failure to comply shall be ground for the rescission of the contract.

4.2. The service provider warrants compliance with all pertinent laws and regulations governing compensation and labor standards.

4.3. The service provider warrants that its personnel shall comply with safety regulations and take all necessary precautions for the safety of all persons and property at or near their area of work.

It is understood and agreed that the employees of the service provider are not the employees of the AFAB. Hence, the service provider shall assume liability for loss, damage or injury to property and persons, including death due directly or indirectly through the fault, negligence or omission of its personnel or in the performance of their duties. The service provider agrees and warrants that the AFAB shall not be held liable therefor.

The service provider shall neither assign, transfer, pledge, nor subcontract any part or interest in the contract.

4.4. The service provider shall assume full responsibility for the proper performance of the duties of its employees.

4.5. The service provider shall hold the AFAB free from any action or liability whatsoever arising from any claim by any or all its personnel; that the due and faithful compliance with law relating to employment and services performed by personnel of the service provider shall devolve solely upon it.

V. TERMS OF PAYMENT

5.1. The service provider shall be paid monthly, based on the number of janitorial personnel who actually rendered service subject to the required Expanded Withholding Tax (EWT) of 2% and Final Withholding Tax on VAT of 5%.

5.2. Payment shall be made within a reasonable time from submission of monthly billing. Billing statements together the required documentary attachments (stated in Sec. 3.7 hereof) shall be submitted not later than the 5th day of the month following the period billed.

5.3. No advance payments shall be made.

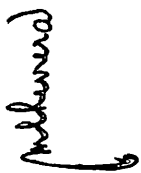
VI. CONTRACT DURATION AND CONDITION

- 6.1. The contract shall be for a period of one (1) year from execution, unless otherwise terminated for failure by the service provider to perform its obligations under the contract or violations thereof.
- 6.2. The contract or service agreement shall comply with the provisions of DOLE Department Order No. 174-17, particularly Section 11.b.

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LIST OF MONTHLY SUPPLIES AND EQUIPMENTS

Regular Monthly Supplies:

Description	Unit	Estimated Price
Air Freshner apple/lemon scent gel 180g	Pack	150.00
Black trash bag small and med (100 pcs/pack)	Pack	300.00
Carpet shampoo	Gal.	200.00
Deodorant cake with holder (sampanguita/green apple)	Pcs	45.00
Detergent Bar (400g) – for staff house use	Bar	28.00
Dish washing liquid with antibacterial (200-250 ml) -one pack per pantry	Sachet/Bottle	60.00
Disinfectant (bleach)	Gal.	150.00
Fabric conditioner antibacterial	Liter	170.00
Floor and marble wax 450g	Pack	120.00
Floor and marble liquid wax 1000ml	Liter	400.00
Furniture polish (330 ml, anti-dust formula, lemon scent)	Can	270.00
Glass cleaner	Gal.	150.00
Hand soap (PAMET approved, white) - one bar per comfort rooms	Sachet	20.00
Liquid hand soap(antibacterial, sweet pea/lavender scent)	Bot./Gal	200.00
Mop Head (cotton)	Pack	50.00
Muriatic acid	Gal.	130.00
Polishing pad 16"	Pcs	370.00
Powder soap (antibacterial/fabric softener 8-10kgs./pail)	Pail/Pack	1,500.00
Rags (round, white) –at least 2pcs. per janitor	Pcs	10.00
Scrubbing pad (16", medium, (5pcs/pk)	Pcs	200.00
Soft broom – one per janitor	Pc	300.00

Will be supplied only as needed:

Description	Unit	Estimated Price
Mop Handle (wood)	Pc	200.00
Metal Polish (150ml)	Pc	250.00
Dust mop with aluminum handle for lobby	Pc	770.00
Rubber Hand gloves	Pair	50.00
Spray bottle	Pc	50.00
Utility belt – one per janitor	Pc	100.00
Broom stick	Pc	50.00
Plastic dustpan (black)	Pc	100.00
Cob web duster with long handle	Pc	200.00
Feather duster	Pc	100.00
Toilet pump	Pc	100.00
Water pail black- one per janitor	Pc	100.00
Toilet bowl brush with cup	Pc	85.00
Push brush	Pc	150.00
50-80 Gal wheeled trash (black)	Unit	1,700.00
Toilet bowl brush (round)	Pc	50.00
Wet floor signage	Pc	400.00
Small Squeege	Pc	200.00
Telescopic squeege	Pc	500.00

Description	Unit
Cleaning Equipment	
Mop Squeezer	Unit
Floor polisher	Unit
Wet and dry vacuum	Unit

**Necessary quantity shall be determined and supplied by service provider and should be equivalent to contract amount. The estimated price was included for reference only.*

ANNEX "B"

AUTHORITY OF THE FREEPORT AREA OF BATAAN JANITORIAL SERVICES		OCT.-DEC. 2018		JAN.-SEP. 2019	
		Janitor-Supervisor	Janitor	Janitor-Supervisor	Janitor
Basic Salary Rate		P400.00	P400.00	P400.00	P400.00
Number of Days		26.08	26.08	26.08	26.08
		10,433.33	10,433.33	10,433.33	10,433.33
REIMBURSABLE COSTS:					
(A.) Payable Directly to Servicemen					
a. Basic Pay - at daily rate for the equivalent of No. of days per month		P400.00	P400.00	P400.00	P400.00
b. Overtime Pay (A total of 100 Hours a month)		-	-	-	-
c. Night Differential Premium Pay - 10% of basic salary		-	-	-	-
d. Emergency cost of living allowance		-	-	-	-
e. 13th month pay - 1/12 of basic salary		P33.33	P33.33	P33.33	P33.33
f. Service Incentive Leave - 5 days per year at basic salary rate		P6.39	P6.39	P6.39	P6.39
	Subtotal A	P439.72	P439.72	P439.72	P439.72
	Subtotal B	P22,938.89	P114,694.44	P22,938.89	P114,694.44
(B.) Payable to the government Employee Share of:					
a. Social Security Premiums - Basis: Gross Salary		P773.50	P773.50	P773.50	P773.50
b. Philhealth Premiums - Basis: Basic Salary		P143.00	P143.00	P143.00	P143.00
c. ECC Insurance Premiums		P10.00	P10.00	P10.00	P10.00
d. Pag-ibig Fund Premiums		P100.00	P100.00	P100.00	P100.00
	Subtotal C	P1,026.50	P1,026.50	P1,026.50	P1,026.50
	Subtotal D	P2,053.00	P10,265.00	P2,053.00	P10,265.00
(C.) Supplies and Materials					
P1,320x12 Janitors x 25%		P660.00	P3,300.00	P660.00	P3,300.00
P1,980x12 Janitors x 75%		P2,970.00	P14,850.00	P2,970.00	P14,850.00
	Subtotal D	P3,630.00	P18,150.00	P3,630.00	P18,150.00
(D.) Administrative Fee (P10,400*12 pax)*10%					
		P2,080.00	P10,400.00	P2,080.00	P10,400.00
(E.) Total Cost before Taxes (A+B+C)					
		P27,071.89	P135,359.44	P27,071.89	P135,359.44
(F.) Vat 12 (Admin Fee x 12%)					
		P249.60	P1,248.00	P249.60	P1,248.00
Total Cost for one month		P27,321.49	P136,607.44	P27,321.49	P136,607.44
Total Cost for year		P81,964.47	P409,822.33	P245,893.40	P1,229,467.00
De Minimis Benefit (Janitor- Supervisor)		P6,000.00	-	P27,000.00	-
Uniform Allowance for 12 Janitors per Year		P500.00	P2,500.00	P1,500.00	P7,500.00
TOTAL				P2,012,147.20	

Subject to increase or change:

- Supplies and no. of janitors - based on additional offices or areas for cleaning and volume of activities at function rooms
- Minimum wage and benefits -shall be in accordance with existing law



Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
Manila



PROFESSIONAL REGULATION COMMISSION

PROFESSIONAL IDENTIFICATION CARD

LAST NAME ▶ **ADRIANO**
FIRST NAME ▶ **LEONARD**
MIDDLE INITIAL/NAME ▶ **JIMENEZ**
REGISTRATION NO. ▶ **0106431**
REGISTRATION DATE ▶ **12/05/2006**
VALID UNTIL ▶ **01/03/2022**



CIVIL ENGINEER



01/03/1980
01/29/2018