



Republic of the Philippines
CITY GOVERNMENT OF MUNTINLUPA
Bids and Awards Committee

NOTICE TO PROCEED

MAHALIMUYAK LAUNDRY CORPORATION
Parañaque City

Dear Sir / Madame:

The attached Contract Agreement having been approved, notice is hereby given to **MAHALIMUYAK LAUNDRY CORPORATION** that the **CONTRACT** of the City Government of Muntinlupa for the **Laundry Services, Ospital ng Muntinlupa (2023)**, shall commence effective **FIVE (5) DAYS** after acknowledging receipt hereof.

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and Schedule of Delivery.

Please acknowledge receipt and acceptance of this notice by signing both copies on the space provided below. Kindly keep one (1) copy and return the other copy to the Bids and Awards Committee Secretariat.

Very truly yours,


Hon. ROZZANO RUFINO B. BIAZON
City Mayor

I acknowledge receipt of this Notice on JAN 30 2023

Name of the Bidder or Representative CHRISTOPHER MARK SORJER

Authorized signature 

City Government of Muntinlupa, 2nd Floor, Main Building,
National Road, Barangay Putatan, Muntinlupa City

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Muntinlupa
Nakakaproud!

CONTRACT AGREEMENT

LAUNDRY SERVICES, OSPITAL NG MUNTINLUPA (2023)

KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT** is made and entered into by and between:

CITY GOVERNMENT OF MUNTINLUPA, a local government unit duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with business address at the City Hall Building, National Road, Putatan, Muntinlupa City, represented in this act by the City Mayor, Hon. **MAYOR ROZZANO RUFINO B. BIAZON**, hereinafter referred to as the "**PRINCIPAL**";

-and-

MAHALIMUYAK LAUNDRY CORP., a domestic corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at Villa Olivarez, Juanita De Leon St., Brgy., San Dionisio Paranaque City represented in this act by its Representative, **CHRISTOPHER MARK B. SERVER**, hereinafter referred to as the "**CONTRACTOR**";

- WITNESSETH -

WHEREAS, one of the priority programs of the **CITY GOVERNMENT OF MUNTINLUPA (PRINCIPAL)** is the improvement of the facilities and health services offered at the Ospital ng Muntinlupa (OSMUN);

WHEREAS, in order to attain this objective and in view of the expiration of the existing contract for the Supply & Delivery of Laundry Services at the Ospital ng Muntinlupa, the **PRINCIPAL** has caused the procurement of the contract for the year 2023 through open and competitive bidding, in accordance with the provisions of Republic Act No. 9184, or the Government Procurement Reform Act;

WHEREAS, in the public bidding that was conducted by the Bids and Awards Committee (BAC), the bid proposal by the **CONTRACTOR** was found to be the Lowest Calculated and Responsive Bid (LCRB), for which a Notice of Award was issued by the City Mayor;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereto agree as follows:

I. CONTRACT PERIOD

This Contract shall be effective from January and until 31 December 2023.

II. COVERAGE

The **CONTRACTOR** shall provide, on a daily pick-up and delivery basis, laundry services to the Ospital ng Muntinlupa consisting of washing, drying, pressing, and folding of hospital linens, based on actual volumes collected, seven (7) days a week.

III. OBLIGATIONS OF THE CONTRACTOR

1. The **CONTRACTOR** shall provide laundry services to the Ospital ng Muntinlupa, including linen usage in the Annex Building, on a daily basis, seven (7) days a week. Soiled linens must be picked up daily between 6:00-8:00 a.m. while clean linens must be delivered daily any time on or before 7:00 a.m. There must be zero backlog in the delivery of clean linens.
2. The **CONTRACTOR** shall use only quality detergent and fabric softener in washing the linens. Washed, dried, pressed and folded linens must be placed inside clean plastic bags for delivery. Worn-out linens must be mended and delivered within three (3) days from pick up. In case of damage to linens due

to the fault of the **CONTRACTOR** or its personnel, said damaged linens must be replaced within two (2) weeks from notice.

3. The **CONTRACTOR** shall follow strictly the instructions or guidelines to be provided by the Ospital ng Muntinlupa relative to infection control and prevention.
4. To ensure timely and satisfactory performance of its obligations under this Contract, the **CONTRACTOR** shall continuously have under its employ, at any given time, adequate number of manpower as stated in the Technical Specifications, who shall all possess the necessary Occupational and/or Sanitary Permit from the local government unit where its laundry operations are located.
5. The **CONTRACTOR** shall provide at any given time throughout this Agreement, at least six (6) to eight (8) units of heavy duty washing machines, at least six (6) to eight (8) units of heavy duty driers, and at least eight (8) units of pressing machines in its laundry service establishment.
6. The **CONTRACTOR** shall allow the **PRINCIPAL**, through any of its authorized representatives, to conduct on-site visits on its laundry facilities during reasonable business hours to ensure its faithful compliance with the foregoing obligations in paragraphs III.5 & III.6.
7. The **CONTRACTOR** warrants that it has the necessary licenses and permits for a laundry establishment and that it is compliant with existing laws and regulations of DOLE such as SSS and PhilHealth.
8. The **CONTRACTOR** warrants that it has adequate and relevant experience in doing laundry of linens for hospitals for the past 5 – 6 years and must submit list of hospital based clients.
9. The **CONTRACTOR** must have a manual on Proper Laundry of Hospital Linen which will be reviewed and inspected by the **PRINCIPAL**.

IV. OBLIGATIONS OF THE PRINCIPAL

1. As consideration for the provision of laundry services, the **PRINCIPAL** shall pay the **CONTRACTOR** a **Contract Price** (for January – December 2023) of **Two Million Nine Hundred Twenty-Five Thousand Pesos (P2,925,000.00)**. Cost per kilo is Php25.00 at an average of 325 kilos/day.
2. Billing statements shall be issued by the **CONTRACTOR** every 15th and 30th of the month.

V. OTHER OBLIGATIONS OF THE CONTRACTOR

1. During the contract period, the **CONTRACTOR** shall secure the necessary business permit/licenses and ensure the timely payment of its taxes.
2. The **CONTRACTOR** shall comply with all pertinent laws, rules and regulations, and City Ordinance.
3. The **CONTRACTOR** shall be solely responsible for any and all damage to third person/s caused by its equipment and/or personnel during this Contract.

VI. PERFORMANCE SECURITY

1. Within ten (10) calendar days from receipt of the Notice of Award but in no case later than the signing of the Contract by both parties, the **CONTRACTOR** shall furnish to the **PRINCIPAL** the performance security in the following forms and amounts from which the **CONTRACTOR** may choose:

- i. Cash, certified check, cashier's check, manager's check, bank draft or irrevocable letter of credit in the amount of five percent (5%) of the Contract Price (for January – December 2023);
 - ii. Bank guarantee in the amount of ten percent (10%) of the Contract Price (for January – December 2023); and,
 - iii. Surety bond in the amount of thirty percent (30%) of the Contract Price (for January – December 2023);
2. The proceeds of the Performance Security shall be payable to the **PRINCIPAL** as compensation for any loss resulting from the **CONTRACTOR'S** failure to complete its obligation under the Contract.
3. The performance security shall be denominated in the currency of the Contract.
4. The performance security will be discharged by the **PRINCIPAL** and returned to the **CONTRACTOR** not later than thirty (30) days following the date of completion of the **CONTRACTOR'S** obligations under the Contract and the issuance of a certification to that effect by the **PRINCIPAL**.

VII. USE OF CONTRACT DOCUMENTS AND INFORMATION

1. The **CONTRACTOR** shall not, except for the purpose of performing the Contract, without the **PRINCIPAL'S** prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or in behalf of the **PRINCIPAL**. Any such disclosure shall be made in confidence and shall extend only as far as may be necessary for the purpose of such performance.
2. Any document, other than the Contract itself, shall remain the property of the **PRINCIPAL** and shall be returned (all copies) to the **PRINCIPAL** upon completion of the **CONTRACTOR'S** performance under the Contract if so required by the **PRINCIPAL**.

VIII. LIMITATION OF LIABILITY

Except in case of criminal negligence or willful misconduct, and unless specified otherwise, the aggregate liability of the **CONTRACTOR** to the **PRINCIPAL**, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of replacing defective equipment.

IX. DELAY IN THE CONTRACTOR'S PERFORMANCE

1. The performance of services shall be made by the **CONTRACTOR** in accordance with the time schedule agreed upon herein, as prescribed by the **PRINCIPAL**.
2. If at any time during the performance of the Contract, the **CONTRACTOR** should encounter conditions impeding timely performance of service, the **CONTRACTOR** shall promptly notify the **PRINCIPAL** in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the **CONTRACTOR'S** notice, the **PRINCIPAL** shall evaluate the situation and may extend the **CONTRACTOR'S** time for performance, in which case the extension shall be made by the parties by amendment of Contract.
3. Except in case of *force majeure* as provided hereunder, a delay by the **CONTRACTOR** in the performance of its obligations shall render the **CONTRACTOR** liable for the imposition of liquidated damages, unless an extension of time has been agreed upon by amendment of the contract without the application of liquidated damages.

X. LIQUIDATED DAMAGES

Subject to the above provision on delays in the **CONTRACTOR'S** performance and the happening of a *force majeure*, if the **CONTRACTOR** fails to perform the services within the period(s) specified in the Contract, the **PRINCIPAL** shall,

without prejudice to its other remedies under the Contract and under the applicable law, deduct from the Contract Price, as liquidated damages, a sum equivalent to at least one tenth (1/10) of one percent (1%) of the cost of the unperformed service for every day of delay until actual performance, up to a maximum deduction of ten percent (10%) of the amount of the Contract. Once the maximum is reached, the **PRINCIPAL** may consider termination of the Contract pursuant to the provision hereunder on termination by default of the **CONTRACTOR**.

XI. TERMINATION FOR DEFAULT

1. The **PRINCIPAL**, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the **CONTRACTOR**, may terminate this Contract in whole or in part:
 - i. If the **CONTRACTOR** commits repeated acts of violation and/or noncompliance with any of the provisions of this Contract;
 - ii. If the **CONTRACTOR** fails to perform any of its obligation under this Contract, or is guilty of gross inefficiency in collection or grossly unsatisfactory performance; or,
 - iii. If the **CONTRACTOR**, in the judgment of the **PRINCIPAL**, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purposes of this provision:

(a) "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution, entering, on behalf of the Government, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the public officer profited or will profit thereby.

(b) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among Bidders (prior to or after Bid submission) designed to establish Bid process at artificial non-competitive levels and to deprive the Borrower of the benefits of free and open competition.

(c) "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the **PRINCIPAL**, designed to establish Bid prices at artificial, non-competitive levels;

(d) "coercive practice" means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in a procurement process, or affect the executive of a contract.

2. In the event the **PRINCIPAL** terminates the Contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the **CONTRACTOR** shall be liable to the **PRINCIPAL** for any excess costs for such familiar services. However, the **CONTRACTOR** shall continue performance of the Contract to the extent not 'terminated'.
3. The right of the **PRINCIPAL** to hold the **CONTRACTOR** liable for damages shall be without prejudice to the **PRINCIPAL'S** right to proceed against the Performance Security and to rescind this Contract for violation or non-compliance with any terms or conditions hereof, subject to prior written notice to the **CONTRACTOR**.

TERMINATION FOR INSOLVENCY

The **PRINCIPAL** may at any time terminate the Contract by giving written notice to the **CONTRACTOR** if the **CONTRACTOR** becomes bankrupt or otherwise

insolvent. In this event, termination, will not prejudice or affect any right of action or remedy which may accrue thereafter to the **PRINCIPAL**.

TERMINATION FOR CONVENIENCE

The **PRINCIPAL** may, by written notice sent to the **CONTRACTOR**, terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the **PRINCIPAL'S** convenience, the extent to which performance of the **CONTRACTOR** under the Contract is terminated, and the date upon which such termination becomes effective.

XII. FORCE MAJEURE

1. The **CONTRACTOR** shall be liable for forfeiture of its Performance Security, damages, or termination for default if and to the extent of its delay in performance or other failure to perform its obligations under the Contract that is not the result of a Force Majeure.

For purposes of this provision, "*force majeure*" means an event or situation beyond the control of the **CONTRACTOR** that is not foreseeable, is unavoidable, and its origins is not due to negligence or lack of care on the part of the **CONTRACTOR**. Such events may include, but not be limited to wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

2. If a *force majeure* situation arises, the **CONTRACTOR** shall promptly notify the **PRINCIPAL** in writing of such condition and the cause thereof. Unless otherwise directed by the **PRINCIPAL** in writing, the **CONTRACTOR** shall continue to perform its obligations under the Contract as far as reasonably practical, and shall seek all alternative means for performance not prevented by the *force majeure*.

XIII. SETTLEMENT OF DISPUTES

1. If any dispute or difference of any kind whatsoever shall arise between the **PRINCIPAL** and the **CONTRACTOR** in connection with or arising out of the Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
2. If after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the **PRINCIPAL** or the **CONTRACTOR** may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
3. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given shall be settled by arbitration. Arbitration may be commenced prior to or after delivery of services under the Contract.
4. Notwithstanding any reference to arbitration herein –
 - a. the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and,
 - b. the **PRINCIPAL** shall pay the **CONTRACTOR** any monies due the **CONTRACTOR**.

XIV. AMENDMENT

No variation in or modification of the terms of this Contract shall be made except by written amendment signed by the parties.

XV. ASSIGNMENT

The **CONTRACTOR** shall not assign, in whole or in part, this Contract, nor any right or obligation under this Contract, except with the **PRINCIPAL'S** prior written consent.

XVI. NOTICES

- 1. A notice shall be effective when delivered and duly received or on the notice's effective date, whichever is later.
- 2. The address for notices shall be those specified above.

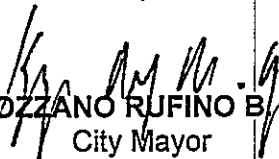
XVII. GOVERNING LAW

The Contract shall be interpreted in accordance with the laws of the Philippines.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hand this JAN 30 2023 day of _____ 2023 at Muntinlupa City.

CITY GOVERNMENT OF MUNTINLUPA
Principal

By:

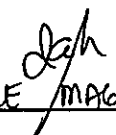

HON. ROZZANO RUFINO B. BIAZON
City Mayor

MAHALIMUYAK LAUNDRY CORP.
Contractor

By:


CHRISTOPHER MARK B. SERVER

Signed in the Presence of:


IRENE MAGANDA


GINA ARANZON

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MUNTINLUPA) S.S.

BEFORE ME, a Notary Public for the City of Muntinlupa, personally appeared the following:

Gov't. Issued ID/Passport No. Valid Until

Hon. ROZZANO RUFINO B. BIAZON Driver's License NO3-86-030998
Christopher Mark B. Server Driver's License NO1-92-40614

known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged the same to be their free and voluntary acts and deed.

This Contract of Services, consisting six (6) pages, including this acknowledgement page, has been signed by all the parties and their respective witnesses on each and every page and sealed in my official seal.

WITNESS MY HAND AND SEAL this JAN 30 2023 day of _____ at Muntinlupa City, Philippines.


MEYNARD R. JOB

Notary Public for Muntinlupa City
Notarial Commission No. 23-009
Until December 31, 2024

PTR No. 4347537 / Jan. 03, 2023 / Muntinlupa City
IBP Lifetime O.R. No. 1010271 / Jan. 04, 2015,
Roll No. 49786 / PPLM
MCLE Compliance No. VII-0016417 / April 26, 2022
2731-C Bruger Street, Bruger Subdivision, 2
Putatan, Muntinlupa City 6

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