



**CONTRACT FOR THE PROVISION OF TECHNICAL AND ADMINISTRATIVE SUPPORT
PERSONNEL FOR THE PORT MANAGEMENT OFFICE OF
MISAMIS ORIENTAL/CAGAYAN DE ORO
FOR THE PERIOD JULY 1, 2018 TO DECEMBER 31, 2018**

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into on SEP 21 2018 in the City of
Manila, Philippines, by and between:

PHILIPPINE PORTS AUTHORITY, a government instrumentality created under Presidential Decree No. 857, as amended, with principal office at PPA Corporate Building, Bonifacio Drive, South Harbor, Port Area, Manila, represented herein by the General Manager, **JAY DANIEL R. SANTIAGO**, and hereinafter referred to as "**PPA**";

-and-

WORKERS VISION MANPOWER SERVICES, INC., a private corporation duly organized and existing in accordance with Philippine laws, with principal office address at Unit 305, 3rd Floor Stary Bldg., Max Suniel Street, Carmen, Cagayan de Oro City, Misamis Oriental, represented herein by its Manager, **REXEL M. PACURIBOT**, duly authorized for this purpose as evidenced by a Secretary's Certificate dated May 7, 2018 (Annex "A") and hereinafter referred to as the "**CONTRACTOR**";

WITNESSETH:

WHEREAS, **PPA** is desirous to enter into a Contract for the Provision of Technical and Administrative Support Personnel for the Port Management Office of Misamis Oriental/Cagayan de Oro (PMO MO/C) for July 01, 2018 to December 31, 2018;

WHEREAS, in accordance with Republic Act No. 9184 and its 2016 Revised Implementing Rules and Regulations, the PPA-PMO MO/C, Bids and Awards Committee for the Procurement of Goods and Services (BAC-PGS) advertised/posted on April 27, 2018 in the PhilGEPS and PPA Website as well as in the bulletin board an Invitation to Bid for the Provision of Technical and Administrative Support Personnel for PMO MO/C;

WHEREAS, after the opening of bids on May 16, 2018 and the conduct of bid evaluation and the required post-qualification, the bid submitted by the **CONTRACTOR** was found to be the Single Calculated and Responsive Bid in the amount of **SIX MILLION EIGHT HUNDRED NINETY EIGHT THOUSAND FIVE HUNDRED FIFTY PESOS AND 34/100 CENTAVOS (Php 6,898,550.34)**, per BAC-PGS Resolution No. 01-2018 Series of 2018 dated May 28, 2018;

WHEREAS, in a Notice of Award dated May 29, 2018, as amended in a notice dated June 18, 2018, the contract was awarded to the **CONTRACTOR** which signified its "Conforme" thereto;

NOW, THEREFORE, for and in consideration of the foregoing premises, **PPA** and the **CONTRACTOR** agree as follows:

ARTICLE I CONTRACT DOCUMENTS

- 1.01 The following documents shall constitute integral parts of this Contract:
- a. Bid Documents issued by PPA;
 - b. Winning Bidder's Bid, including eligibility requirements, technical and financial proposal and all other documents/statements submitted;
 - c. Performance Security;
 - d. Notice of Award of Contract bearing the **CONTRACTOR's** "Conforme" thereto; and
 - e. Other pertinent documents as may be required by existing laws and/or of **PPA** such as:
 - 1. Abstract of Bids;
 - 2. Approved BAC Resolution Recommending Award of the Contract; and
 - 3. Certificate of Availability of Funds (CAF).
- 1.02 All contract documents are and shall remain as the property of the **PPA**.
- 1.03 The words and expressions in this Contract shall have the same meanings respectively assigned to them in the contract documents referred to above.

ARTICLE II MANPOWER REQUIREMENTS

- 2.01 The **CONTRACTOR** shall provide **PPA** with Technical and Administrative Support Personnel as follows, and as specifically provided in the Terms of Reference (Annex "B"). The number and period of their assignment is based on the actual requirements of PPA.

Positions	No. of Personnel
Gatekeepers	13
Clerk Processor B	21
Accounting Processor B	3
Engineering Aide B	1
Mechanic Helper	1
Plumber C	1
Data Encoder	20
Engineering Assistant A	1
Engineering Assistant B	1
Painter II (A)/Signage Artist	1
Carpenter/Mason	1
Utility Worker A	5
Mgt. Info. Systems Design Specialist A	1

Total No. of Personnel	70
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- 2.02 **PPA** reserves the right to increase or decrease the number of personnel as the need arises at anytime during the term of this Contract and the increase in the number of personnel shall be given effect through the execution of a supplemental agreement.
- 2.03 The **CONTRACTOR** shall assign personnel who possess the required qualifications and experience suitable to the positions as specified in the Terms of Reference, having correct discipline for the function or duty to be performed, physically and mentally fit, and of good moral character.

**ARTICLE III
OTHER TERMS AND CONDITIONS**

- 3.01 **Consideration** – For and in consideration of the service/s rendered, the **PPA** hereby agrees to pay the **CONTRACTOR** the amount not exceeding **Six Million Eight Hundred Ninety Eight Thousand Five Hundred Fifty Pesos and 34/100 Centavos (Php 6,898,550.34)**. The rates quoted are based on eight (8) hours work per day per individual and include payment due to the personnel, basic pay, 13th month pay, etc.; and to the government, i.e. contributions to Home Development Mutual Fund (HDMF or Pag-ibig Fund), SSS, Philhealth, ECC, etc. including the Value Added Tax of twelve percent (12 %). Except as provided under existing laws, it is hereby expressly agreed upon and understood that the stipulated rates shall not be subject to upward adjustment for any cause or reason.

Payment of the aforesaid consideration shall be subject to the following conditions:

- a. Tardiness, undertime, half-days and absences incurred by the personnel assigned to **PPA** shall be deducted accordingly from the monthly billing of the **CONTRACTOR**.
- b. The payment shall be subject to the **CONTRACTOR's** presentation of its semi-monthly personnel payroll and affidavit or sworn certification that it has paid the salaries and benefits of its personnel for the period covered, per submitted payroll and remitted the corresponding premiums to HDMF or Pag-ibig, SSS, Philhealth, ECC, etc. as well as the withholding taxes to BIR.
- c. Any payment due and payable to the **CONTRACTOR** may be set-off against liquidated damages payable to **PPA** by the **CONTRACTOR** under this Contract.
- d. All payments shall be subject to existing government accounting and auditing rules and regulations.

The **CONTRACTOR** agrees to pay the salaries of its personnel assigned to **PPA** in accordance with the rates indicated in the Technical Specifications (Terms of Reference), including the overtime pay, night shift differential, 13th month, and such other benefits and emoluments as may be applicable, and as may be granted by law, wage orders, and rules and regulations issued by the Department of Labor and Employment. For this purpose, **CONTRACTOR** shall provide its personnel with pay slips evidencing the amount of their salaries and deductions thereof, should there be any, in at least two (2) days before the scheduled payment of their salaries which would be in every fifteenth (15th) and thirtieth (30th) of each month.

The **CONTRACTOR** shall also provide office uniform to its personnel assigned to **PPA**.

- 3.02 **Duration** – This Contract shall be from July 1, 2018 to December 31, 2018.

- 3.03 **Performance Security** – To guarantee the faithful performance of the **CONTRACTOR** under this Contract, it shall post prior to the signing of this Contract a performance security in accordance with the following schedule:

- a. Cash, cashier's/ manager's check, bank draft/guarantee, irrevocable letter of credit issued by a Universal or Commercial Bank – Five percent (5%) of the total contract price.
- b. Surety Bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security – Thirty percent (30%) of the total contract price.

This performance security shall be posted in favor of **PPA**, and shall be forfeited in favor of **PPA** in the event it is established that the **CONTRACTOR** is in default in any of its obligations under this Contract.

In the execution of the performance security, the following conditions shall be complied with:

- a. It shall be executed in accordance with the form prescribed in this Section.
- b. It shall be at least co-terminus with the contract.

Should any security posted become unacceptable to **PPA**, the **CONTRACTOR** shall promptly furnish such replacement security as may be required from time to time up to the sum equal to the amount of the original security.

- 3.04 **Assignment of Personnel** – The **CONTRACTOR** shall assign its personnel as **PPA** may deem proper under this Contract. The **CONTRACTOR** maintains administrative control and supervision over its personnel, however, it hereby authorizes **PPA** to give direct instructions to the personnel assigned during their term of duty and such exercise of power by **PPA** shall not be deemed as relinquishment of power by the **CONTRACTOR** as the Employer of the said personnel.
- 3.05 **Hours of Work** – The personnel assigned to **PPA** shall work for eight [8] hours per day; twenty-two (22) days per month, and in case the need arises, said personnel may be required to render service beyond the eight (8) hour period or during Holidays or rest days. Rendering of overtime services shall have prior approval of the Head of the PMO and shall be subject to the provision of the Terms of Reference and existing **PPA** Rules and Regulations, and COA Accounting and Auditing Policies.
- 3.06 **Removal or Replacement of Personnel** – **PPA** hereby reserves the right to request the immediate replacement of any of the assigned personnel of the **CONTRACTOR** who, in its opinion, are found wanting competency, honesty, and integrity or whose continued stay or service would be prejudicial to the best interest of **PPA**.
- 3.07 **Liquidated Damages** – Should the **CONTRACTOR** refuse or fail to satisfactorily comply with its undertaking, and is hereby in default under the Contract, the **CONTRACTOR** shall be liable for damages for the delay and shall pay **PPA** for liquidated damages and not by way of penalty, an amount equivalent to one-tenth (1/10) of one percent (1%) of the cost of the unperformed portion thereof, for every day of delay until the same is finally performed/completed and accepted by **PPA**.

The damages herein provided are fixed and to be entitled to such damages, **PPA** need not prove that it has incurred actual damages. Such amount shall be deducted from any money due or which may become due the **CONTRACTOR** under the contract and/or collect such liquidated damages from the securities or warranties posted by the **CONTRACTOR**, whichever is convenient to **PPA**.

In no case, however, shall the total sum of liquidated damages exceed ten percent (10%) of the total contract price, in which event the Contract shall automatically be terminated by **PPA** and the erring **CONTRACTOR**'s performance security shall be forfeited. The amount of the forfeited performance security shall be aside from the amount of the liquidated damages that the **CONTRACTOR** shall pay **PPA** under this Section and the other appropriate sanctions that may be imposed to the former.

- 3.08 **Cancellation/Termination of Contract** – **PPA** has the right to cancel or terminate this contract without the need of judicial action, at anytime before its expiration on reasonable grounds, such as, but not limited to: unsatisfactory service or performance or violation of any terms of this Contract by giving the **CONTRACTOR** at least fifteen (15) calendar days written notice in advance to that effect, which Notice shall be final and binding on all the parties. Within thirty (30) days after the

cancellation or termination of this Contract, the Parties shall settle their respective accountabilities as of the date of cancellation or termination.

- 3.09 **Warranties** – The **CONTRACTOR** hereby warrants compliance with the requirements of Social Security System Law, the Employees' Compensation Program and Wage Orders governing payment to workers of at least the minimum wage, and other laws or decrees pertaining to employer-employee relationship, including the grant of retirement benefits as mandated by existing labor laws to its personnel.

The **CONTRACTOR** further warrants the capabilities and technical competence of its support personnel to be assigned in **PPA** based on individual work and experience qualifications. Relative to this, **PPA** reserves the right to verify the **CONTRACTOR's** assigned personnel as to their qualifications and integrity and to require replacement thereof in case **PPA**, upon verification, is in opinion that the said personnel are found wanting in competency, honesty, and integrity or whose continued stay or service would be prejudicial to the best interest of **PPA** without additional cost to **PPA**.

- 3.10 **CONTRACTOR's Liability** – The **CONTRACTOR** shall assume full responsibility and binds itself to indemnify **PPA** for any loss, damage, destruction and/or injury that may be incurred by the latter and/or its employees which are attributable to the negligence, fault, misconduct or unlawful act of the former and its personnel.

- 3.11 **No Employer-Employee Relationship** – There is no employer-employee relationship between the **CONTRACTOR** and/or its personnel and the **PPA**, such that the **CONTRACTOR's** personnel assigned in **PPA** are not **PPA** employees. The **CONTRACTOR** is an independent contractor. Accordingly, **PPA** shall not be liable or responsible for any injury including death sustained or caused by any of the personnel of the **CONTRACTOR** during the lawful performance of their duties.

ARTICLE IV MISCELLANEOUS PROVISIONS

- 4.01 Failure of **PPA** to demand strict compliance with any of the terms of this Contract or any act of liberality on the part of the **PPA**, shall not be considered as a waiver on the part of **PPA** for enforcement of this Contract, nor shall it relieve the **CONTRACTOR** of any of its obligations as herein provided.
- 4.02 In case of conflict between the Contract and the provisions of the contract documents, the former shall be controlling.
- 4.03 The **CONTRACTOR** shall provide and do anything necessary to perform its obligations under this contract according to the true intent and meaning of all the Contract Documents taken together.
- 4.04 All taxes, licenses, permits, fees or charges of whatever form which may be due to the local government units or national government or its instrumentalities/agencies on account of the performance and completion of the work stipulated herein, and all necessary and incidental expenses relative thereto, including the cost of notarization of this Contract shall be borne and paid by the **CONTRACTOR** on its own account. Should **PPA** be compelled to advance the same, **PPA** is hereby authorized to deduct the amount advanced from whatever amount due the **CONTRACTOR**.
- 4.05 The **CONTRACTOR** shall pay taxes in full and on time and that failure to do so shall entitle **PPA** to suspend payment to the **CONTRACTOR**. Further, during the term of this Contract, the **CONTRACTOR** shall present to **PPA** a Tax Clearance from the Bureau of Internal Revenue (BIR) as well as a copy of its Income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon.

- 4.06 Should there be any dispute in connection with this Contract, the Parties hereto shall, as far as practicable, settle the same amicably. In the even that such dispute be not resolved to their mutual satisfaction, the matter shall be submitted to Arbitration in the Philippines according to the provisions of Republic Act 9285 or the "Alternative Dispute Resolution Act of 2004". Provided, that the arbitration proceeding shall be without prejudice to the right of PPA to terminate this Contract in accordance with Section 3.08.
- 4.07 Should **PPA** be constrained to resort to court action to enforce or safeguard its rights and interests under this Contract, the **CONTRACTOR** shall be liable to **PPA** for attorney's fees in an amount equivalent to twenty percent (20%) of the total sum claimed in the compliant, exclusive of other damages and expenses of litigation. Venue of all court actions in connection with or arising out of this contract shall be laid exclusively in proper court in the City of Manila.
- 4.08 The personnel assigned to **PPA** must not be related within the third degree of consanguinity or affinity with **PPA's** General Manager, or the appointing and recommending authorities, or the immediate superior of the assigned personnel; and that the said personnel has not been previously dismissed from the service by reason of an administrative or criminal case; and has not yet reached the age of sixty (60).
- 4.09 The **CONTRACTOR** hereby represents that all documents it submitted which form integral parts hereof are authentic and duly executed with all the required formalities for the same, and that the facts and/or data contained therein are true and correct. A breach of this representation including all misrepresentation in the documents or suppression of material facts therein, which if known, could have disqualified the **CONTRACTOR** such that this Contract would not have been made and entered into, gives **PPA** the immediate right to *motu proprio* terminate the Contract without need of judicial intervention.
- 4.10 Pursuant to Section 47 of the 2016 Revised IRR of R.A. 9184, the **CONTRACTOR** further represents that all its officers, directors, and controlling stockholders are not related to by consanguinity or affinity up to the third (3rd) civil degree to PPA's General Manager, the Port Manager of PMO MO/C, the Chairperson and Members of the PMO MO/C Bids and Awards Committee for the Procurement of Goods, including the Technical Working Group and Secretariat. In case of violation, PPA has the right to cancel or terminate this contract without the need of judicial action pursuant to Section 3.08.

ARTICLE V EFFECTIVITY

- 5.01 This Contract shall be effective upon signing of the parties.

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

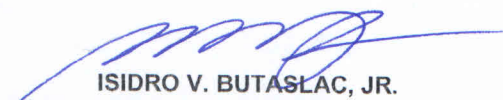
PHILIPPINE PORTS AUTHORITY
By:


JAY DANIEL R. SANTIAGO
General Manager

WORKERS VISION MANPOWER
SERVICES, INC.
By:


REXEL M. PACURIBOT
Manager

Signed in the presence of:


ISIDRO V. BUTASLAC, JR.
Port Manager, PMO-Misamis Oriental/
Cagayan De Oro



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF CAGAYAN DE ORO) S.S.

BEFORE ME, a Notary Public, for and in the City of _____, Philippines,
on this 09 OCT 2018 personally appeared:

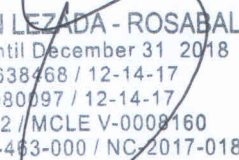
Name	Identification Document Presented	Number/Date/Place Issued
JAY DANIEL R. SANTIAGO, in his official capacity as the General Manager of Philippine Ports Authority	<u>PPA ID 0010 2016</u>	<u>Sept. 21, 2016</u>
REXEL M. PACURIBOT, in his official capacity as the Manager of Workers Vision Manpower Services, Inc.	<u>CMCH 02884129</u>	<u>1/5/18 - CDO</u>

known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free act and that they are authorized to represent the legal entities represented.

The foregoing instrument refers to a Contract for the Provision of Technical and Administrative Support Personnel for the Port Management Office of Misamis Oriental/ Cagayan de Oro for the period July 1, 2018 to December 31, 2018 consisting of seven (7) pages including the page on which this acknowledgement is written, duly signed by the parties and their witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL.

Doc. No. 1134;
Page No. 87;
Book No. 37;
Series of 2018.


ATTY. MARILEN LEZADA - ROSABAL
Notary Public until December 31 2018
PTR No. 8638468 / 12-14-17
IBP No. 1080097 / 12-14-17
Roll No. 53682 / MCLE V-0008160
TIN No. 947-407-463-000 / NC-2017-018



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-and-

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