

Republic of the Philippines
City of Olongapo

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SPECIAL BIDS AND AWARDS COMMITTEE

Second Floor Olongapo City Hall , Rizal Avenue, West Bajac- Bajac, Olongapo City
Web: www.olongapocity.gov.ph

INVITATION TO LEASE

Lease of School Canteen at Gordon College

The City Government of Olongapo (CGO) is inviting to accept proposal from private individual or business entity for the lease of School canteen at Gordon College Building located at OVAL Track Barangay East Tapinac, Olongapo City with an area of 31.5 x 7.5 meters.

The CGO, pursuant to its power to lease its properties and to create and broaden its own sources of revenue under Section 3, 18 and 129 of the Local Government Code of 1991, and Executive Order No. 301 Series of 1987 decentralizing the authority to award lease contracts to heads of agencies; and in line with the policy of the CGO for transparency, invites the public, through its Special Bids and Awards Committee (SBAC), to submit their proposal for the lease of the area of Gordon College Canteen.

The schedule of activities is listed, as follows:

ACTIVITIES	SCHEDULE
Posting of invitation	July 8-14, 2016
Deadline of Submission of Letter of Intent and Issuance/Purchasing of TOR	July 8-14, 2016, 8am to 5pm at General Services Office
Opening/Review of proposal	July 15, 2016, 2PM at General Services Office

The proposals shall be subject to the terms and conditions prescribe in the Terms and Reference (TOR) prepared by the CGO. The TOR will be available only to prospective bidders upon payment of a non refundable amount of Ten Thousand Pesos (P 10,000.00) with the General Services Office of the CGO. Only those who have paid the non-refundable fee shall be allowed to submit Letter of Intent.

The CGO reserves the right to reject any or all bids, declare failure of bidding and not to award the contract for any justifiable and reasonable ground where an award will not redound to the benefit of the city.

SGD MERLITO J. MAJARUCON
SBAC Secretariat
General Services Office

NOTED BY:

SGD ATTY ANNA MARIN F. SISON
SBAC Chairman



REPUBLIC OF THE PHILIPPINES

City Government of Olongapo

**TERMS OF REFERENCE
FOR THE LEASE OF
GORDON COLLEGE CANTEEN**

**TERM OF REFERENCE
FOR PROSPECTIVE LESSEE**

July 2016

FOREWORD

This Terms of Reference (TOR) describe the procedures that will be followed in connection with the lease of Gordon College Canteen. Prospective Lessee shall submit their proposals.

CGO reserves the right to amend or supplement the TOR at any time prior to the submission of proposal.

SECTION I
BACKGROUND

The City Government of Olongapo (CGO) is inviting interested parties for comparative proposal for competitive challenge for the Contract over the lease area of Gordon College Canteen. The area to be lease is 315 x 7.5 meters.

The overall objective of the contract is to increase access to quality and affordable food for the students of Gordon College.

SECTION II
INSTRUCTION TO BIDDERS

1. Scope of Proposal

1.1. CGO wishes to receive Proposal from Lessee for the lease of Gordon College Canteen.

2. Items of Proposal

2.1. The items of Proposal for the lease area shall be the following:

Items of Bid	Minimum Requirement
a. Monthly Minimum Guaranteed Lease (MMGL)	Minimum of FOURTEEN THOUSAND PESOS (P14,000) per
b. Conceptual Plan	Improvement of lease area
c. Track record	At least one (1) year related experience

3. Contents of the Terms of Reference (TOR)

3.1. The TOR consists of Sections I to V which include all the Sections indicated below, and should be read.

Section I. Background

Section II. Instruction to Bidders

Section III. Technical Specifications

Section IV. Sample Forms

Section V. Contract Agreement

3.2. Bidders should note that CGO will only accept proposal from lessee that have purchased the TOR from the Office of the Special Bids and Awards Committee SBAC Secretariat located at General Office 2nd Floor Olongapo City Hall Olongapo City .

3.3. The lessee is expected to examine all instructions, forms, terms, and specifications in the TOR. Failure to furnish all information or documentation required in the TOR shall result in the rejection of the proposal and the disqualification of the Lessee.

4. Deadline for Submission of Bids

Proposal must be received by the SBAC at 2nd floor General Services Office, Olongapo City Hall on July 15, 2061 2PM.

5. Process to be Confidential

The Members of the SBAC, as well as its Secretariat are prohibited from making or accepting any kind of communication with any bidder regarding the evaluation of their proposal until the issuance of the Contract Agreement.

6. Documents comprising the Technical Proposal (1st envelop)

6.1 The proposal shall contain the following documents:

- (a) Term of Reference (TOR) signed on each page by the authorized representative and signatory
- (b) Affidavit of site inspection
- (c) Manpower requirements and technical specs of the equipment.
- (d) Commitment for the Payment of the advance lease payment form

7. Documents Comprising the Financial Proposal (2nd Envelope)

7.1 The Financial Proposal shall contain the following:

- (a) Bid Security, which shall be non-interest bearing, in an amount equivalent to one (1) month Monthly Minimum Guaranteed Lease of the Proposed Bid in the form of cash or certified/cashier's/manager's check issued by a Philippine local bank and payable to "City Government of Olongapo";
- (b) Bid Form
- (c) Conceptual Plan
- (d) Track record

All Bids below the minimum or not complying with the required commitments and alternative bids shall be rejected.

8. Bid Submission: Technical and Financial Proposals

8.1 The Bidder shall submit their Bids through their authorized representative using the appropriate Bid Forms on the deadline for the Submission and Opening of Bids and in two (2) separate sealed envelopes and addressed to the SBAC; the first envelope containing the Technical Proposal of the Bid and the second envelope containing the Financial Proposal of the Bid.

8.2 The bidder shall submit one (1) original and one (1) copy of the Technical Proposal and Financial Proposal.

8.3 The Bidder shall bear all costs associated with the preparation and submission of its Bid and CGO shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

9. Sealing and Marking of Bids

9.1 The first envelope (marked Technical Documents) shall contain one (1) original set and one (1) set of certified true copies of the original signed and sealed. The second envelope (marked Financial Proposal) shall contain one (1) original set and one (1) set of certified true copies of the original signed and sealed.

9.2 All envelopes shall:

- (a) contain the Project name in capital letters;
- (b) bear the name and address of the Bidder in capital letters;
- (c) be addressed to the SBAC;
- (d) bear the Project Title: LEASE FOR GORDON COLLEGE CANTEEN; and
- (e) bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of

Bids.

9.3 If all envelopes are not sealed and marked as required, CGO will assume no responsibility for the misplacement or premature opening of the Bid.

10. Deadline for Submission of Bids

Bids must be received by the SBAC at the CGO 2nd Floor General Service Office Olongapo City Hall on July 15, 2016, not later than 2:00 pm.

11. Evaluation and Comparison of Bids

11.1 The Highest result in the evaluation shall be adopted in the determination of the Highest Calculated Bid. The highest percentage of bid with the highest sum of: a) total MMGL PLUS b) Conceptual Plan; PLUS c) Track record.

12. Award Criteria

12.1 The highest calculated bid is the bid with the highest sum of: a) Monthly Minimum Guaranteed Lease (MMGL) b) Conceptual Plan c) Track record.

12.2 CGO shall issue the NOA to the Bidder whose Bid has been determined to be responsive and eventually determined to be the Highest Calculated Responsive Bid.

12.3 In case of a tie in the highest calculated bid, a tie-breaking process shall be conducted in accordance with applicable government procedures.

13. Notice of Award

13.1 Prior to the expiration of the period of Bid validity, CGO shall notify the successful Bidder in writing that its Bid has been accepted, through a Notice of Award (NOA) received personally or sent by registered mail or electronically, receipt of which must be confirmed in writing within five (5) days from receipt by the successful Bidder and submitted personally or sent by registered mail or electronically to CGO.

13.2 Upon the issuance of the NOA to the successful Bidder, CGO shall promptly notify each unsuccessful Bidder of the fact of award to the successful Bidder.

14. Signing of the Contract Agreement

14.1 Upon issuance of the NOA, CGO shall furnish the copy of Contract Agreement to the Lessee, which has been provided in the TOR, incorporating therein the Lessee’s Proposal.

14.2 Within five (5) calendar days from receipt of the NOA, the successful lessee shall sign and date the Contract Agreement and return it to CGO.

15. Performance Security

15.1 Within the period of the Contract Agreement, the successful Bidder shall furnish CGO the required Performance Security, equivalent to:

- (a) One (1) month Monthly Minimum Guaranteed Lease offered by the lessee.

The Performance Security shall be payable to “City Government of Olongapo” in the form of certified/cashier’s/manager’s check issued by a Philippine local bank or by cash.

15.2 Failure of the successful Bidder to comply with the requirement shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid security, in which event CGO shall initiate and complete the post qualification of the second Highest Calculated Bid. The procedure shall be repeated until the Highest Result in the Evaluation is identified and selected for contract award. However if no Bidder passed post- qualification, the SBAC shall declare the bidding a failure.

SECTION III
TECHNICAL SPECIFICATIONS

CGO intends to seek investors who will lease, develop, operate and manage for a period of three (3) years.

1. MONTHLY LEASE RENTAL

Monthly Lease Rental shall be computed as follows:

A. **Monthly Minimum Guaranteed Lease (MMGL)**

Minimum of FOURTEEN THOUSAND PESOS (Php14,000.00) per month

2. OTHER PROVISIONS:

- (a) **Term of Contract:** three (3) years.
- (b) **Advance Lease Payment**, equivalent to three (3) months of the proposed MMGL.
- (c) **Conceptual plan** should contain the conceptual design and features including major development of the lease area

3. SCOPE OF WORK

In accordance with the project objectives, the prospective bidder shall undertake the following tasks:

Obligation of the Lessee:

- 1. Provide food to the Student, School Employees and visitors at reasonable rates.
- 2. Ensure the exclusivity of the contract awarded to it, and shall not transfer or sublet the contract or any space allocated to it.
- 3. Maintain the cleanliness and sanitation of the canteen and premises such as the following;
 - a. Kitchen;
 - b. Cooking wares;
 - c. Dining areas;
 - d. Equipment and utensils;
 - e. Tables and chairs;
 - f. Lavatory and lavatory supplies;

4. Ensure that the quality of all the foods, either raw or processed, complies with the sanitation Establishments of the Code of Sanitation of the Phils (Presidential Decree No. 856).
5. Ensure that all personnel under the employ of the lessee must wear the following:
 - ID (issued by Gordon College)
 - Hairnet
 - Proper uniform at all times w/ apron
6. Report immediately to the City College maintenance any necessary repair or replacement which need undertaken within the canteen premises.
7. Assume full responsibility for the acts of its employees and immediately act on formal complaints made by the School Administration against to its employees.
8. Submit a copy to the School Administration copies of the annual renewal of applicable business licenses and permits.
9. Shall pay the electric and water bill and shall keep a copy to the school administration.

Obligation of the Lessor:

1. Maintain the minor repair of the area.
2. Provide and maintain furniture, fixture and equipment needed for the operation of the canteen:
 - Tables
 - Chairs
 - Exhaust fan
 - Ceiling fan
 - Aircon
3. Ensure that at least one (1) utility worker is designated at the dining of canteen to maintain the cleanliness.

4. MISCELLANEOUS PROVISIONS

1. Lessee shall pay the monthly lease 5 days before the due date.
2. Performance security. The concessionaire shall deposit with the lessor a performance security amounting to P 14,000. Within ten (10) calendar days from receipt of notice of award from the lessor but in no case later than the signing of the contract of both parties, the lessee shall furnish performance security prescribe by the lessee. The proceeds of the performance security shall be payable to the lessor

as compensation for any loss resulting from the lessee's failure to comply with the obligations under the contract. The performance security will be discharge by the lessor and return to the lessee not later than thirty (30) days following the date of expiration of the contract.

3. Any injury arising from the consumption of food, condiments or drinks being served, sold or offered for sale by the lessee at the canteen or during any event the lessor is called to cater within the lessor's premises or from the operation by the lessee at the canteen. In no case shall the lessor be jointly and severally liable for cases enumerated under this item.

5. ITEMS TO BID

5.1 The items of bid for the lease shall be the following.

Items of Bid	Minimum Requirement
a. Monthly Minimum Guaranteed Lease (MMGL)	Minimum of FOURTEEN THOUSAND PESOS (P14,000) per
b. Conceptual Plan	Improvement of lease area
c. Track record	At least one (1) year

5.1.1 **Term of Lease.** Three (3) years.

5.1.2. **Advanced Lease Payment.** The Lessee shall deposit to the lessor upon signing the contract prior to move in equivalent to three (3) months of the proposed AL, payable to "City Government of Olongapo" in the form of cash or certified/cashier's/manager's check.

5.1.3. **Performance Security.** One (1) month Monthly Minimum Guaranteed Lease offered by the lessee.

SECTION IV
SAMPLE FORMS

PROOF OF TRACK RECORD LIST OF SIMILAR PROJECTS

Name & Description of Project	Location	Bidder's Involvement (Owner, Operator or Manager)	Value of Investment Made	Status of Project	Remarks

Note: Please use another sheet of paper if necessary, but attach immediately after this page.

This should be supported with documents proving above listed projects, such as but not limited to a document showing proof of ownership, operations or management contracts.

(Name of Bidder)

(Name & Signature of Representative)

(Position)

(Country) }
City/Municipality } S.S.

AFFIDAVIT OF SITE INSPECTION

I, _____ (Name of Representative) _____, of legal age, married, Filipino and residing at _____ (Address) _____, under oath, hereby depose and say:

1. That I am the _____ (Designation) _____ (Name of the Bidder) _____ office at _____ (Address of Bidder) ;
2. That on _____ (Date) _____, _____ (Name and Position of Bidders Authorized Representative during site inspection) of the _____ (Name of Bidder) made a site inspection of the Project;
3. That I am making this statement as part of the Technical Proposal for the **LEASE OF GORDON COLLEGE CANTEEN.**

WHEREFORE, I have hereunto affixed my signature this _____ day of _____, 20__ at _____, Philippines.

Affiant

SUBSCRIBED AND SWORN TO before me this _____ day of _____, 20__, affiant exhibiting to me his/her Passport No. _____ issued at _____ on _____, 20__.

Notary Public

Doc. No. : _____
Page No. : _____
Book No. : _____
Series of _____
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COMMITMENT FOR THE PAYMENT OF THE ADVANCE LEASE PAYMENT

(Bidder's Letterhead)

(Date)

The Chairman
Special Bids and Awards Committee
(SBAC)

Subject: LEASE FOR GORDON COLLEGE CANTEEN

Sir/Madam

Pursuant to your Instruction and Terms of Reference (TOR) for the **LEASE FOR GORDON COLLEGE CANTEEN**, subject to all conditions and related parts of said documents, we/I hereby commit to pay the Advance Lease equivalent to the proposed Monthly Minimum Guaranteed Lease (MMGL)_, if (Name of Bidder) is declared as the winning Bidder for the Project. We further understand that such Advance Lease shall be applied at the end of the term of the contract.

Very truly yours,

(Name of Firm)

(Name & Signature of Representative)

(Position)

SECTION V
CONTRACT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This CONTRACT OF LEASE is made and executed at the City of _____, this day of _____, 20__, by and between:

(**NAME OF LESSOR**), of legal age, single/married to (Name of spouse if any), Filipino, and with residence and postal address at (**Address**), hereinafter referred to as the **LESSOR**.

-AND-

(**NAME OF LESSEE**), Filipino and with residence and postal address at (**Address**), hereinafter referred to as the **LESSEE**.

WITNESSETH; That

WHEREAS, the **LESSOR** is the owner of THE LEASED PREMISES, a residential property situated at (**Address of property to be leased**);

WHEREAS, the **LESSOR** agrees to lease-out the property to the LESSEE and the LESSEE is willing to lease the same;

NOW THEREFORE, for and in consideration of the foregoing premises, the LESSOR leases unto the LESSEE and the LESSEE hereby accepts from the LESSOR the LEASED premises, subject to the following:

TERMS AND CONDITIONS

1. PURPOSES: That premises hereby leased shall be used exclusively by the LESSEE for residential purposes only and shall not be diverted to other uses. It is hereby expressly agreed that if at any time the premises are used for other purposes, the LESSOR shall have the right to rescind this contract without prejudice to its other rights under the law.

2. TERM: This term of lease is for Three (3) YEARS. from (Date) to (Date) inclusive. Upon its expiration, this lease may be renewed under such terms and conditions as may be mutually agreed upon by both parties, written notice of intention to renew the lease shall be served to the LESSOR not later than seven (7) days prior to the expiry date of the period herein agreed upon.

3. RENTAL RATE: The monthly rental rate for the leased premises shall be in PESOS: AMOUNT IN WORDS (P 00,000.00), Philippine Currency. All rental payments shall be payable to the LESSOR.

4. DEPOSIT: That the LESSEE shall deposit to the LESSOR upon signing of this contract and prior to move-in an amount equivalent to the rent for THREE (3) MONTHS or the sum of PESOS: AMOUNT IN WORDS (P 00,000.00), Philippine Currency. Where in the two (2) months deposit shall be applied as rent for the 11th and 12th months and the remaining one (1) month deposit shall answer partially for damages and any other obligations, for utilities such as Water, Electricity, CATV, Telephone, Association Dues or resulting from violation(s) of any of the provision of this contract.

5. DEFAULT PAYMENT: In case of default by the LESSEE in the payment of the rent, such as when the checks are dishonored, the LESSOR at its option may terminate this contract and eject the LESSEE. The LESSOR has the right to padlock the premises when the LESSEE is in default of payment for One (1) month and may forfeit whatever rental deposit or advances have been given by the LESSEE.

6. SUB-LEASE: The LESSEE shall not directly or indirectly sublet, allow or permit the leased premises to be occupied in whole or in part by any person, firm or corporation, neither shall the LESSEE assign its rights hereunder to any other person or entity and no right of interest thereto or therein shall be conferred on or vested in anyone by the LESSEE without the LESSOR'S written approval.

7. SCOPE OF WORK

In accordance with the project objectives, the prospective bidder shall undertake the following tasks:

Obligation of the Lessee:

1. Provide food to the Student, School Employees and visitors at reasonable rates.
2. Ensure the exclusivity of the contract awarded to it, and shall not transfer or sublet the contract or any space allocated to it.
3. Maintain the cleanliness and sanitation of the canteen and premises such as the following;
 - a. Kitchen;
 - b. Cooking wares;
 - c. Dining areas;
 - d. Equipment and utensils;
 - e. Tables and chairs;
 - f. Lavatory and lavatory supplies;
4. Ensure that the quality of all the foods, either raw or processed, complies with the sanitation Establishments of the Code of Sanitation of the Phils (Presidential Decree No. 856).
5. Ensure that all personnel under the employ of the lessee must wear the following:
 - ID (issued by City College)
 - Hairnet
 - Proper uniform at all times w/ apron
6. Report immediately to the City College maintenance any necessary repair or replacement which need undertaken within the canteen premises.
7. Assume full responsibility for the acts of its employees and immediately act on formal complaints made by the School Administration against to its employees.

8. Submit a copy to the School Administration copies of the annual renewal of applicable business licenses and permits.
9. Shall pay the electric and water bill and shall keep a copy to the school administration.

Obligation of the Lessor:

1. Maintain the minor repair of the area.
2. Provide and maintain furniture, fixture and equipment needed for the operation of the canteen:
 - Tables
 - Chairs
 - Exhaust fan
 - Ceiling fan
 - Aircon
3. Ensure that at least one (1) utility worker is designated at the dining of canteen to maintain the cleanliness.

8. PUBLIC UTILITIES: The LESSEE shall pay for its telephone, electric, cable TV, water, Internet, association dues and other public services and utilities during the duration of the lease.

9. FORCE MAJEURE: If whole or any part of the leased premises shall be destroyed or damaged by fire, flood, lightning, typhoon, earthquake, storm, riot or any other unforeseen disabling cause of acts of God, as to render the leased premises during the term substantially unfit for use and occupation of the LESSEE, then this lease contract may be terminated without compensation by the LESSOR or by the LESSEE by notice in writing to the other.

10. LESSOR'S RIGHT OF ENTRY: The LESSOR or its authorized agent shall after giving due notice to the LESSEE shall have the right to enter the premises in the presence of the LESSEE or its representative at any reasonable hour to examine the same or make repairs therein or for the operation and maintenance of the building or to exhibit the leased premises to prospective LESSEE, or for any other lawful purposes which it may deem necessary.

11. EXPIRATION OF LEASE: At the expiration of the term of this lease or cancellation thereof, as herein provided, the LESSEE will promptly deliver to the LESSOR the leased premises with all corresponding keys and in as good and tenable condition as the same is now, ordinary wear and tear expected devoid of all occupants, movable furniture, articles and effects of any kind. Non-compliance with the terms of this clause by the LESSEE will give the LESSOR the right, at the latter's option, to refuse to accept the delivery of the premises and compel the LESSEE to pay rent therefrom at the same rate plus Twenty Five (25) % thereof as penalty until the LESSEE shall have complied with the terms hereof. The same penalty shall be imposed in case the LESSEE fails to leave the premises after the expiration of this Contract of Lease or termination for any reason whatsoever.

12. MISCELLANEOUS PROVISIONS

1. Lessee shall pay the monthly lease 5 days before the due date.
2. Any injury arising from the consumption of food, condiments or drinks being served, sold or offered for sale by the lessee at the canteen or during any event the lessor is called to cater within the lessor's premises or from the operation by the lessee at the canteen. In no case shall the lessor be jointly and severally liable for cases enumerated under this item.

13. JUDICIAL RELIEF: Should any one of the parties herein be compelled to seek judicial relief against the other, the losing party shall pay an amount of One Hundred (100) % of the amount claimed in the complaint as attorney's fees which shall in no case be less than P50,000.00 pesos in addition to other cost and damages which the said party may be entitled to under the law.

14. This **CONTRACT OF LEASE** shall be valid and binding between the parties, their successors-in-interest and assigns.

IN WITNESS WHEREOF, parties herein affixed their signatures on the date and place above written.

(Name of Lessor)
LESSOR

(Name of Lessee)
LESSEE

Signed in the presence of:

ACKNOWLEDGEMENT

Republic of the Philippines)

_____) S.S

BEFORE ME, personally appeared:

Name	CTC Number	Date/Place Issued
(Name of Lessor)	_____	_____
(Name of Lessee)	_____	_____

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 and voluntary act and deed.

This instrument consisting of ____ page/s, including the page on which this acknowledgement is written, has been signed on each and every page thereof by the concerned parties and their witnesses, and sealed with my notarial seal.

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

Notary Public

Doc. No. _____;

Page No. _____;

Book No. _____;

Series of 20____.