

CONTRACT AGREEMENT

PROCUREMENT OF SECURITY SERVICES FOR EXECUTIVE AND LEGISLATIVE BLDG., CALAPAN PUBLIC MARKET, CITY COLLEGE OF CALAPAN, CITY MOTORPOOL, BEMONC AND TAWIRAN CONVENTION CENTER AND OTHER GOVERNMENT OFFICES

KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT OF SECURITY SERVICES** made and entered into by and between:

The **CITY GOVERNMENT OF CALAPAN**, with principal office address at Brgy. Guinobatan, Calapan City, Or. Mindoro, represented herein by its City Mayor, **MARILOU F. MORILLO** of legal age, married, Filipino citizen and resident of **Lalud, Calapan City, Or. Mindoro**, herein referred to as the "**CLIENT**",

-and-

BATANGUENO SECURITY AGENCY, a juridical entity duly organized in accordance with Philippine Laws, with principal office address at **Brgy. Lalud, Calapan City, Oriental Mindoro, Philippines**, represented herein by its President, **ESTHER R. BACALTOS**, hereinafter referred to as "**SECURITY AGENCY**"

WITNESSETH: That

WHEREAS, after evaluating the proposals submitted through public bidding, which was opened on **January 23, 2025** it was determined that the **SECURITY AGENCY'S** proposal is considered the **Lowest Calculated and Responsive Bid** and advantageous to the government;

WHEREAS, the **SECURITY AGENCY**, representing itself as a duly bonded, duly licensed, competent, reliable and experienced security agency possessed with the necessary capital, manpower, skills and equipment, has agreed and accepted the award to undertake the **Supply of Security Services** to secure, safeguard and protect the **CLIENT's** offices, properties, and other proprietary interest in its **PROCUREMENT OF SECURITY SERVICES FOR EXECUTIVE AND LEGISLATIVE BLDG., CALAPAN PUBLIC MARKET, CITY COLLEGE OF CALAPAN, CITY MOTORPOOL, BEMONC AND TAWIRAN CONVENTION CENTER and OTHER GOVERNMENT OFFICES** at Calapan City against theft, robbery, arson, destruction or damage and other wrongful and unlawful acts by third parties and strangers or by its own employees, as well as implement its rules, policies and regulations relative to maintenance of security and safety thereat and to report immediately any incidence of fire as well as take appropriate action to help control the same;

NOW THEREFORE, for and in consideration of foregoing premises and of terms and conditions hereunder set forth, parties thereto have mutually agreed and covenanted as follows:

1. **PLACE** – The **SECURITY AGENCY** shall provide security guard services to the **CLIENT** within the premises of its **EXECUTIVE AND LEGISLATIVE BLDG., CALAPAN PUBLIC MARKET, CITY COLLEGE, CITY MOTORPOOL, BEMONC AND TAWIRAN CONVENTION CENTER, AND OTHER CITY GOVERNMENT FACILITIES THAT MAY REQUIRE SECURITY SERVICES** located at **CALAPAN CITY**.

ESTHER R. BACALTOS
Batangueno Security Agency

MARILOU F. MORILLO
City Mayor

JOSE LITO R. BAUTISTA
City Planning & Development Coordinator

EDGARDO C. BASILAN
City Accountant

2. GUARD FORCE – The SECURITY AGENCY shall initially provide the CLIENT with a total of SIXTY - NINE (69) PERSONNEL (65 Security Guards, 2 Security Officers and 2 Detachment Commanders).

THE CLIENT may from time to time, request for additional guard(s) or for reduction of the current number or guards when exigency of the situation so demands or dictates, subject to a proportionate increase and decrease in the monthly service fee; provided, however, that there shall be required thirty (30) days notice from the CLIENT in case of reduction of number of guards. The SECURITY AGENCY obligates and guarantees to immediately provide the requirements of the CLIENT, including replacement of guards who may be absent for any causes, or recall the excess number of guards so declared within twenty-four (24) hours from the request.

It is understood that the CLIENT has the sole discretion to reject or ask for replacement of any guard who does not meet the requirements or standards of the CLIENT, or for any reason whatsoever, and the replacement must be sent within twenty four (24) hours. It is further understood that if and when the SECURITY AGENCY deems it necessary to replace or recall any of its assigned guards for the good of the service, the SECURITY AGENCY must inform the CLIENT of the cause for such replacement or recall. It is understood that in the event that the CLIENT desires the further retention of such guard(s) for valid reasons, the CLIENT shall normally prevail. The SECURITY AGENCY guarantees that no security guard will be transferred from CLIENT premises to any office or area or any other premises owned by or affiliated with the CLIENT, if said guard is dismissed or banned.


3. The SECURITY AGENCY hereby agrees to guard the premises of the CLIENT and assumes responsibility for the proper performance of duty of its security guards in accordance with the general orders of the SECURITY AGENCY and specified instructions of the CLIENT to the Security Guard(s) during their tour of duty.

4. FUNCTIONS AND DUTIES OF GUARDS – It is the function and duty of the guards to safeguard the city officials, personnel, guests, visitors, tenants of public market, students of City College of Calapan and clients inside the aforesaid premises of the CLIENT, as well as protecting offices, properties, equipment and the proprietary interest of the CLIENT against theft, robbery, arson, destruction or damages and other wrongful and unlawful acts by third parties and strangers or by its own employees and to report immediately any incidents of fire and take appropriate action to help control the same. The guards are also tasked to implement rules, policies and regulations relative to the maintenance of security and safety at the premises of the CLIENT.

5. QUALIFICATIONS OF GUARDS – The security guards to be assigned by the SECURITY AGENCY to the CLIENT shall be:

- a. Of good moral character and reputation, courteous, alert and without criminal or police record;
- b. Physically and mentally fit, 21-50 years old;
- c. Holder of a valid license and properly screened and cleared by the PNP, NBI and other government offices issuing clearances for employment;
- d. In possession of such other qualifications required by Republic Act No. 5487, as amended;
- e. Have undergone the required trainings and instructions as well as the physical fitness program conducted by the SECURITY AGENCY;


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f. Holder of a Neuro-Psychiatric and Drug Test Clearances issued by a clinic duly accredited by the PNP.

6. **CONSIDERATION FOR SECURITY SERVICES** – For and in consideration of the services to be rendered by the SECURITY AGENCY to the CLIENT, the latter undertakes to pay the former during the term of this contract, the monthly contract price of **TWENTY FIVE THOUSAND TWO HUNDRED FOUR PESOS & 11/100 (P25,204.11) PER SECURITY GUARD for eight (8) hours of daily duty including Saturdays and Sundays; TWENTY SEVEN THOUSAND SEVEN HUNDRED NINETY SIX PESOS & 60/100 (P27,796.60) PER SECURITY OFFICER for eight (8) hours of daily duty including Saturdays and Sundays; FOURTY THREE THOUSAND THREE HUNDRED FOURTY SIX PESOS & 56/100 (P43,346.56) for DETACHMENT COMMANDER for eight hours daily duty including Saturdays and Sundays; a total of NINETEEN MILLION FIVE HUNDRED EIGHTY SIX THOUSAND EIGHTY EIGHT PESOS & 17/100 (Php 19,586,088.17) for SIXTY FIVE (65) GUARDS, TWO (2) SECURITY OFFICERS AND TWO (2) DETACHMENT COMMANDERS for eleven (11) months.**

The above-mentioned contract price is subject to five percent (5%) VAT withholding tax and is subject to two percent (2%) creditable withholding tax, both percentages are based on Agency Fee.

7. **MODE OF PAYMENT** – The CLIENT undertakes to pay the total amount due and payable for monthly security services rendered on monthly basis, provided, however, that payment for the services rendered shall be made only upon presentment of the bills for payment.

It is expressly understood and agreed that all security guards of the SECURITY AGENCY assigned and posted with the CLIENT are the responsibility of the SECURITY AGENCY and as such the latter shall be solely responsible for any claim for losses sustained from death, personal injury or damage arising from and in the course of the performance of their duties and responsibilities; that the SECURITY AGENCY shall pay the wages, salaries and other compensation and emoluments of the guards assigned with the CLIENT, in accordance with the provisions of the Labor code and its implementing rules and regulations; and the SECURITY AGENCY shall assume full responsibility for the compliance with the provisions of the Social Security System (SSS), Employees Compensation Commission (EEC), PhilHealth and other similar laws as well as for the proper administration, discipline and proper performance of the duty of security guards.

8. It is understood that should a new law be enacted or promulgated by any competent government instrumentality or entity, increasing the minimum wages, SSS, EEC and PhilHealth or Pag-ibig premiums of workers or security guards, then the rate of payment as agreed upon in this contract may be revised by the parties upon negotiation and in accordance with the Implementing Rules and Regulations of Republic Act 9184.
9. The SECURITY AGENCY warrants keeping itself a contractor in good standing by regularly complying with all regulatory requirements relevant to the execution of this contract.
10. The SECURITY AGENCY shall hold the CLIENT free and harmless from any liability accessioned by acts of the employees of the SECURITY AGENCY or, from any action arising from or by virtue of the SECURITY AGENCY's employment of its personnel or in any instance whatsoever where the CLIENT may be implicated as part by reason of this contract.

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