

CONTRACT FOR SECURITY SERVICES

(Environment and Water Resources Department)

(16 July 2022 to 15 July 2023)

KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT** is made and entered into this ^{JUL 15 2022} ___ day of _____ 2022 at Zamboanga City, Philippines by and between:

ZAMBOANGA CITY WATER DISTRICT, a government-owned and controlled corporation, formed and created pursuant to Title II, Chapter II, Section 6 of Presidential Decree No. 198, by Resolution No. 77 adopted by the City Council of Zamboanga on March 4, 1974, with principal office at Pilar Street, Zamboanga City, Philippines, represented herein by **ALL THE MEMBERS OF THE BOARD OF DIRECTORS** in their capacity as the Head of the Procuring Entity expressed in RA 9184-The Government Procurement Reform Act, hereinafter referred to as the **CORPORATION**;

-and-

GOLDEN BUDDHA INVESTIGATION & SECURITY AGENCY, a single proprietorship with registered office address at Marcos Drive, Caputatan, Zamboanga City, represented herein by its General Manager **AIDA L. MIRAVILLA**, of legal age, Filipino citizen and a resident of Marcos Drive, Zamboanga City, hereinafter called and referred to as the **AGENCY**.

WITNESSETH

WHEREAS, the **AGENCY** is duly licensed and bonded Security Agency pursuant to the provisions of Republic Act No. 5487, otherwise known as "The Security Agency Law as amended by Presidential Decrees No. 11 and 100 and 1919;

WHEREAS, the **CORPORATION** requires the services of a Security Guard Agency to maintain law, order, security and protection of the premises of the **CORPORATION**, specifically of its property against theft, robbery, arson and all other forms of loss or damage and also for the protection of its personnel thereat, to enforce and implement DENR and **CORPORATION's** rules and regulations and such other measures as may thereafter be promulgated by the **CORPORATION**;

WHEREAS, the **AGENCY** has offered its services through its bid proposal submitted and the **CORPORATION** find the offer of the **AGENCY** advantageous to the government. Hence, the **CORPORATION** agreed to engage the services of the **AGENCY** under terms and conditions hereinafter stipulated;

NOW THEREFORE, for and in consideration of the foregoing premises, the parties agreed, to the following:

1. **DOCUMENTS COMPRISING THE CONTRACT**- The following documents are hereby incorporated and made an integral part of this contract as though fully written and set forth herein insofar as they are not inconsistent with the terms hereof:

- i. Bidding Documents
- ii. Agency's bid, including the Eligibility requirements, Technical and Financial Proposals, and all other documents/statements submitted;
- iii. Performance Security
- iv. Notice of Award of Contract
- v. Board Resolution No. 186, s. 2013, dated October 4, 2013

The documents mentioned above shall collectively referred to as "**Contract Documents**"

2. SCOPE OF SECURITY WORK-

A. Place and Location- The Agency shall provide **Forty Five (45)** Security Guards to be stationed at different Bio Monitoring Station situated at Pasonanca Natural Park (PaNP);

Area of Responsibility	BMS	Time/Shifting Schedule	No. of SG
AOR 1	Labuyo	8:00 A.M.-5:00P.M.	3
	Duminatag		1
	141		2
	114		3
	Barredo		
AOR 2	Cahumban	8:00 A.M.-5:00P.M.	2
	Cabonegro		1
	Manta		1
	Felimon		1
AOR 3	Lupirao	8:00 A.M.-5:00P.M.	1
	Florida		1
	Carreon1		1
	Carreon2		1
	Dumalon		1
	Tabu-Tabu		2
	Roving Team		1
AOR 4	Marcao	8:00 A.M.-5:00P.M.	1
	Brea & Bagakay		2
	Profem/Baluno		1
	Plaka		1
	Dos Rio		3
AOR 5	Banuang	7:00A.M. – 3:00P.M.	1
		3:00P.M. – 11:00M.N.	1
		11:00M.N.-7:00A.M.	1
	Repeater VHF	7:00A.M. – 3:00P.M.	1
		3:00P.M. – 11:00M.N.	1
		11:00M.N.-7:00A.M.	1
	Antipolo	8:00A.M. – 5:00 P.M.	1
	Dau	8:00A.M. – 5:00 P.M.	1
	Narra	8:00A.M. – 5:00 P.M.	1
	Dam	7:00A.M. – 3:00P.M.	1
		3:00P.M. – 11:00M.N.	1
		11:00M.N.-7:00A.M.	1
	Bituti	8:00A.M. – 5:00P.M.	1
	Old Intake	8:00A.M. – 5:00P.M.	2
Castro Checkpoint	7:00A.M. – 3:00P.M.	0	
	3:00P.M. – 11:00M.N.		
	11:00M.N.-7:00A.M.		

**posting of guards is subject to change depending on the actual situation on field*

The **CORPORATION** should be served by Security Guards at any given time according to the contracted number of guards. Alteration in work schedule is allowed only in emergency cases with consent of the **CORPORATION**.

- 3. CONTRACT PRICE-** The total contract price for the services of the Forty Five (45) Security Guards shall be **EIGHT MILLION EIGHT HUNDRED TWENTY FIVE THOUSAND TWO HUNDRED SIXTY TWO PESOS AND 84/100 (Php8,825,262.84)** subject to the new adjustment per DOLE Wage Order No. 20 for the Non-Agricultural Workers in R-IX or future DOLE issuances, as may be applicable;

3.1 The contract rate per guard shall be in accordance with wage computation submitted by the **AGENCY** during the Procurement Process, which are made integral part of this Contract; provided however, that such contract rate may be adjusted by the Accounting and Financial Management Department (AFMD) to conform to the correct and accurate prevailing rates of employer/employee contributions based on social legislations and other labor standards.

4. PAYMENT-

- A.** The **CORPORATION** shall pay the **AGENCY** based on the latter's actual services rendered under this contract taking into account the actual number of security guards, their actual tour of duty and respective compensations per month as specified in the **AGENCY's** bid offer, which is made an integral part hereof. It is understood that the **AGENCY's** billing include all the statutory compensation and benefits due to its security guards.
- B.** Payment shall be made every fifteenth (15th) and thirtieth (30th) of each and every month for security services rendered per billing supported by the **AGENCY**. The bill of the **AGENCY** shall be supported by:
- i. a properly accomplished payroll showing the gross amount earned and the net amounts payable to the security guards;
 - ii. Properly signed daily time records.
 - iii. Certification from the end-user pertaining to actual duties rendered by the guards and that the net pay in the payroll and the pay slip of the security guards is the same. PROVIDED that prior to the issuance of CERTIFICATION, the **AGENCY** shall provide the end-user through the **CORPORATION'S** Accounting and Financial Management Department (AFMD) with accomplished payroll. Said payroll will be randomly compared with the payslip of the security guards. Any discrepancy showing that the guards are underpaid will be a ground to defer issuance of CERTIFICATION until the same have been resolved, which in no case shall be more than FIFTEEN (15) days. If after the period has lapsed and such discrepancy has not yet been settled, the **AGENCY** hereby agrees that its Administration Fee for the covered month shall be withhold until the same shall have been settled.

C. The **AGENCY** agrees and authorizes the **CORPORATION** to pay directly to the guards any and/or all amounts due to them for any given period under any of the following circumstances:

- a. When the **CORPORATION** has reasonable grounds to believe that payment of the guards' salaries are still being unduly delayed;
- b. When the **AGENCY** fails to comply with SSS, PhilHealth and PAG-IBIG laws on compulsory remittance of premiums;
- c. When requested in writing by the majority of the regular guards in an installation due to the following reasons: perennial and unreasonable delay in the payment of their salaries attributable to the **AGENCY**; rampant illegal, involuntary or unauthorized deductions; the financial system of the **AGENCY** results to unreasonable delay or the existence of any circumstance (s) warranting a direct payment scheme of their salaries;

All administrative costs incurred by the **CORPORATION** to undertake direct payment to the guards shall be chargeable to the **AGENCY** in the amount equivalent to 0.5% of the transaction price/cost but should not be less than P1,000.00 or no more than P5,000.00 per payment transaction deductions from the Agency share.

D. The **AGENCY** agrees and authorizes the **CORPORATION** to withhold any of its balance at the expiration or termination of this contract and apply any amount to any legal claim of guard or guards employed under them arising out of the service contract that has expired or has been terminated.

5. OBLIGATIONS AND RESPONSIBILITIES OF AGENCY

- A.** The **AGENCY** shall provide **FORTY FIVE (45)** Security Guards inclusive of **Two (2) Head Guards** who will render the duty at different Bio Monitoring Station situated at the Pasonanca Natural Park (PaNP);
- B.** The **AGENCY**, shall provide consistent and quality service through qualified, licensed, bonded, uniformed, trained and armed Security Guards who shall protect and ensure the absence of anthropogenic activities that are detrimental to water sources at different tributaries contributing to Tumaga River located at PaNP including ZCWD Properties within the area. The Security Guards shall be posted and distributed in accordance with the ZCWD deployment details;
- C.** The **AGENCY** shall secure and protect Tumaga River and its tributaries through monitoring and conduct of foot patrol, all persons or vehicles, and things/materials brought in and out of the said premises including the conduct of reasonable check on persons and properties as normally done in public or private establishments and places for purposes of ensuring safety and security against unauthorized persons, vehicles and/or things or material;

- D.** The **AGENCY** shall immediately make the necessary reports of any incident to the ZCWD management and/or to other concerned authorities for purposes of police and other official investigations;
- E.** The **AGENCY** shall provide its Security Guards with proper agency uniforms and visible identification badges. They must also be duly licensed.
- F.** The **AGENCY** shall provide its Security Guards original, branded, well-conditioned and duly licensed firearms and ammunitions necessary in the course of their security enforcement and maintenance of peace and order within the PaNP and its immediate vicinity;
- G.** The **AGENCY** shall provide the Security Guards with communication equipment;
- H.** The **AGENCY** shall submit the latest Drug Test of its Security Guards (at least one month old or recent) including its neuro/psychiatric result, NBI clearance and Bio Data two week before its deployment;
- I.** The **AGENCY** shall conduct test firing of its firearms during the implementation of the contract. The firing will be conducted on the first month after the implementation of the contract. The cost of firing will be borne by the **AGENCY** and shall not be charged to its Security Guards;
- J.** The **AGENCY** shall chart its Security Plan which must contain the following:
 - a.) Detailed measures and innovations to ensure that there will be zero logging and mining activity within the Pasonanca Natural Park and that Tumaga River and its tributaries is free from anthropogenic activities detrimental to water sources and its environment;
 - b.) Measures in apprehending violators of Environment and Natural Resources Laws;
 - c.) Procedures on SPECIAL OPERATIONS/ Surveillance- re: conduct of special monitoring procedure aimed at investigating, inspecting and apprehending suspected illegal activities such as illegal mining, illegal logging and harvesting, illegal treasure hunting and other similar activities;
 - d.) Protocol for bomb threat, forest fire, water poisoning, robbery, hostage situation and natural calamities.
 - e.) VIP protocol.

The Security Plan shall be submitted to the ZCWD. Failure or incomplete submission of any of the plan stated herein shall be a ground to defer payment to the Security Agency until the require security plans will be submitted.

- K.** The **AGENCY** shall maintain a satisfactory level of performance throughout the term of the contract based on the criteria which shall include, among others, to wit:
 - i. quality of service delivered;
 - ii. time management;
 - iii. management and suitability of personnel;

- iv. contract administration and management; and
- v. provision of regular progress reports on the status of Pasonanca Natural Park in terms of security in accordance with the security plan.

Before end of the contract or at any time upon the discretion of the **CORPORATION**, the latter or its authorized representative shall conduct an assessment or evaluation of the aforementioned performance criteria. Based on the assessment, ZCWD may pre-terminate the contract for failure of the service provider to perform its obligations thereon following the procedure prescribed under the Guidelines on Termination of Contracts issued by the Government Procurement Policy Board (GPPB) under Resolution No. 018-2004 and/or gave unsatisfactory rating which will be used as a ground to disqualify the **AGENCY** from participating in the future bids of the **CORPORATION**.

- L. Supervision and Control-** It is expressly agreed that for all legal intents and purposes, all the guards of the **AGENCY** employed under this Contract shall not be considered employees of the **CORPORATION**. The **AGENCY** assumes full responsibility for the faithful and complete performance by the security guards of their duties pursuant to the provisions of this Contract.
- M.** The **AGENCY** shall ensure and guarantee that its security guards shall familiarize themselves with the **CORPORATION's** officers and personnel and at all times accord to them the highest respect and courtesy. The **AGENCY** shall appoint **Two (2) Security Head Guards** who can communicate and prepare initial report pertaining to security matters.
- N.** The **AGENCY** hereby ensures and guarantees that the security guards to be signed shall secure the Pasonanca Natural Park (PaNP) premises through monitoring and conduct of foot patrol, all persons or vehicles, and things/materials brought in and out of said premises including the conduct of reasonable check on persons and properties as normally done in public or private establishments and places for purposes of ensuring safety and security against unauthorized persons, vehicles, and/or things or materials.
- O.** The **AGENCY** shall request from the proper authority exemption from prohibition to possess high-powered firearms at high risk areas;
- P.** The **AGENCY** shall initiate mandatory in service training and refresher course among its security personnel within six months from its assumption and shall ensure that the cost of training shall be reasonable. The training shall include training/lectures about environmental laws, its importance and its importance and its enforcement.
- Q.** The **AGENCY** shall provide original, branded, well-conditioned and duly licensed firearms and ammunitions necessary in the course of their security enforcement and maintenance of peace and order within the PaNP and its immediate vicinity as well as equipment and communication equipment under this contract including the required authority, load allowance, and gasoline allowance, to wit:

A. FIREARMS, AMMUNITION AND ACCESSORIES

No.	Particulars	Unit/s	Quantity
1	12 gauge shot gun	unit	27
2.	Shotgun ammunition	round	1350
3.	Shotgun bullet lobe with suspended belt	pcs.	27
4.	9mm Pistol	unit	10
5.	9mm magazine	round	20
6.	9mm ammunition	round	500
6.	9mm Holster	pcs.	10
7.	Firearms cabinet	unit	22

B. COMMUNICATION EQUIPMENT

No.	Particulars	Unit/s	Quantity
1.	VHF Transceivers Commercial Radio Base	unit	2
2.	VHF Transceivers Commercial Handheld Radio with charger	unit	26
3	Spare battery per unit	unit	26
4	Cell phone for Head Guard/s	unit	2
Communication System must be duly registered with the National Telecommunication Commission			

The **AGENCY** hereby agrees to provide quality cellular phones to its Head Guards as indicated above with monthly load allowance, to serve as back -up in case there will be problem in the existing radio communication system. This will ensure continuity of communication among security guards in the field, the **CORPORATION** and **AGENCY**, and ensuring faster response to any eventuality.

C. VEHICLE

No.	Particulars	Unit/s
1.	4x4 pick up	2
2.	Single motorcycle 155cc, 4stroke	2

The **AGENCY** hereby agrees that the **ONE (1) UNIT** of the 4x4 pick up will be stationed at ZCWD premises 24-hours a day, 7-days a week to be used in connection with its security services and activities relating to security and protection of Pasonanca Natural Park (PaNP) and during inspection by ZCWD Management/Officials.

The other 4x4 pick up will be used as back up or as the need arises should the other vehicle is not available.

It is hereby understood that the **CORPORATION** and/or its authorized representative has the authority to allow use of the vehicle for any activities relating to security and protection of PNP including but not limited to inspection of BMS, apprehensions, site visits at any PNP area.

Fuel of the pick-up shall be borne by the **CORPORATION** while repair and maintenance shall be borne by the **AGENCY**.

The **AGENCY** hereby agrees to replace the detailed vehicle in cases where the same shall become defective.

D. OTHER MISCELLANEOUS REQUIREMENTS

MISCELLANEOUS REQUIREMENTS			
1.	Backpack sprayer	unit	10
2.	Protective Helmet	unit	30
3.	Binoculars	unit	2
4.	Smartphone compatible with geotag camera apps	unit	5
	Powerbank 20000 Mah	Unit	5
5.	Rechargeable Flashlight	unit	45
6.	Raincoat and Rain boots	pcs	45
5.	Umbrella for the checkpoint station	pieces	6

R. The **AGENCY** shall exercise effective administration, control, supervision and the inspection, through its Inspector to prevent any violation or commission of anomalous acts by the guards whether on or off duty. The **AGENCY** shall be liable for any willful, intentional or negligent act or omission of the guards resulting in death/injury to the **CORPORATION's** personnel or visitors, or damage/loss to the corporation's properties or those of its personnel or visitors within the service areas.

The **AGENCY** has the responsibility to inform the **CORPORATION** about the identity of its Inspector before the signing of the contract. If the **INSPECTOR** will be changed during the period of the contract, the **AGENCY** is obligated to update or inform the **CORPORATION** pertaining to the change of its assigned **INSPECTOR** prior to the latter's actual commencement of duty.

S. **AGENCY** must see to it that its security guards are duly licensed and must be in proper uniform *with visible Identification Badges* while on duty with proper and valid license as well as Duty Detailed Order.

Duly licensed and serviceable M16 automatic rifles and shotgun 12 gauge must be issued by the **AGENCY** to each guard on duty. Firearms issued to **CORPORATION** should not be recalled/replaced by the **AGENCY** without proper coordination with Corporation's Security Officer.

T. The **AGENCY** hereby ensure and guarantees that all licenses – firearms, NTC, LESP are all updated and copies of such licenses shall be furnished to all BMS;

U. The **AGENCY** shall be liable for any loss, injury or damage to life and/or property within the **CORPORATION's** premises when such could have been avoided had the **AGENCY** guard(s) not been negligent and/or remiss in the performance of their assigned duties and responsibilities; provided, that such loss, injury or damage shall be reported in writing



by the **CORPORATION** to the **AGENCY** and/or any of its guards assigned with the **CORPORATION** within forty eight (48) hours from the time of discovery of such loss, injury or damage;

- V. The **AGENCY** shall at all times extend security and protection to the **CORPORATION**'s visitors and personnel within the installation(s).
- W. The **AGENCY** shall assigned only members of the force who are acceptable to the **CORPORATION** and the **AGENCY** shall not pull out any security guard from **CORPORATION** or redeploy any guard to another installation of the **CORPORATION** without the written consent of the latter.
- X. The **AGENCY** hereby guarantees that all guards shall follow all regulations, policies and security programs and plans of the **CORPORATION** to continuously improve their performance, efficiency, discipline, fitness and preparedness, and warrants that all security guard shall observe the highest courtesy and respect towards all officials and employees of the **CORPORATION** including authorized visitors in the execution of their duties.
- Y. The **AGENCY** shall diligently and faithfully serve the best interests of the **CORPORATION** in rendering its services and shall not, during the period of this contract or at any time thereafter, use or disclose to any unauthorized person, firm or entity, any classified information concerning the business affairs of the **CORPORATION** which any member of the security force of the **AGENCY** may have acquired by reasons of such contractual relationship.
- Z. The **AGENCY** hereby guarantees that the salaries of the guards detailed with the **CORPORATION** shall be paid on time. Any repetitive or unjustified delays in the payment of the salaries attributable to the **AGENCY**, or if the guards are not paid the exact amount due to them as reflected in the payroll, shall be sufficient ground for the **CORPORATION** to undertake direct payment or terminate the service contract.
- AA. The **AGENCY** shall guarantee that all the employer's share being paid by the **CORPORATION** to the **AGENCY**, like SSS premiums, State Insurance/ECC, Philhealth, Pag-Ibig and others and the corresponding employees' shares being pre-deducted, are all remitted properly and on time to the concerned agencies and any unjustified delay or non-remittance of these amounts shall be a sufficient ground for the **CORPORATION** to remit these amounts directly to the concerned government agencies.

To ensure compliance of the undertaking, it is agreed that no payment will be made on the months of April, July, October and January unless an authenticated copy of R3 from SSS will be submitted by the Agency to the Corporation's Accounting section showing the list of employees and the correct amount representing premiums payment for the monthly remittance of SSS premiums. In the case of State Insurance/ECC, PhilHealth and Pag-Ibig, the **AGENCY** shall submit a Certification issued by the said agencies, as proof of the latter's paid remittances.

Any violation of the provisions provided in paragraphs **T** and **U** shall be a ground for the imposition of fine of **Fifty Thousand Pesos (P50,000.00)** for each violation to be charged to any amount/money remaining with the Corporation, or upon demand directly to the **AGENCY**.

BB. The **AGENCY** shall pay any and all taxes imposable under this contract. The **AGENCY** shall pay the taxes in full and on time and failure to do so shall entitle the **CORPORATION** to suspend payment for the contract.

Within the duration of the Contract, the **CORPORATION** may require the **AGENCY** regular submission of 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 BIR and the duly validated tax payments made thereon. Failure to submit the tax clearances as maybe required, the **CORPORATION** shall suspend payment for the Contract.

CC. The **AGENCY** shall assign to the **CORPORATION** security guards who are well trained, experienced, licensed by the Philippine National Police in accordance with Republic Act No. 5487 and proficient in handling issued firearms. Security Guards must be (a) Filipino citizen, (b) High school graduate, (c) physically and mentally fit, (d) not less than 21 years of age, (e) at least five (5) feet and four (4) inches in height and (f) have not been convicted of any crime involving moral turpitude (g) have undergone and passed the required psycho-neuro examination and drug test conducted by a reputable Philippine National Police (PNP) or National Bureau of Investigation (NBI) accredited testing agency (h) must have previous experience of at least two (2) years and with adequate knowledge in communicating either in English, Filipino or local dialect, and (i) He/she must be reliable, honest and courteous.

In addition, the **AGENCY** in hiring security personnel should give priority to those qualified applicants from the buffer zone of PaNP as they are already familiar with the area.

DD. The **AGENCY** undertakes and attests that the employees hired for this contract are not related within the third degree of consanguinity or affinity with the **CORPORATION**'s General Manager/appointing authority, have not been previously dismissed from the service by reason of an administrative case and have not reached the compulsory retirement age of sixty five (65);

EE. The **AGENCY** agrees to indemnify the **CORPORATION** for loss, damage or destruction to property or equivalent, arising out of the fault, misconduct, negligence, or connivance of the guards, except when such damage or loss to property or equipment is due to force majeure or acts beyond human control.

6. PERFORMANCE SECURITY- The **AGENCY** is require to post a performance security in an amount or form as specified in the Notice of Award (NOA) copy of which is made and integral part hereof.

7. RIGHTS OF CORPORATION

- A. The **CORPORATION** shall have the authority to conduct inspections of the guards during their tour of duty and to institute measures and implement plans/programs aimed to upgrade their state of morale, discipline, efficiency, fitness and general preparedness.

The **CORPORATION** shall have the authority to impose disciplinary sanctions for any violation committed by the **AGENCY** guard during his tour of duty or off duty inside the premises of the installation (s) covered by the service contract. Any such violations which come to the attention of the **AGENCY** first shall be reported by the **AGENCY** to the **CORPORATION** in writing for appropriate action of the latter.

To ensure faithful adherence to the contract, the **DISTRICT** through its representative may conduct surprise inspections from time to time to warrant compliance to the provisions of the contract;

- B. Whenever **CORPORATION** informs **AGENCY** in writing that any contracted guard, in its findings and/or opinion is undesirable, the **AGENCY** shall within twenty-four (24) hours from notice, relieve the Security Guard who will not be allowed again be assigned to the **CORPORATION's** premises mentioned herein or of its installation, and if any reason which it deems necessary to protect its interest, **CORPORATION** shall request in writing the revamp of the entire security force, **AGENCY** shall effect the same without additional cost on the part of the **CORPORATION**
- C. **CORPORATION** shall have the right to screen, select, accept and/or reject **AGENCY's** individual guards in accordance with the **CORPORATION's** present criteria.
- D. The **CORPORATION** may exercise supervision and from time to time give instruction and from time to time give instruction directly to the guard for the proper safeguarding of the **CORPORATION's** property, installation, office machineries, equipment, furniture and such other properties that may be found in the premises or compound of the **CORPORATION** against theft, pilferage, sanitary hazards and other unlawful acts committed by its personnel or outsiders.
- E. **AGENCY** security guards shall be under the direct supervision and control of **CORPORATION** with respect to deployment, works shifts and execution of security plans referred under the Approved Terms of Reference (TOR);
- F. **CORPORATION** shall have access to records of payment of salaries and/or auditorial right over the payroll of **AGENCY**;
- G. **CORPORATION** shall deduct penalties for absences and tardiness of the security guards and other violations of the guards and of the **AGENCY** from Agency's monthly billings as provided in paragraph no.8 hereof.

8. PENALTIES FOR OFFENSES OR VIOLATION OF RULES

A. CORPORATION shall impose on **AGENCY** penalties for violations of this **CONTRACT** committed by the **AGENCY** as listed below, without prejudice to the penalties as maybe imposed by the Director General, Philippine National Police as provided for in Rule XVI, Administration Sanctions of RA 5487, as amended.

VIOLATION	PENALTIES
a. AGENCY failed to issue firearm to posted guard	Deduction from the billing of P200.00 per post per day.
b. AGENCY issued firearm without license	Deduction from the billing of P150.00 per firearm per day
c. AGENCY issued a defective firearm to a posted guard	Deduction from the billing of P150.00 per firearm per day
d. AGENCY issued a firearm to a posted guard not owned or licensed in the name of the AGENCY	Deduction from the billing of P100.00 per firearm per day
e. AGENCY's radio or communication equipment is defective or unserviceable	Deduction from the billing of P100.00 per radio equipment per day.
f. AGENCY posted guard (s) that is not qualified as per contract.	Deduction from the billing of P100.00 per day per guard and removal of the guard from any detail upon receipt of Company's notice.
g. AGENCY failed to provide the required number of radios or communications equipment as required by the contract.	Deduction from the billing of P100.00 per radio or communications equipment per day.
h. AGENCY issued a firearm of lower caliber than required by the contract.	Deduction from the billing of P100.00 per firearm per day.
i. AGENCY failed to issue the required equipment stated in the contract.	Deduction from the billing of P100.00 each for lacking or unserviceable equipment per day.
j. AGENCY's failure to provide other equipment needed or the required number of equipment other than firearms and communication equipment	Deduction from the billing of 500.00 each for lacking or unserviceable equipment per day
k. Agency's failure to comply with any of its obligations and responsibilities enumerated in Paragraph 5 of this Contract	Deduction from billing of P 50,000.00 per violations.
l. Agency's violation of the rights of the CORPORATION enumerated in Item No. 8 of this CONTRACT.	Deduction from billing of 50,000.00 per violations.

B. The CORPORATION shall likewise impose on **AGENCY** penalties for offenses or violations as listed below without prejudice to the penalties as maybe imposed by the Director General, Philippine National Police as provided for in Rule XVI, Administration Sanctions of RA 5487, as amended.

OFFENSES	PENALTIES
a. Abandonment of post.	Deduction from the billing of P 200.00 and an immediate

	replacement of the guard upon receipt of written notice from the CORPORATION .
b. Posted security guard found drunk; drinking; intoxicating, liquor or found under the influence of prohibited drugs while on duty.	-do-
c. Security guard firing or fired his firearm indiscriminately.	-do-
d. Posted security guard observed playing with his service firearm or allowed others to play or tinker with his firearm.	-do-
e. Security guard apprehended for alarm scandal or disorderly conduct within the premises of his assigned post whether on or off duty.	-do-
f. Manifested or display of discourteous or rude manner or failure to render appropriate respect or courtesy to CORPORATION official, employees, visitors or concessionaires.	-do-
g. Security found sleeping on duty.	-do-
h. Failure of the Security Guard to report for duty without prior notice.	-do-

C. MECHANISM or PROCEDURE IN THE IMPOSITION OF PENALTIES.

1. Any violation/s committed by the **AGENCY** shall be reported in detail by the end-user with its recommendation to the General Manager of the **CORPORATION** (GM) thru its Assistant General Manager (AGM) within a period of **three (3) days** from the commission of such violation/s;
2. Upon receipt of such report with recommendation, the General Manager of the **CORPORATION** shall have a period of **Five (5) days** within which to consider or determine whether the violations committed warrants the immediate imposition of the corresponding penalty as stated under the contract.

In cases where the General Manager is not satisfied or is not convinced solely from the report submitted by the end-user, the latter shall order a **Show Cause Order** within **Five (5) days** to the **AGENCY**, directing the latter to explain why no deduction on its bill should be made;

3. Upon receipt of the **AGENCY's** reply or written explanation to the show cause order, the GM has a period of **Fifteen (15) days** within which to decide the propriety of imposing the corresponding penalties.

It is hereby understood that the General Managers' decision is final and the corresponding penalty shall be immediately imposed upon receipt of the said decision.

In cases where the **AGENCY** or its designated Security Guards commits an aggregate of ten (10) violations, the same shall be a sufficient ground for the termination of this contract. Moreover, every violation shall be reflected in its Performance Evaluation and shall be used as a ground for disqualification in the **AGENCY's** future bid for poor and/or unsatisfactory performance.

9. RIGHT OF THE CORPORATION TO TERMINATE CONTRACT-
CORPORATION shall have the right to terminate the contract upon thirty (30) days prior written notice to the **AGENCY on any of the following grounds:**

- a. Loss of trust and confidence in the **AGENCY**;
- b. When **AGENCY** guard has willfully and intentionally or through negligence caused the death of, or has inflicted serious physical injury on any person or any **ZCWD** personnel inside the **CORPORATION's** premises while on official duty.
- c. When **AGENCY** guard has willfully and intentionally through negligence caused irreparable damage to the prestige or any vital interest of the **CORPORATION**, great destruction of **CORPORATION's** properties and equipment, or great economic loss by personnel participation or non-performance of his duties and responsibilities.
- d. When **AGENCY** violated any other obligation required under this Contract and refused to comply and/or remedy the violation within the reasonable period given by the **CORPORATION**.
- e. The **CORPORATION** may without incurring any liability and its interest may require, terminate the contract in whole or in part, at any time, at its convenience by serving a written notice to the **AGENCY**. The notice of termination shall specify that such termination is for the **CORPORATION's** convenience and state the extent to which performance of work under the contract is terminated and the date upon which such termination becomes effective.

The Security **AGENCY** shall see to it that the terms and conditions stipulated herein shall be observed and any violation of the condition set forth shall ipso facto cancel the agreement.

10. TERMINATION UNDER GPPB RESOLUTION NO. 018-2004 - That pursuant to **Item III. B of GPPB Resolution No. 018-2004** dated **22 December 2004** otherwise known as the **Guidelines on Termination of Contracts**, the **ZCWD** as the Procuring Entity reserves its right to terminate the contract in whole or in part, at any time for its convenience, if it has determined the existence of conditions that make the Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event(s) or changes in law and national government policies

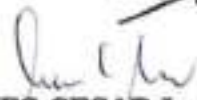
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11. **ESCALATION CLAUSE-** The **CORPORATION** agrees to escalate the Contract Rate as herein provided due to Labor Laws, General Orders and other Social Legislation benefiting the employees or workingmen.
12. **VALIDITY CLAUSE** – If any term or condition of this contract is held invalid or contrary to law, the validity of the terms and conditions hereof shall not be affected thereby.
13. **TERM OF CONTRACT-** The term of this Contract shall be for **One (1) YEAR** effective **16 July 2022 to 15 July 2023.**
14. **VENUE OF ACTION AND COURT LITIGATION-** That all legal actions for non-payment of service shall be brought in and submitted exclusively to the jurisdiction of the court of Zamboanga City only.


In case of Court litigation arising out of any violation of terms and conditions of this Contract by **AGENCY**, or any cause arising therefrom, the amount of twenty percent (20%) of the value of the award made by the court shall be paid by **AGENCY** to **CORPORATION** by way of attorney's fees and other expenses of litigation but in no case shall amount for attorney's fees and other expenses of litigation be less than Fifty Thousand Pesos (Php50,000.00.)


IN WITNESS WHEREOF, we have hereunto set our hands this day of _____ 2022 in the City of Zamboanga, Philippines.

ZAMBOANGA CITY WATER DISTRICT
Corporation


JAMES CESAR L. MAKASIAR
Chairperson

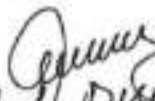

ABRAM M. EUSTAQUIO
Vice Chairperson


JESALE M. SAAVEDRA
Secretary, Director


ALVIN G. HUNG
Member, Director

GOLDEN BUDDGA INVESTIGATION
& SECURITY AGENCY


AIDA L. MIRAVILLA
General Manager

 Signed in the presence of:
FELECITO A. DIABORDO and ALDO RALPH M. GARGOSO

REPUBLIC OF THE PHILIPPINES)
CITY OF ZAMBOANGA - - - - -) S. S.
X- - - - - X

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and within the City of Zamboanga, Philippines, personally appeared the following:

<u>NAME</u>	<u>COMPETENT PROOF OF IDENTITY</u>
1. JAMES CESAR L. MAKASIAR	<u>ZCWD ID No. 263-11</u>
2. ABRAM M. EUSTAQUIO	<u>ZCWD ID No. 263-09</u>
3. JESALE M. SAAVEDRA	<u>ZCWD ID No. 263-10</u>
4. ALVIN G. HUNG	<u>ZCWD ID No. 263-14</u>
5. AIDA L. MIRAVILLA	<u>TIN: 159-371-264</u>

known to me and to me known to be the same persons who executed and signed the foregoing instrument and their instrumental witnesses and they acknowledged to me that the same is their own free and voluntary act and deed and that of the entity they represent.

I hereby further certify that this document consists of SIXTEEN (16) pages wherein the acknowledgment has been written and that all the pages have been signed by the parties and their instrumental witnesses and the same refers to a Contract for Security Services.

WITNESS MY HAND AND NOTARIAL SEAL this day of JULY 27, 2022, in the City of Zamboanga, Philippines.

DOC. NO. 26 ;
PAGE NO. 01 ;
BOOK NO. VI ;
SERIES OF 2022



Notary Public
City of Zamboanga
P.O. Box 1000, Zamboanga City
Philippines

