



Republic of the Philippines  
**Bulacan State University**  
City of Malolos, Bulacan  
Tel. No. (044) 9197800 – 9197899

## **REVISED TERMS OF REFERENCE**

### **LEASE OF 73.4 SQM SPACE FOR A COFFEE SHOP AT THE BULSU E-LIBRARY**

## **I. General Declaration**

1. BulSU intends to lease out the coffee shop area at the ground floor of the e-Library to provide beverages and food to the e-Library users, particularly its students, faculty members, personnel, employees, and guests.
2. BulSU will send out invitations to interested parties to submit their bids and proposals on their design, equipment, and facilities to be introduced on the coffee shop area and the variety, quality, quantity, and pricing of its beverages and food as well as the policies, methods, and procedures in the management and operation of the coffee shop.
3. BulSU will hold a pre-bid conference with the prospective bidders to discuss the lease terms.
4. Eligibility documents and proposals shall be scrutinized by a committee which will determine the most beneficial and advantageous to BulSU, its students, faculty members, personnel, and employees.
5. The committee shall make their recommendation to the University President who, in the exercise of her sound discretion, shall have the authority to decide to whom or which company, corporation, or entity who/that bid and submitted an application the lease contract shall be awarded. The bidding for the amount of monthly rent, which shall not be lower than Thirty-Five Thousand (P35,000.00) per month, inclusive of Value-Added Tax, shall be a factor but not the exclusive ground in the selection of the awardee.

## **II. Area Subject of Lease**

1. The subject of the lease is the seventy-three point four (73.4) square-meter portion of the ground floor of the BulSU e-Library, hereinafter referred to simply as the "coffee shop area/premises."

## **III. Parties to the Lease**

1. The LESSOR shall be Bulacan State University (BulSU), represented by University President Dr. Cecilia S. Navasero-Gascon.
2. The LESSEE shall be any individual, proprietor, company, partnership, or corporation; who/which is Filipino citizen/composed of Filipino citizens/100% interests/shares of which are Filipino-owned; not less than two (2) years in operation; with a proven track record of having successfully operated or franchised a similar establishment for not less than two (2) years under the same or different brand/company/corporation/outfit and with at least one (1) branch in the Philippines, each having a minimum capital investment of One Million (PhP 1,000,000.00) Pesos.

No LESSEE or any of its/her/his partners, shareholders/stockholders, and officials shall be related to any of the LESSOR's officials, employees, or personnel within the fourth degree of consanguinity or affinity.

#### **IV. Purpose of Lease**

1. The LESSEE shall solely operate the coffee shop to carry out the sale of coffee, tea, juices, pastries, pasta, desserts, and other similar beverages and food for the LESSOR's students, faculty members, personnel, employees and guests.
1. Once the lease is executed, the LESSEE shall, for its account and expense, apply for and secure the necessary permits and licenses to operate the coffee shop and shall likewise comply with all applicable requirements set by the appropriate national and local government agencies, including but not limited to, the Bureau of Internal Revenue (BIR), Department of Trade and Industry (DTI), Department of Health, etc. Copies of the said permits, registration, and licenses shall be furnished the LESSOR not later than fifteen (15) days after issuance of said permits and licenses.

#### **V. Exclusivity**

The coffee shop will be for the exclusive use of the LESSEE and its/her/his staff or employees and shall not assign or sublease any space therein to any third party. Likewise, the LESSEE shall not assign any of its/her/his rights and obligations under the contract of lease to any third party

#### **VI. Term**

1. The lease shall be initially for a term of five (5) years. Upon expiration of this initial term, the contract may be renewed, subject to reasonable terms and conditions that may be agreed upon by the parties.
2. Should the LESSEE remain in possession of the coffee shop after the expiration of the contract, such continued possession shall not be deemed as a renewal or extension of the contract. The LESSOR may unilaterally charge the LESSEE for its unauthorized possession an increased rental until the coffee shop is fully returned to the LESSOR's possession.

#### **VII. Rent**

1. The monthly rent shall be bidden with a floor price of Thirty-Five Thousand Pesos (P35,000.00), Philippine currency and inclusive of Value Added Tax.
2. The LESSEE shall pay the first rent in advance upon execution of the lease contract. The succeeding rents shall be paid on or before the fifth (5th) day of every month.
3. The rental shall be subject to a two and a half percent (2.5%) annual escalation of the monthly rental commencing on the second year.
4. Should the LESSEE fail to pay the monthly rent when due, the same shall be subjected to a penalty of five percent (5%) per month from the due date, with a fraction of the month counted as one whole month.
5. Failure to pay three (3) monthly rents, whether consecutive or cumulative, during a particular term, shall be considered as a breach and a ground for the unilateral termination thereof by the LESSOR, in which case, the LESSEE shall

vacate the coffee shop within fifteen (15) days upon receipt of the notice to vacate from the LESSOR.

#### **VIII. Improvements**

1. The LESSEE shall conceptualize the coffee shop by providing modern kitchen equipment and facilities, furniture, fixtures, dining tables, chairs, dining wares and utensils, including works consistent with the overall theme of the e-Library and to enhance its general appearance, with total cost of at not less than One Hundred Thousand Pesos (P100,000.00).
2. Prior to the introduction of improvements that would require the manipulation, modification, or transformation of any permanent part of the coffee shop premises, the LESSEE shall secure the prior approval of the LESSOR's Project Management Office (PMO) to ensure that the designs, plans, materials and equipment for the improvement of the coffee shop are compliant with the LESSOR's minimum safety and structural standards.

#### **IX. Utilities**

1. The LESSEE shall, for its own account and expense, with the coordination of the LESSOR, shall have its/her/his own utility services of water, power, and telecommunication.
2. The LESSEE, for its account and expense, may request the LESSOR to assist in the installation of sub-meters for an accurate measurement of consumption of its utilities. In addition, the LESSEE may also request for a phone line extension for easier access by the different offices of the LESSOR.

#### **X. Rights, Duties, and Obligations of the LESSOR**

1. The LESSOR shall retain complete ownership of the coffee shop premises and may make changes, alterations and improvements therein as may be necessary to preserve the structural integrity, safety, and design of the E-Library or any portion thereof
2. The LESSOR shall be entitled to regularly inspect and evaluate the coffee shop's operations to ensure that the terms and conditions of the lease contract are complied with.
3. The LESSOR may require the LESSEE to provide products and services on agreed prices during special activities or events.
4. The LESSOR shall provide the LESSEE access to and use of the entire coffee shop premises and its air-conditioning units already installed in the premises, subject to the reasonable rules and regulations that the LESSOR may be prescribe for their use.

#### **XI. Rights, Duties, and Obligations of the LESSEE**

1. The LESSEE shall set up, manage and operate the coffee shop and its premises and shall be free to employ its own personnel and adopt its own resources, means, and methods.

2. The LESSEE shall charge for the beverages and food it serves based on the prices it agreed with the LESSOR. The prices may be adjusted due to inflation, increase in prices of food products, or other justifiable causes at such amounts as may be agreed upon by the parties.
3. The LESSEE shall carry out the services specified in the lease contract with utmost consideration of the general welfare and well-being of the BulSU community. As such, the LESSEE undertakes the following:
  - a. To operate the coffee shop and facilities therein for the purposes provided under the lease contract. In no case shall it be used to provide coffee shop services to outside clients, unless approved by the University President, and only when it will not disrupt the services of the LESSEE should be providing the LESSOR under the contract.
  - b. Maintain the coffee shop in a safe and sanitary condition, conduct a general and thorough cleaning thereof and its equipment at least once a month, and to employ their own staff for this purpose.
  - c. Undertake repairs to any damage to the coffee shop and, including maintenance duties such as servicing, replacing, refurbishing it to keep the coffee shop in a sale, clean, operable, and attractive condition.
  - d. Electrical, mechanical, and plumbing repairs inside the coffee shop premises shall be for its own account.
  - e. Strictly comply with the regulations on waste segregation management and disposal.
  - f. Turn off and/or unplug all lights, appliances, and equipment at the end of daily operation hours, except when necessary to preserve the food or prevent its spoilage or of any and all ingredients used for preparing the beverages and food stored in the coffee shop.
  - g. Maintain an effective pest control system in coffee shop, including but not limited to, the eradication of insects, rodents, vermin, and other pests and take all reasonable measures to prevent their infestation.
4. In general, exercise utmost diligence in the stewardship of the coffee shop premises, equipment, and facilities.

## **XII. Food Quality and Sanitation**

1. The LESSEE shall strictly observe the government-approved standards on food quality preparation, production, and service at all times. Its personnel shall undergo the appropriate training on food handling and safety before their deployment.
2. The LESSEE shall not use styrofoam in serving beverages and food to its customers. Instead, it shall only use biodegradable, reusable, and recyclable food packaging, containers, and utensils like paper, wood, glass, ceramic, and metal cutlery. In cases where the management issue memoranda, orders,

letters, etc. relative to the use of food and beverages containers, the said memoranda, orders, letters, etc. shall be strictly enforced.

3. The LESSEE shall dispose of food waste separately from other wastes and shall provide bins therefor. It shall bring its segregated wastes daily to a public garbage collection system, or contract with and pay the duly authorized garbage collector. It is the sole responsibility of lessee to dispose of its waste.

### **XIII. Health Qualification and Hygiene of LESSEE's Personnel**

1. To ensure that the LESSEE's staff members and employees are always in good health, they shall submit medical certificates annually, attesting to their fitness to work.
2. All personnel of the LESSEE shall observe good grooming and hygiene at all times while inside the LESSOR's entire compound.
3. All coffee shop personnel shall be in their official uniform with nameplates to be supplied by the LESSEE while inside the coffee shop premises.

### **XIV. Hours of Operation**

1. The LESSEE shall operate the coffee shop from 7:00 am until 7:00 pm on Mondays through Fridays, and from 8:00 am until 5:00 pm on Saturdays.
2. However, these operating hours may be adjusted during special activities or events, when so required and upon prior notice by University President.

### **XV. Product Offerings**

1. The LESSEE shall offer in the coffee shop the following products:
  - a. Coffee
  - b. Tea
  - c. Juices
  - d. Pastries
  - e. Pasta
  - f. Desserts
  - g. Other similar beverages and food products
2. The LESSEE shall not serve alcoholic beverages, soft drinks, or plastic-bottled juices and drinks.
3. The LESSEE shall submit to the visitorial powers of the duly authorized officials of the LESSOR to monitor the quality of these products, as well as of the service, being provided by the LESSEE.

### **XVI. Fortuitous Events and Other Occurrences**

1. Neither party shall be liable for any delay or non-performance of its/her/his obligation under the lease contract due to fortuitous events. For this purpose, fortuitous events shall include, but are not limited to, acts of God such as storm, flood, volcanic eruptions, earthquakes, or other severe and unusual weather conditions and natural calamities, riots, wars, strikes, lockouts, terrorism,

accidents, or laws, regulations or orders of any government entities, judgment or orders of any court, and any other causes similar to the foregoing.

2. During the occurrence of the fortuitous event, the parties shall take all necessary actions within its/her/his power to comply with their respective obligations under the lease contract and prevent any aggravation of the effects of such fortuitous event. However, if despite such efforts a party is unable to perform its/her/his obligations by reason of said fortuitous event, it/she/he shall furnish the other party, within twenty-four (24) hours from the occurrence thereof or as soon as practicable, a detailed information of the events constituting the same. In any case, the party affected thereby shall automatically resume performance of its obligation under the lease contract upon cessation of the fortuitous event. Should the resumption take an unreasonably long period of time, and if the parties cannot reach any fair and equitable solution, either party may terminate the lease contract after giving 30-day prior written notice thereof on the other party.
3. If the any portion of the coffee shop premises, or its furniture, fixtures, equipment, appliance, material, wares, or the food or any ingredient thereof is damaged due to the fault or negligence of either party or its/her/his official, employees, or personnel, the same shall be repaired/restored/replaced by the said party or person(s) at fault at its/her/his own cost and expense, provided that if the said party or person(s) should fail to immediately repair/restore/replace the said damage within five (5) days from notice, the other may undertake the repair/restoration/replacement subject to reimbursement of cost by the party liable not later than the same number of days after completion of the repairs/restoration/replacement, without need of demand. If the same is caused by a student or any quest of the LESSOR such student or guest shall be responsible therefor under these same terms.
4. The LESSEE shall report to the LESSOR any conduct or behavior of any student, employee, or personnel that in the opinion of the LESSEE could be in violation of any existing law, or rules, policies or regulations of the LESSOR.
5. Liability arising from the death, injury, or damage or loss of property of the LESSEE of any member of its/her/his staff or of the LESSOR, its students, faculty members, employees or personnel, in connection with the operation of the coffee shop, shall be governed by existing laws, in addition to Paragraph 3 above.

## **XVII. Relationship Between Parties**

1. The LESSEE shall be an independent contractor. Nothing in the contract of lease shall be construed as creating an employer-employee relationship between the LESSOR and the LESSEE or their officials, employees, or personnel. The LESSOR shall not be responsible for the provision of any workers' compensation, medical, or disability insurance, or any other form of insurance coverage or other claims arising the LESSEE's engagement of its staff, employees, and personnel and the LESSEE shall indemnify the LESSOR for any liability that may be imposed upon it by reason thereof.

2. The LESSEE shall ensure that its employees receive all benefits and privileges prescribed by law such as but not limited to Social Security System (SSS), Philhealth, Pag-Ibig Fund, among others.
3. The LESSEE's personnel shall observe courtesy and professional demeanor and shall not engage in unlawful, disrespectful, or scandalous behavior inside the LESSOR's premises at all times.

#### **XVIII. Cash Bond**

1. The LESSEE shall make a non-interest-bearing cash bond equivalent to a month's rent to answer for any unpaid utilities or obligations under the lease contract, or for any injuries or damages that may have been caused by the fault or negligence of the LESSEE, its/her/his personnel, guests, or agents.
2. Upon termination of the contract, said cash bond or any balance thereof shall be applied to the corresponding additional period of lease upon presentation of a clearance that all utilities have been paid and the necessary repairs have been undertaken.
3. The cash bond shall be automatically forfeited in favor of the LESSOR if the contract if the LESSEE pre-terminates or intentionally violates any of the covenants and conditions hereof.

#### **XIX. Confidentiality**

No confidential information obtained by either party during the performance of their respective obligations under the lease may be released by the parties to any third person under any circumstance except by lawful order of the courts. The LESSEE shall ensure that its officers, employees and personnel, during the effectivity and for two (2) years after termination of the lease contract, shall maintain or secure any such confidential information.

#### **XX. Parties' Trademarks, Logos, and Intellectual Properties**

The parties shall retain their respective ownerships over their intellectual properties. However, they may use each other's trademark, tradename, and logo exclusively for purposes of marketing, press releases, sales presentations, website promotion, and corporate profiling only.

#### **XXI. The Contract of Lease**

After the LESSOR has been fully satisfied that the LESSEE has complied with all pre-requisites under these terms, they shall execute the corresponding contract of lease which shall contain all the provisions mentioned herein and such other stipulations that may heretofore be considered by the parties as necessary or appropriate.



## TO BE FILLED OUT BY THE BIDDER

### Instruction:

1. Read and understand the terms of reference as discussed above.
2. The bidder must properly and completely fill-out the tabular form below.
3. Incomplete or improper information provided will automatically disqualify the bid.
4. The amount of bid shall be stated in Philippine Peso and on a monthly rental basis.
5. The bid floor price is Thirty-Five Thousand Pesos (P35,000.00) per month, inclusive of Value-Added Tax. Any other amount of bid shall be denominated in increments of thousands. Any bid lower than the bid floor price bid shall be automatically disqualified.
6. All pages of the Terms of Reference and its attachments must be printed, signed, and submitted to the Office of the Director of Resource Generation located in the Main Campus of Bulacan State University. The same should be enclosed in a sealed envelope.
7. There will be a pre-bid conference on **May 09, 2023** to discuss the lease terms and to address some questions from the prospective bidders.
8. The deadline for the submission of Bid is on **May 16, 2023**. The same date and time will be the date of opening of bids.

**BID FORM**

1. Name of the Bidder Individual/Corporation/Partnership/Company	
2. Full Name of the Bidder or Its/Her/His duly authorized representative	
3. Relationship or Position of the Representative to the Individual/Corporation/Partnership/Company	
4. Please state the word “COMPLY” if the Bidder or Its/Her/His Representative agrees to all the conditions stated in the Terms of Reference.	
5. Amount of Bid (Monthly Rental), inclusive of Value-Added Tax.	
6. Signature of the Bidder or Its/Her/His duly authorized representative	

**Attached the following:**

- 1. Coffee Shop Conceptual Design
- 2. List of Food and Beverages together with its Pricing and Quantity
- 3. List of Equipment and Machines
- 4. Policies, methods, and procedures in the management and operation of the Coffee Shop

**CHECKLIST OF ELIGIBILITY DOCUMENTS**

**BASIS: Section III, paragraph 2 of the Terms of Reference**

1. Duly accomplished Bid Form;
2. Sworn affidavit of the Prospective Lessee (PL) or any of its/her/his partners, shareholders/stockholders, and officials is not related within the <b>fourth civil degree of consanguinity or affinity</b> to any officials, employees, or personnel of the Bulacan State University; ( <b>ANNEX A</b> )
3. Registration Certificate from the Securities and Exchange Commission (SEC) for corporations and partnerships or from Department of Trade and Industry (DTI) for sole proprietorship of existing similar branches;
4. Registration Certificate from Bureau of Internal Revenue of existing similar branches;
5. Mayor’s or Business permit issued by the city or municipality of the existing similar branches;
6. Secretary’s Certificate, if applicable, expressly authorizing the corporation's participation in the bidding process, nominating, appointing and authorizing a representative to communicate, represent, sign and execute contracts and other documents relative thereto; ( <b>ANNEX B</b> )
7. The PL’s Audited Financial Statements stamped “received” by the Bureau of Internal Revenue (BIR) or its duly accredited and authorized institutions, for the Calendar/Fiscal Year 2021;
8. Any government-issued identification card of the Prospective Lessee (individual/duly authorized representative). (e.g. SSS, GSIS, UMID, Passport, Driver’s License, PRC License, etc.)

REPUBLIC OF THE PHILIPPINES)  
CITY/MUNICIPALITY OF \_\_\_\_\_) S.S.

**SWORN AFFIDAVIT**

I, *[Name of Affiant]*, of legal age, *[Civil Status]*, *[Nationality]*, and residing at *[Address of Affiant]*, after having been duly sworn in accordance with law, do hereby depose and state that:

**1. Select one, delete the other:**

*[If a sole proprietorship:]* I am the sole proprietor or authorized representative of *[Name of Prospective Lessee]* with office address at *[address of Prospective Lessee]*;

*[If a partnership / corporation:]* I am the duly authorized and designated representative of *[Name of Prospective Lessee]* with office address at *[address of Prospective Lessee]*;

**2. Select one, delete the other:**

*[If a sole proprietorship:]* As the owner and sole proprietor, or authorized representative of *[Name of Prospective Lessee]*, I have full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract of lease of 73.4 sqm space for coffee shop at the Bulacan State University’s E-Library as shown in the attached duly notarized Special Power of Attorney;

*[If a partnership / corporation:]* I am granted full power and authority to do, execute and perform any and all acts necessary to participate, submit the bid, and to sign and execute the ensuing contract of lease of 73.4 sqm space for coffee shop at the Bulacan State University’s E-Library, as shown in the attached *[Secretary’s Certificate, Board/Partnership Resolution, whichever is applicable;)]*;

**3. Select one, delete the rest:**

*[If a sole proprietorship:]* *[Name of Prospective Lessee]* is not related by consanguinity or affinity within the fourth civil degree to any officials, employees, or personnel of the Bulacan State University.

*[If a partnership / corporation:]* None of the officers, directors, and controlling stockholders of *[Name of Prospective Lessee]* is related by consanguinity or affinity within the fourth civil degree to any officials, employees, or personnel of the Bulacan State University.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_ day of \_\_, 20\_\_ at \_\_\_\_\_, Philippines.

[Insert NAME OF BIDDER OR ITS AUTHORIZED REPRESENTATIVE]

[Insert signatory’s legal capacity]  
Affiant

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REPUBLIC OF THE PHILIPPINES)  
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**SECRETARY’S CERTIFICATE**

I, *[Name of Corporate Secretary]*, Filipino, of legal age, with business address at \_\_\_\_\_, after having been duly sworn to an oath in accordance with law, hereby depose and say:

That I am the Corporate Secretary of *[Name of the Corporation]*, a corporation duly organized, registered and existing under and by virtue of the Republic of the Philippines;

In a special meeting of the Board of Directors of the Corporation held on *[date of meeting]* held at *[place where the meeting took place]*, the following was unanimously passed and approved, to wit:

RESOLUTION NO. \_\_\_\_\_

*“RESOLVED, as the Board hereby resolved that [Name of the Corporation] through [Name of authorized representative, position], is hereby authorized in the name of the Corporation to participate in the public bidding, submit a bid to the Bulacan State University (BulSU), make, sign, execute, deliver and receive contracts, agreements, and any and all documents and other writings of whatever nature or kind, as may be necessary to carry into effect the lease of 73.4 sqm space for coffee shop located at the BulSU’s E-Library.”*

I hereby certify to the correctness of the foregoing resolution and that the same is existing and have not been amended, modified or revoked.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_, 20\_\_ at \_\_\_\_\_,  
Philippines.

\_\_\_\_\_  
Printed Name and Signature of the  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_ by the above-named person who exhibited to me his/her Community Tax Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at \_\_\_\_\_.

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