



Contract Agreement
VMC No. 25-01-004

THIS AGREEMENT, made on the 1st day of January, 2025, between **VALENZUELA MEDICAL CENTER**, Padrigal St., Karuhatan, Valenzuela City, Philippines (hereinafter called "the Entity"), of the one part, and **NEW GENERATION LAUNDRY CORP.** of *Tramo, San Jose Mesulo, Arayat, Pampanga*, Philippines(hereinafter called "the Supplier") of the other part:

WHEREAS, the Entity invited Bids for certain goods and ancillary services, viz., for the **SUPPLY AND DELIVERY OF LINEN, LEASING AND LAUNDRY OUTSOURCED SERVICES FOR CY 2025** under Public Bidding No. VMC-2025-001 dated November 05, 2024 and has accepted a Bid by the Supplier for the supply of those goods and services in the sum of **SIX MILLION SEVEN HUNDRED THIRTY-TWO THOUSAND PESOS ONLY (P 6,732,000.00)**, (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:

- (a) the Supplier's Bid, including the Technical and Financial Proposals, and all other documents/statements submitted (e.g bidder's response to clarifications on the bid), including corrections to the bid resulting from the Procuring Entity's bid evaluation;
- (b) the Schedule of Requirements
- (c) the Technical Specifications;
- (d) the General Conditions of Contract;
- (e) the Special Conditions of Contract;
- (f) the Performance Security; and
- (g) the Entity's Notice of Award.

3. Without prejudice to the aforementioned documents, the Supplier obligates itself to deliver the following goods and/or services on the given dates, to wit:

ITEM NO.	ITEM DESCRIPTION	UNIT	QTY.	TOTAL BID PRICE	TOTAL
1	Supply and Delivery of Linen, Leasing and Laundry Outsourced Service CY 2025	Kg.	132,000	51.00	6,732,000.00

TERMS OF REFERENCE

LINEN LEASING AND LAUNDRY OUTSOURCED SERVICE
TERMS OF REFERENCE

1. **BACKGROUND / RATIONALE**

1.1 The Valenzuela Medical Center, a DOH retained Hospital and existing under the laws of the Republic of the Philippines, with office address at Padrigal St., Karuhatan, Valenzuela City is a tertiary medical center. Currently operates 150 beds and hospital support facilities for ancillary services. Much is still to be done to maximize its capacity for the provisions of quality healthcare service to the numerous patients it serves and will continually serve. Several operational systems had to evolve to align itself to the increasing demand for improved quality in patient care. It is in this context, that VMC recognizes the need to focus more on its core competency which is on direct patient hospital care.

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BAGONG PILIPINAS

1.2 Healthcare facilities such as hospitals are built with core competencies centered on medical and paramedical services leading towards hospital care services directly provided to patients whether on an in-patient or out-patient basis. While the laundry service is outsourced, the Institute continues to monitor and control linen inventory. The administration of linen services has demanded a lot in terms of investment costs for hospital linen, inconsistent turnaround time for availability of clean linen and increased manpower costs for housekeeping to help out in the linen section. The reality is that non-core processes, such as this, uses up time and effort notwithstanding the funding requirements which is influenced by the need to continuously improve efficiency and productivity.

1.3 Recognizing that linen and laundry service is not the core business of VMC, it has become imperative to consider other modes of improving operations without necessarily increasing the cost component.

1.4 It is in this regard that VMC acknowledges the need to outsource the Hospital Linen and Laundry Service to external entities who are qualified and well-equipped to provide such services.

2. OBJECTIVES OF THE LINEN AND LAUNDRY SERVICE CONTRACTING

The Hospital Linen and Laundry Service should be able to achieve the following objectives:

2.1 Financial Objectives:

- 2.1.1** Lower the effective cost of linen and laundry services for the hospital;
- 2.1.2** Reduce the space requirement for linen services.
- 2.1.3** Eliminate linen losses due to operational inefficiencies.

2.2 Operational Objectives:

- 2.2.1** Ensure availability of clean linen in all areas at all times;
- 2.2.2** Guarantee the cleanliness and hygienic quality of linen and beddings at all times.

3. GENERAL TECHNICAL SPECIFICATIONS

3.1 FABRIC COMPOSITION:

3.1.1 FOR REGULAR ROOMS

- FABRIC: 80-85% Polyester, 15-20% Cotton, includes bed Sheets, fitted sheets, pillow cases, seat covers and others, to be tested by Philippine Textile Research Institute, Bicutan at the expense of the Contractor. To be submitted as part of Post Qualification.

3.2 OTHER LINEN REQUIREMENT FOR REGULAR PATIENT ROOMS

- 3.2.1** Blanket, all colors, flannel fabric
- 3.2.2** Oxford Green and Blue - 100% Polyester (includes all linen for Operating Room and Radiology Staff)
- 3.2.3** Clothman, all color - 100% Polyester, for curtains (according to actual area measurement)
- 3.2.4** Minimat, all color - 100% Polyester, for table cloth
- 3.2.5** Bath Towel, Hand Towel, Bath Mat - all 100% cotton

3.3 DETAILED TECHNICAL SPECIFICATIONS

DESCRIPTION	SIZE	COLOR	QUANTITY
BED SHEET	108 x 72	WHITE	605 PCS
BATH TOWEL	54 X 27	WHITE	40 PCS

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BATH TOWEL	54 x 27	BLUE	65 PCS
BATH TOWEL	54 x 27	GRAY	70 PCS
FITTED SHEET BIG	72 x 30 x 5	BLUE	10 PCS
FITTED SHEET SMALL	72 x 24 x 5	BLUE	40 PCS
FITTED SHEET	75 x 36 x 11	YELLOW	120 PCS
BLANKET, 3LBS	90 x 70	WHITE	15 PCS
LAP SHEET	100 x 61	EVEREST GREEN	50 PCS
OR TOWEL, 1 PLY	30 x 20	EVEREST GREEN	320 PCS
OR TOWEL, 1 PLY	30 x 20	ROYAL BLUE	260 PCS
DRAW SHEET, 1 PLY	60 x 40	EVEREST GREEN	195 PCS
LEGGINGS	38 x 22	EVEREST GREEN	155 PCS
MAYO COVER	47 x 26	EVEREST GREEN	125 PCS
EYE SHEET	29 x 27	EVEREST GREEN	100 PCS
TRAY COVER		EVEREST GREEN	305 PCS
WRAPPER BIG, 2 PLY	80 x 50	GRIEGE	200 PCS
WRAPPER, 2 PLY	25 x 25	CEIL BLUE	100 PCS
WRAPPER, 2 PLY	40 x 40	CEIL BLUE	130 PCS
LAUNDRY BAG	44 x 44	EVEREST GREEN	16 PCS
WRAPPER BIG, 2PLY	59 x 59	NAVY BLUE	8 PCS
BED SHEET	108 x 72	CEIL BLUE	270 PCS
BED SHEET	108 x 72	ELECTRIC BLUE	120 PCS
BED SHEET	108 x 72	PINK	105 PCS
BED SHEET	108 x 72	MINT GREEN	70 PCS
BED SHEET	108 x 72	NAVY BLUE	55 PCS
BED SHEET	108 x 72	NKTI BLUE	180 PCS
BED SHEET (MALONG)		MARUBINI ICE	45 PCS
BASSINET	29 x 16 x 4	PANDA PRINT	105 PCS
BASSINET CRIB	29 x 16 x 4	CIRCUS BLUE	50 PCS
FITTED SHEET	47 x 26 x 6	CIRCUS GREEN	50 PCS
PILLOW CASE	20 x 30	YELLOW	105 PCS
PILLOW CASE	20 x 30	WHITE	55 PCS
PILLOW CASE	LARGE	MARUBINI ICE	100 PCS
PILLOW CASE	20 x 30	ROYAL BLUE	50 PCS
PILLOW CASE	20 x 30	NAVY BLUE	25 PCS
PATIENT LONG GOWN	20 x 30	LIGHT BLUE	30 PCS
PATIENT GOWN	LARGE, PRINTED	YELLOW	30 PCS
PEDIA GOWN	FREE SIZE	LIGHT BLUE	25 PCS
PATIENT GOWN - NICU	LARGE	PINK	180 PCS
PATIENT GOWN - ED	LARGE	WILD LIME	115 PCS
PATIENT GOWN - MEDICINE	LARGE	YELLOW	50 PCS
PATIENT GOWN - ICU	LARGE	ORANGE	50 PCS
PATIENT GOWN - OR / DR	LARGE	JADE GREEN	50 PCS
PATIENT GOWN - OB WARD	LARGE	CEIL BLUE	80 PCS
PATIENT GOWN - RADIOLOGY	LARGE	LIGHT BLUE	120 PCS
PATIENT GOWN - PMR	LARGE	BLUE	175 PCS
PATIENT GOWN	65 x 24 x 3	ROYAL BLUE	30 PCS
PATIENT GOWN	MEDIUM	MINT GREEN	45 PCS
REGULAR			
SURGICAL GOWN	LARGE	EVEREST GREEN	310 PCS
SCRUB SUIT SHIRT	SMALL	WHITE	55 PCS
SCRUB SUIT SHIRT	MEDIUM	JADE GREEN	60 PCS

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SCRUB SUIT SHIRT	LARGE	JADE GREEN	60 PCS
SCRUB SUIT SHIRT	XL	JADE GREEN	60 PCS
PANTS	SMALL	JADE GREEN	60 PCS
PANTS	MEDIUM	JADE GREEN	60 PCS
PANTS	LARGE	JADE GREEN	60 PCS
PANTS	XL	JADE GREEN	60 PCS
LONG GOWN	LARGE	JADE GREEN	95 PCS
LONG GOWN	LARGE	PURPLE	100 PCS
LONG GOWN	LARGE	NAVY BLUE	100 PCS
FLAT SHEET	40 x 40	MARUBINI ICE	30 PCS
SCRUB SUIT SHIRT FOR UTILITY - OR	SMALL, PRINTED W/ "HOUSEKEEPER"	LIGHT GRAY	30 PCS
SCRUB SUIT SHIRT FOR UTILITY - OR	MEDIUM PRINTED W/ "HOUSEKEEPER"	LIGHT GRAY	30 PCS
SCRUB SUIT SHIRT FOR UTILITY - OR	LARGE PRINTED W/ "HOUSEKEEPER"	LIGHT GRAY	30 PCS
SCRUB SUIT SHIRT FOR UTILITY - OR	XL PRINTED W/ "HOUSEKEEPER"	LIGHT GRAY	30 PCS
PANTS FOR UTILITY - OR	SMALL	LIGHT GRAY	30 PCS
PANTS FOR UTILITY - OR	MEDIUM	LIGHT GRAY	30 PCS
PANTS FOR UTILITY - OR	LARGE	LIGHT GRAY	30 PCS
PANTS FOR UTILITY - OR	XL	LIGHT GRAY	30 PCS
ANESTHESIA DRAPE	29 x 27, PRINTED W/ "ANESTHESIA"	ROYAL BLUE	100 PCS

3.4. The winning bidder will be responsible for supplying brand new linen. This ensures that patients maintain hygiene, cleanliness and comfort, contributing to the overall quality of care provided by the hospital.

4. SCOPE OF SERVICES TO BE PROVIDED BY THE CONTRACTOR

The CONTRACTOR shall be required to provide the following services:

4.1 Laundry Service:

- 4.1.1 Collection of soiled/dirty linen;
- 4.1.2 Provision of laundry push carts and laundry bags for soiled/dirty linen;
- 4.1.3 Daily monitoring of worn-out or damaged linen;
- 4.1.4 Daily monitoring of lost linen and accordingly establish proper accountability for such losses.

4.2 Linen Service:

- 4.2.1 Always have personnel assigned to do linen and beddings replacement for The Nursing Units (in-patient) twelve (12) hours in seven days a week on two (2) shifts schedule;
- 4.2.2 Make available the daily supply of clean, quality linen with specifications and Quantity to be provided by the Institute;
- 4.2.3 Availability of linen to consider replacement or repair of any damaged or Worn-out stock in accordance with the requirements of the Institute;
- 4.2.4 Ensure linen inventory equivalent to four (4) sets, one (1) set for on-line use, one (1) set in transit, one (1) set at the laundry facility, and one (1) set on the shelf and 20% buffer.
- 4.2.5 Linen must be the same color at all times and shall replace faded or decolorized items due to frequent usage and washing.

4.3 Management Service:

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4.3.1 Provide manpower in the Institute to perform collection, delivery, storage, and supplies monitoring;

4.3.2 Provide cabinets/shelving where linen items shall be properly and orderly kept;

4.3.3 Adhere to the quality standards set by the Hospital Infection Control relative to hospital linen particularly on the hygienic, sanitary and germ-free conditions of the linen as well as its facilities both for storage and laundry service.

4.4 Other Service:

4.4.1 Submit a Monthly Report on Linen and Laundry Services, the format and contents of which shall be agreed upon with the Housekeeping Section and Accounting Division;

4.4.2 Advice the Institute on areas for improvement for a more responsive service;

4.4.3 Conduct regular meetings with copy of minutes of meetings made by the proponent and submitted to the head of Hospital Admin

4.5 Evaluation

4.5.1 The Supplier that previously served Valenzuela Medical Center must secured Satisfactory Certificate from the end-user

5. OBLIGATIONS OF THE CONTRACTOR

The CONTRACTOR shall be required to perform the following:

5.1 To ensure the availability of clean and hygienic hospital linen throughout the contract period including ordinary working days, weekends and holidays. Accordingly, clean hospital linen should be available 24 hours a day, 7 days a week.

5.2 To provide skilled personnel experienced in the linen and laundry management necessary for the proper and timely execution of works.

5.3 To be responsible for any accident or injury caused to any of its employees including those under its direct or indirect supervision, sub-contractors and casual labor force.

5.4 To be exclusively, directly, and immediately responsible for any loss or damage that may occur to, or be sustained by Hospital and its personnel and guests, including properties.

5.5 To provide for all consumable items necessary for their performance related to linen and laundry services, including office and IT supplies.

5.6 To see to it that the facilities assigned to them are kept clean at all times without structural damage except due to ordinary wear and tear.

5.7 To conform to all housekeeping and security procedures and policies of Hospital, and such other measures which may be issued to ensure cleanliness and safety of all concerned.

5.8 To pay all taxes, duties and fees which become payable in accordance with Philippine Regulations. The CONTRACTOR shall comply with the regulations, orders, decrees and directives issued by any governmental authority or agency having jurisdiction over its activities.

5.9 The CONTRACTOR shall not assign or sub-let the contract of any part thereof without prior written approval of Hospital

5.10 The CONTRACTOR shall provide the following for its exclusives use:

5.10.1 Telephone and similar communication system;

5.10.2 Personal computers and printers;

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5.10.3 Other office equipment.

6. OBLIGATIONS OF HOSPITAL

Hospital shall perform the following to allow the CONTRACTOR to fulfill his obligations:

6.1 Provide the facilities and amenities within the hospital premises which are necessary for the prompt delivery of services.

6.2 Ensure that the facilities are constructed in manner that prevents contamination, damage, loss and/or destruction of the CONTRACTOR'S supplies and properties from causes such as rain, flood, excessive dust and other harmful elements.

6.3 Allow the use of existing electric and water at no charge to the CONTRACTOR provided utilization is reasonably within their scope of services and shall not be used for laundry services.

6.4 Sizes of beds (thickness of the mattress) shall be provided by Hospital.

6.5 Bed sheet to be tested to ensure that they displaced when the bed is put up to ninety (90) degrees.

7. LINEN INVENTORY, PROPERTIES, FACILITIES AND AMENITIES

7.1 HOSPITAL LINEN

7.1.1 The hospital linen shall remain the property of the CONTRACTOR throughout the contract period.

7.1.2 Losses and damage by the hospital should be charge to the hospital monthly

7.2 PROPERTIES

7.2.1 The properties of the CONTRACTOR shall be listed down, inspected and registered with the concerned offices before this is brought in to Hospital premises.

7.2.2 Transfers of these properties in and out of the hospital premises shall be Subject to Hospital rules and regulations on property movements.

7.3 FACILITIES AND AMENITIES

7.3.1 Hospital shall make available the following facilities to the CONTRACTOR

7.3.1.1 Releasing counter for issuance of linen,

7.3.1.2 Storage area for linen and supplies,

7.3.1.3 Holding area for Soiled/Dirty linen

7.3.1.4 Receiving area for clean linen;

7.3.2 These facilities shall be used strictly for contract implementation purposes only, therefore, no other activities shall be permitted in these areas which are not related to the operations of linen and laundry or which may cause disturbance or otherwise affect other offices.

7.4 LINEN CONTROL:

The parties agree that since the entire linen covered by the Agreement is the property of the CONTRACTOR shall be solely responsible for linen losses, damage or destruction. However, the parties agree that they will mutually cooperate to determine cause of such losses or damages.

7.5 BUDGET ESTIMATE:

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The estimated budget for the Linen Leasing Project for the twelve (12) months contract duration and Fifty-Five Pesos per kilogram is Seven Million Two Hundred Sixty Pesos (P7,260,000.00).

8. PENALTIES

8.1 The CONTRACTOR should be able to provide linen requirements throughout the contract period even during emergency situations. If the CONTRACTOR fails to comply or respond to both the daily routine and emergency requirements, Hospital reserves the right to employ other contractors to provide the services, and to deduct such costs from any sums due or outstanding. This is further without prejudice to the possible termination of Contract of Agreement depending on the severity of the non-compliance.

8.2 PENALTY CLAUSE

Failure on the part of the CONTRACTOR to provide linen services as stipulated in this Agreement shall render the Institute to apply standard penalty of 1/10 of one percent (1%) for every day of delay the corresponding amount of the item which they failed to provide/deliver.

9. WARRANTY AGAINST CORRUPTION

9.1 The CONTRACTOR warrants that no gifts, considerations, compensation or commission was offered or given of the officers and employees of Hospital.

10. CONTRACT DURATION

10.1 The CONTRACT shall be for twelve (12) months period.

The CONTRACT may be terminated by either party, without necessity of judicial action, by giving the other party one (1) month upon written notice, for appropriate legal reasons, whereupon such termination, the parties shall settle their accountabilities to each other.

4. In consideration of the payments to be made by the Entity to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Entity to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract

5. The Entity hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the time and in the manner prescribed by the contract.

IN WITNESS, whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

NEW GENERATION LAUNDRY CORP.

By:

MS. MARINETTE B. AVERA
Authorized Representative

VALENZUELA MEDICAL CENTER

By:

EDILBERTO V. CAVANEYRO, MD, MHA, FPCs, FPSGS
OIC-Medical Center Chief II

SIGNED IN THE PRESENCE OF:

RAYMUND JOE B. MACUANA
Accountant III

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ACKNOWLEDGEMENT

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Valenzuela City, Metro Manila) S.S.

BEFORE ME, a Notary Public for and in **MANILA** City, this day of FEB 03 2025 2025, personally appeared the following:

NAME	GOV'T. I.D.	DATE/PLACE ISSUED
MARINETTE B. AVERA		
EDILBERTO V. CAVANEYRO, MD, MHA, FPCS, FPSGS	PRC ID No. 0069327	Manila

Known to me and to me known to be same persons who executed the foregoing agreement and acknowledged to me that the same is their free, voluntary act and deed and of the entity duly represented.

This instrument consisting of eight (8) pages including this page, whereupon this acknowledgement is written, refers to Supply Agreement, signed by the parties and their witnesses on every page and proper spaces hereof.

WITNESSES MY HAND AD SEAL, this FEB 03 2025

Doc. No. 01
Page No. 01
Book No. V
Series of 2025.

ATTY. NELSON H. MANALILI

Notary Public Until 12-31-2025
Commission No. 2024-021
IBP No. 487672 / 12-26-2024 (For 2025) / Manila
PTR No. 2041476 / 01-02-2025 / Manila
Roll of Attorneys No. 45757
MCLE Compliance No. VIII-0000943, 12-01-22 / Pasif
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