



INVITATION TO SUBMIT PROPOSALS FOR THE OPERATION OF THE PGLU CANTEEN

The Provincial Government of La Union, through the PGLU Canteen Committee (PGLUCC), is inviting all interested Concessionaires to submit their proposals, subject to the terms and conditions stated in the Terms of Reference (TOR):

NAME OF PROJECT	Operation of the PGLU Canteen for Three (3) Years
LOCATION	G/F Provincial Capitol Building, Aguila Road, Barangay II, City of San Fernando, La Union
PRELIMINARY CONFERENCE WITH PROSPECTIVE CONCESSIONAIRES AND INSPECTION	July 18, 2022; 10:00 AM
DEADLINE FOR SUBMISSION OF PROPOSALS	August 1, 2022; 9:59 AM
OPENING OF PROPOSALS	August 1, 2022; 10:00 AM

Concessionaires shall submit their sealed proposals in two (2) separate envelopes at the Provincial General Services Office Building through the PGLUCC Secretariat on the date and time stated above. The proposal shall contain the following:

1. Registration Certificate from the Securities and Exchange Commission (SEC) or the Department of Trade and Industry (DTI) or the Cooperative Development Authority (CDA);
2. BIR Tax Clearance (from the previous year);
3. Current Year's Mayor's/Business Permit;
4. Manpower Requirements (Key Personnel to be assigned);
5. List of Existing Facilities;
6. Proposed Menu (for a 2-week cycle); and
7. Affidavit of Disclosure of No Relationship

The Terms of Reference may be acquired by interested Concessionaires from July 7 – 14, 2022 from the given address and website below.

For further information, please refer to:

Engr. Robert L. Lelina/Ms. Rio O. Garcia
PGLUCC Secretariat
PGSO Building, Provincial Capitol
Brgy. II, City of San Fernando, La Union
Tel. No. 242-5550 Loc. 250/283
Email address: pglu_pgso@launion.gov.ph
Website: www.launion.gov.ph

MR. ARVIN C. CAMACHO
Chairman
PGLU Canteen Committee

JUL 07 2022



TERMS OF REFERENCE

For the Operation of Food Concession
at the Provincial Government of La Union (PGLU) Capitol Main Building

I. GENERAL PROVISION:

- For the Provision of meals of PGLU Officials, employees, visitors in the PGLU Capitol, a maximum of one (1) food concessionaire shall be allowed to operate;
- The selection of the food concessionaire shall be undertaken by the PGLU Canteen Committee created through OPG Office Order no. 2 S. 2022 dated May 23, 2022 together with its duties and functions;
- By its nature, the PGLU Canteen Concession is not considered "procurement", thus, **not covered by the Republic Act no. 9184 or the Government Procurement Reform Act.** Consequently, the prospective concessionaires shall be invited to submit proposals for canteen concession through notice/invitation to be posted in the PGLU website, and conspicuous places, and/ or other means, as proposed by the PGLU Canteen Committee. In addition, this Terms of Reference (TOR) shall also be posted together with the notice/invitation as basis and guidance in the preparation of proposals by the prospective concessionaire.
- The operation of a food concession shall be subjected to a concession contract between the PGLU and the concessionaire together with these Terms of Reference to form as an integral part of the Concession Contract.

II. PROCESS:

- The selection of the concessionaire will be conducted through open submission of sealed proposals and shall be pre-qualified using the submitted pre-qualification documents using a non-discretionary "pass/fail" criterion;
- All food concession proposals may be submitted from July 18 – August 1, 2022;
- The food concession is restricted to Filipino citizens/ sole proprietorships, partnerships, or organizations with at least 60% interest or outstanding capital stock belonging to citizens of the Philippines;
- Prospective concessionaires may obtain a copy of the Terms of Reference (TOR) at the Office of the Provincial General Services Officer during office hours from 8:00 am to 5:00 pm, Mondays to Fridays or they may refer to the notices posted in the PGLU website and other conspicuous places;
- The PGLU Canteen Committee will hold a conference to the prospective concessionaires on July 18, 2022; 11:00 A.M. at the BAC Conference Room, Provincial Capitol, City of San Fernando, La Union which shall be open to all prospective concessionaires.
- All proposals must be duly received by the PGLU Canteen Secretariat through manual submission at the Office of the Provincial General Services Officer on or before 09:59 A.M. of August 1, 2022. Late proposals shall not be accepted.
- The PGLU Canteen Committee shall conduct the opening of proposals on August 1, 2022 at 10:00 A.M. at the BAC Conference Room, Provincial Capitol, City of San Fernando, La Union.

Terms of Reference for the Operation of PGLU Canteen Food Concession, Page 1 of 8



PGLU CANTEEN COMMITTEE

- h. Post-qualification shall be done on August 1 – 5, 2022 by the PGLU Canteen Committee and shall provide recommendations to the Governor for his approval on or before the 4th day of August.
- i. The Concession Contract shall be awarded on or before the August 8, 2022 of June.
- j. The Concession Contract shall commence and shall be fully operationalized on September 1, 2022.

III. PRE-QUALIFICATION:

Prospective concessionaires must meet the following minimum requirements:

- a. **Legal Documents:** An existing food provider such as but not limited to catering services, restaurant or canteen, with valid business and sanitary permit, DTI permit (for sole proprietorship) or SEC Registration Certificate (for corporations) or CDA permit (for cooperatives) and valid BIR Tax Clearance. All these shall be attached in the Food Concession Proposal.
- b. **Manpower:** Minimum key personnel comprised of the following with their valid individual work permit and health certificate;
 - i. at least one (1) supervisor
 - ii. at least one (1) cook
 - iii. at least one (1) cashier
 - iv. at least one (1) cook helper
 - v. at least one (1) dishwasher
 - vi. at least one (1) service crew
- c. **Facilities:** Must have basic canteen-operation equipment, appliances, cookware and utensils;
- d. Two-week cycle menu for breakfast, lunch and morning and afternoon snacks with corresponding prices and weight per serving and not to exceed the maximum prices and minimum weight set by the PGLU Canteen Committee shall be submitted;
- e. Prospective concessionaires must not be related to a PGLU official and/or the members of the PGLU Canteen Committee within the third degree of consanguinity or affinity. For this purpose, an affidavit shall be executed by the prospective concessionaire.

IV. POST QUALIFICATION:

- a. All Food Concession Proposals that meet all the requirements under pre-qualification shall be subjected to the post-qualification process by the PGLU Canteen Committee with the following qualification criteria and point system:

Criteria	Maximum Points
Sanitation	20
Taste and Nutritional Value	20
Quality of serving (presentation and food handling)	20
Quantity of serving	20
Price	20
Total	100

Terms of Reference for the Operation of PGLU Canteen Food Concession, Page 2 of 8



- b. Food preparation and taste test shall be done at the prospective concessionaire's present food preparation facility in the schedule to be given by the PGLU Canteen Committee;
- c. PGLU Canteen Committee shall inspect the site, documents and facility to verify compliance with legal policies (i.e. PD no. 856 or the Code of Sanitation of the Philippines);
- d. To qualify, the prospective bidder must obtain a 90% rating and must be compliant with the minimum requirements of the Code of Sanitation of the Philippines;
- e. The highest rated prospective bidder will be awarded the contract. In case there is a tie, "toss coin" or "draw lots" will be used to determine the winner; and
- f. The decision of the committee is final and no longer subject to appeal.

V. CONTRACT AND CONTRACT DURATION:

- a. A Concession Contract between the PGLU and the concessionaire together with these Terms of Reference shall be entered into by and between the PGLU, represented by the Provincial Governor, and the concessionaire selected and recommended by the PGLU Canteen Committee and approved by the Governor;
- b. The duration of the contract shall be for a period of three (3) years, subject to an annual performance evaluation by the PGLU Canteen Committee. A concessionaire who failed to maintain satisfactory rating shall be a ground for the PGLU to rescind the contract before its expiration;
- c. The concessionaire may wish to pre-terminate the contract through a 90-day notice;
- d. At least two (2) months prior contract expiration, the PGLU Canteen Committee shall commence the invitation and selection process for the new PGLU Canteen Concessionaire;
- e. In the event that there is no new concessionaire selected, the current concessionaire and the PGLU may agree to continue the operation of the existing concessionaire until such time that the PGLU Canteen Committee has awarded the concession to a new concessionaire. The extension shall be subject still with the terms and conditions set forth in the Concession Contract.

VI. OBLIGATIONS OF THE CONCESSIONAIRE:

- a. Comply, update and submit technical, legal and financial documents annually;
- b. Comply with City of San Fernando, La Union Ordinance No. 2014-03, otherwise known as the "Plastic and Styrofoam Regulation Ordinance";
- c. Abide by the maximum prices and minimum weight of meals and snacks set by the PGLU Canteen Committee. Menu for the day shall be posted in a conspicuous place together with its price per serving for each of the dish being offered;
- d. Operate from Mondays to Fridays, between 6:00 A.M. until 6:00 P.M. Breakfast, snacks (morning and afternoon), and lunch/ dinner are to be served every regular working day or as requested by the PGLU Canteen Committee;

Terms of Reference for the Operation of PGLU Canteen Food Concession, Page 3 of 8



PGLU CANTEEN COMMITTEE

- e. The Concessionaire shall cause the installation of a Closed Circuit Television (CCTV) on its own account. Said CCTV shall be displayed on such location that is readily viewable by the PGLU.
- f. Provide free and adequate supply of purified drinking water with dispenser for canteen customers;
- g. Provide the basic requirements for canteen operation;
- h. Maintain utmost cleanliness and proper hygiene in the preparation, handling and serving of food and ensure that the quality of all the foods being served complies with the sanitation standards prescribed by the IRR of Chapter III- Food Establishments of Presidential Decree No. 856, the Code of Sanitation of the Philippines;
- i. Maintain the cleanliness and sanitation of the canteen utensils, furniture and fixtures and its premises;
- j. Defray the cost of water and electric utilities;
- k. Undertake or cause minor plumbing, electrical and carpentry repairs, including repairs of furniture, fixtures, and appliances installed and provided by the PGLU in coordination with the Provincial General Services Office and Provincial Engineers Office;
- l. Practice proper waste management, including segregation of biodegradable and non-biodegradable waste and disposal of garbage in coordination with the PGSO;
- m. **Pay a monthly concession fee of Php10,000.00 to the PGLU** through the PTO on or before the 5th day on the month;
- n. The concessionaire is required to pay a one (1) month advance rental and one (1) month deposit which shall be applied exclusively for any penalty/surcharges for delayed payment of monthly rental fee;
- o. Pay utility services billed by the PGLU which is based on the readings in the sub-meters;
- p. Submit a proposed list of personnel to be deployed together with their qualifications, individual health and medical certificates issued by the City Health Office and other documents as may be required by the PGLU Canteen Committee, if deemed necessary.
- q. Post in a conspicuous place the business permits, tax clearance and other permits as required by law.

VII. OBLIGATIONS OF THE CONCESSIONAIRE'S STAFF:

- a. Concessionaire's staff must have at least (6) months of relevant training and/or work experience;
- b. Ensure that all of the Concessionaire's personnel assigned to the PGLU undergo a pre-employment drug-test and medical examinations, Covid-19 RTPCR test, chest X-ray examination, serological testing for Hepa A and B, Hepa A and Hepa B immunizations (when necessary), Typhoid Fever immunization;
- c. Must be courteous to all PGLU officials, employees and guests at all times;
- d. ID issued by the PGLU including health certificates and individual work permits shall be worn at all times inside the PGLU premises;
- e. Official uniform shall be provided by the concessionaire and must be worn during operating hours. This include the use of hairnet, face masks and closed shoes;

VIII. OBLIGATIONS OF THE PGLU:

Terms of Reference for the Operation of PGLU Canteen Food Concession, Page 4 of 8



- a. Cause the installation of electric and water sub-meters for the concessionaire;
- b. Provide a kitchen and common dining area with standard furniture and fixtures;
- c. Provide a common restroom which will be maintained by at least one (1) personnel from the PGSO;
- d. Encourage all PGLU employees to bring their reusable food containers and water bottles;

IX. PERFORMANCE SECURITY, COMPLIANCE MONITORING, PERFORMANCE EVALUATION AND CONTRACT TERMINATION:

- a. The concessionaire shall provide the PGLU a **performance security in the form of cash in the amount of Php 20,000.00 to be paid in the Office of the Provincial Treasurer**, valid for the duration of the contract to guarantee the faithful compliance by the concessionaire with the terms and conditions set forth in the Concessionaire Agreement and to answer for any loss, damages, and claims due and payable to the PGLU under the said contract;
- b. The PGLU Canteen Committee shall regularly monitor the cleanliness and sanitation of the concessionaire's operations and the quality, quantity and price of food being served. Routine and spot inspections may be done by the PGLU Canteen Committee;
- c. The PGLU Canteen Committee shall conduct an annual assessment of the services rendered by the concessionaire at least two (2) months prior the end of each year of operations, and should the same found satisfactory or better, the concessionaire shall be allowed to continue its contract;
- d. The concessionaire shall be evaluated in the areas of service, food, and price, using the following criteria:
 - i. Over-all Service Provision (40 points)
 1. Cleanliness and Orderliness (10 points)- neatness and sanitation of the whole premises of the canteen;
 2. Courtesy of Staff (10 points)- politeness of the concessionaire's employees;
 3. Hygiene (10 points)- physical grooming and cleanliness including the use of uniform, ID, shoes and hair net;
 4. Food handling (10 points)- compliance with the Code of Sanitation
 - ii. Quality, Quantity and Variety of Food (40 points)
 1. Taste (10 points)- palatability and savor of the dishes and snacks
 2. Quality (10 points)- freshness of the ingredients, appearance, texture, nutritional value, and flavor;
 3. Quantity (10 points)- sufficiency and reasonableness in serving which should be within the minimum weight specified for the meals;
 4. Variety (10 points)- ability to serve assorted meals for the two week-menu cycle;



PGLU CANTEEN COMMITTEE



- iii. Price (20 points)
1. Price Reasonability (20 points)- compliance with price ceilings of meals agreed upon in the contract and as set by the PGLU Canteen Committee

e. Adjectival ratings based on points obtained shall be as follows:

Adjectival Rating	Points
Outstanding	100-98
Very Good	92-97
Good	87-91
Satisfactory	80-85
Unsatisfactory	Below 80

- f. The PGLU Canteen Committee shall have the authority to review and evaluate the performance of the concessionaire at any stage in the implementation of the contract.
- g. Should such review and evaluation determine the following: any violation of the Concession Contract, unsatisfactory rating during the annual evaluation, or any change in the capability or situation of the concessionaire to fulfill its obligations under the contract that will adversely affect the interest of the PGLU, the PGLU Canteen Committee shall report its findings and recommended course of action to the Provincial Governor for approval.
- h. An approved recommendation for the termination or rescinds of contract before its expiration shall take effect 90 days from the receipt of notice of termination by the concessionaire.

X. OTHER CONDITIONS:

The following additional conditional shall form part of the concession contract and shall be strictly enforced:

- a. The PGLU at all times has the complete control over the PGLU Canteen and may make necessary changes, alterations and improvement therein, with prior notice to the concessionaire;
- b. The concessionaire may provide catering services outside of the canteen provided that the offices or activities are to be conducted within the capitol premises. It may be provided within or outside the regular working hours and on non-working days provided that a request will be given to the concessionaire through the committee.
- c. The concessionaire is prohibited from using the PGLU Canteen, its equipment and facilities for the purpose of providing catering services to customers outside of the PGLU premises;
- d. The concessionaire shall not assign, sublease or otherwise alienate any of its rights under the concession contract or delegate, subcontract or transfer any of its duties stipulated in the concession contract;
- e. The concessionaire shall use recyclable/ biodegradable bags or containers for all take-out orders. The PGLU are also encouraged to bring their reusable food containers and water bottles;



- f. The concessionaire shall not install permanent fixtures or make alterations on existing fixtures without written permission and approval from the PGLU, through the PGSO and PEO;
- g. The concessionaire shall undergo quarterly preventive maintenance of the PGLU-owned equipment and annual building maintenance (including interior painting) of the premises at their own expense;
- h. The concessionaire shall maintain all of its books, ledgers, journals and accounts pertaining to the operation and management of the PGLU Canteen. The same shall be made available for inspection and examination of the PGLU at any time during the contract duration;
- i. The concessionaire is prohibited from selling or allowing the use and consumption of alcoholic drinks and tobacco products within the PGLU Canteen;
- j. The concessionaire shall not permit undue loitering on the premises;

XI. DAMAGES, INDEMNIFICATION, LIABILITIES AND LITIGATIONS:

- a. In the event that the PGLU Canteen or any of its equipment, furniture, fixture or appliance therein owned by the PGLU but provided for the use of the concessionaire, is damaged or destroyed by fire, explosions, flooding or any other causes due to the fault or negligence of the concessionaire or any of its employees, the repair or replacement shall be shouldered by the concessionaire.
- b. In the instance that the repair or replacement is not immediately conducted, the PGLU may undertake the repair and replacement subject to the payment of reimbursement of cost by the concessionaire.
- c. Upon Contract termination, the concessionaire shall turn over all PGLU-owned equipment, furniture, fixtures and appliances, and the premises to the PGLU in the same state and condition they were received by the concessionaire, allowing for deterioration due to ordinary wear and tear.
- d. Any injury or death arising from the consumption of food, condiments or drinks served or sold by the concessionaire at the PGLU canteen or during any event requested for the concessionaire to cater, or from any act done by its personnel, shall be the sole liability of the concessionaire. In no case that the PGLU shall be jointly and severally liable in such cases.
- e. Any claim of employees, workers and representatives of the concessionaire for wages, salaries, benefits and other claims in accordance with labor laws and regulations shall be in the exclusive account of the concessionaire.

XII. CONFIDENTIALITY:

No information determined by the PGLU and concessionaire as confidential in nature may be released to any third party. Moreover, the concessionaire shall ensure that its employees and personnel in the duration of the contract maintain confidentiality and secure any confidential information.

XIII. Reservation Clause:

PGLU reserves the right to review the Concessionaire's qualification and performance at any stage should it have reasonable ground to believe that misrepresentation has been made or if there has been a change in the



Republic of the Philippines
PROVINCE OF LA UNION

"The Heart of Agri-Tourism in Northern Luzon by 2025"

PGLU CANTEEN COMMITTEE



Concessionaire's capability in operating of the PGLU Canteen and to terminate the Concession Contract if such misrepresentation is found true or there is proof of inability on the part of the concessionaire to continue operation.

**PRESCRIBED MENU FOR BREAKFAST, SNACKS AND LUNCH FOR THE PGLU CANTEEN
(TWO-WEEK CYCLE)**

Menu	Minimum weight (in grams) or volume (in ml) per serving	Maximum Price per serving
Rice- plain	186g (1 cup)	10.00-15.00
Rice- fried	186g (1 cup)	15.00-20.00
BREAKFAST		
Egg, boiled	Medium-sized	10.00-15.00
Egg, fried/ scrambled	Medium-sized	10.00-15.00
Egg, salted (with tomato)		20.00-25.00
Fish, dried (with tomato)	28g	20.00-30.00
Fish, smoked (with tomato)	136g (2 pcs)	25.00-30.00
Longganisa	47g (pc)	15.00-20.00
Hotdog, classic	45g (pc)	15.00-20.00
Hotdog, jumbo	(pc)	25.00-30.00
Sausage	55g (pc)	25.00-35.00
Meat loaf	(slice)	20.00-40.00
Bacon	2 slices	40.00-50.00
Tocino, Chicken or Pork	58 g	40.00
Corned beef	85 g	40.00
Budget meal (rice- 1 egg- 1pc meat)		50.00-60.00
SNACKS/ DESSERT		
Native delicacies	50 g	20.00-30.00
Noodles	200 g	25.00-35.00
Hot Meals (with egg)	200 g	40.00-50.00
Meat (Dinuguan, 2pc BBQ)	130 g	50.00
Cakes	100g, Slice	40.00-50.00
Specialty, Cake	100g, Slice	80.00-100.00
Pastries/ Bread	pc	25.00-40.00
Specialty, pastry/bread	pc	50.00-100.00
Ice cream	Scoop, drumstick, pint, oz	30.00-120.00

Menu	Minimum weight (in grams) or volume (in ml) per serving	Maximum Price per serving
Sandwiches/ Burger	pc	35.00-60.00
Siopao	150 g	40.00-50.00
Dimsum	4 pc	35.00-50.00
Salad		35.00-50.00
LUNCH		
Pork	130 g	40.00-50.00
Poultry	130 g	40.00-50.00
Fish	130 g	40.00-50.00
Shellfish/ Seafoods	130 g	40.00-50.00
Beef	130 g	50.00-60.00
Vegetable	130 g	30.00-35.00
Budget Meal (rice-1 vegetable- 1 meat)		60.00-70.00
DRINK		
Coffee, 3-in-1	8 oz	20.00
Chocolate, hot or iced	8 oz	20.00-30.00
Chocolate, tetra	200 ml	15.00-25.00
Specialty Coffee, hot or iced	8 oz, 12 oz, 16 oz	120.00-150.00
Soft Drinks, bottled	330 ml	15.00-20.00
Juice, tetra	200 ml	15.00-20.00
Juice, bottled	330 ml	25.00-30.00
Juice, specialty	470 ml	35.00-50.00
Water, bottled	330 ml	15.00
Yakult	80 ml	10.00-15.00
Yoghurt drink	180 ml	25.00-30.00

Note:

1. Prospective concessionaires may add menu not included in the above prescribed menu cycles, provided their prices are within the maximum prices set by the PGLU Canteen Committee
2. Brand should be included by the concessionaire in the menu