

BIDS AND AWARDS COMMITTEE

RECOMMENDING RENEWAL OF THE LEASE CONTRACT

(Resolution No. 2024-087)

WHEREAS, Purchase Request No. 292405331 (Annex A) for the renewal of the **LEASE OF OFFICE SPACES FOR SECURITIES AND EXCHANGE COMMISSION (SEC) DAVAO EXTENSION OFFICE (SEC-DAVEO)** with approved budget for the contract in the amount of **FOUR MILLION FOUR HUNDRED THOUSAND PESOS (Php 4,400,000.00)**;

WHEREAS, provided under Section V.D. 9 (d) of Annex H of the 2016 IRR of RA 9184 Renewal of Contract of Lease of Real Property provides:

"i. Prior to the expiration of the lease contract, the end-user of the procuring entity must conduct a cost-benefit analysis (CBA) of the lease. For instance, it must compare the rental rates charged by its lessor against other lessors in the area. It must also analyze whether entering into a new contract will be more expensive taking into consideration the cost of transfer and accessibility to the public. In assessing the existing lease, Pes are encouraged to consult relevant government agencies regarding any new policy or directive in the lease of real property.

ii. If the results of the CBA, conducted by the end-user, continue to favor the existing lessor, then the Head of Procuring Entity (HoPE) may simply contract in accordance with Section 53.10 of the IRR of RA 9184 and this guideline. For efficiency and economy, during the effectivity of the contract or upon its renewal, the Procuring Entity may consider the expansion or reduction of the space provided by the existing lessor, provided that the leased premises can accommodate the space requirements of the PE in case of expansion, based on the need of the PE and the best way by which such need may be addressed and satisfied, subject to existing budgeting, accounting and auditing rules."

WHEREAS, in its cost-benefit analysis (Annex B), the SEC-DAVEO concluded that:

1. Based on the market study conducted, the renewal rate of the current lessor, SouthDev Corporation, at ₱402.60 (VAT exclusive) per square meter is lowest among the rates of other lessors in the area which average is at ₱803.33 (VAT exclusive) per square meter;
2. SEC will not incur moving/transfer cost, which is estimated to be ₱260,000.00;
3. There will be no disruption of public service; and
4. Risk of damage or loss of records and equipment during transfer will be avoided.

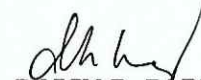
WHEREAS, the conditions set under the RA 9184 for the renewal of Lease of Office Spaces for SEC-DAVEO were therefore met;

NOW THEREFORE, foregoing considered, the Bids and Awards Committee **RESOLVES** to recommend to the Head of the Procuring Entity the **Lease of Office Spaces for the Securities and Exchange Commission (SEC) Davao Extension Office (DAVEO)**, for the total contract price of **FOUR MILLION ONE HUNDRED EIGHTY ONE THOUSAND ONE HUNDRED NINETY EIGHT PESOS AND 76/100 (Php 4,181,198.76) VAT inclusive.**

RESOLVED, this 13th day of May 2024 at SEC Headquarters, Makati Avenue, Salcedo Village, Bel-Air, 1209 Makati City, Philippines.



OLIVER O. LEONARDO
Vice-Chairman



DAISY B. PABUAYA
Regular Member



MARLON LESTER M. CANTOR
Provisional Member

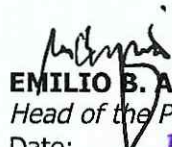


LESTER PAUL N. OBON
Provisional Member



ARMANDO A. PAN, JR.
Chairman

Approved / Disapproved:



EMILIO B. AQUINO
Head of the Procuring Entity
Date: MAY 24 2024
/fpb