

Department of Public Works and Highways (DPWH)

Funds Available:
Subject to the provisions of
Executive Order No. 91 s. 2019

LITO A. RECAMADAS

Accountant III

Contract ID : 23HC0076
Contract Name : ORGANIZATIONAL OUTCOME 2: PROTECT LIVES AND PROPERTIES
AGAINST MAJOR FLOODS-FLOOD MANAGEMENT PROGRAM-
CONSTRUCTION/MAINTENANCE OF FLOOD MITIGATION STRUCTURES
AND DRAINAGE SYSTEMS- CONSTRUCTION OF SEAWALL,
BIEN UNIDO, BOHOL

Location of the Contract : BIEN UNIDO, BOHOL

CONTRACT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT AGREEMENT**, made this APR 11 2023 day of 20 by and between:

The **GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES through the DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS, BOHOL 2nd DISTRICT ENGINEERING OFFICE, UBAY, BOHOL** represented herein by **GODOFREDO R. LAGA, JR.**, District Engineer, duly authorized for this purpose, with main office address at Bood, Ubay, Bohol, hereinafter referred to as the "**PROCURING ENTITY**".

and

LABB CONSTRUCTION, a single proprietorship and existing under and by virtue of laws of the Republic of the Philippines, with main office address at Mariveles, Daus, Bohol, represented herein by **RODRIGO L. LABUNOG** Authorized Representative/Proprietor/Manager, duly authorized for this purpose, hereinafter referred to as the "**CONTRACTOR**".

WITNESSETH:

WHEREAS, the **PROCURING ENTITY** is desirous that the **CONTRACTOR** executes the Works under **Contract ID No. 23HC0076-ORGANIZATIONAL OUTCOME 2: PROTECT LIVES AND PROPERTIES AGAINST MAJOR FLOODS-FLOOD MANAGEMENT PROGRAM-CONSTRUCTION/MAINTENANCE OF FLOOD MITIGATION STRUCTURES AND DRAINAGE SYSTEMS- CONSTRUCTION OF SEAWALL, BIEN UNIDO, BOHOL** hereinafter called "the Works" and the **PROCURING ENTITY** has accepted the Calculated Bid of the **CONTRACTOR** for the execution and completion of the Works at the calculated unit bid prices shown in the attached Bill of Quantities, or a total Contract Price of **SEVENTY SEVEN MILLION SIX HUNDRED SIXTEEN THOUSAND PESOS ONLY (P77,616,000.00)**.

NOW, THEREFORE, for and consideration of the foregoing premises, the parties hereto agree as follows:

1. In this **CONTRACT AGREEMENT**, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this **CONTRACT AGREEMENT**, and shall be interpreted in the following order of priority:
 - a. This Contract Agreement
 - b. Documents forming part of the Contract Agreement:
 - (1) Notice of Award (NOA) with the Contractor's signed "conforme"
 - (2) Contractor's Bid in the Form of Bid, including its Technical and Financial Proposals, as calculated by the Procuring Entity and conformed by the Contractor through NOA.
 - (3) Bidding Documents with Bulletins
 - (4) Specifications
 - (5) Drawings
 - (6) Special Conditions of Contract (SCC)
 - (7) General Conditions of Contract (GCC)
 - (8) Performance Security
 - (9) Integrity Pledge under Department Order No.86, series of 2013
 - (10) Other Documents

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- (a) Construction Methods
- (b) Construction Schedule in the form of PERT/CPM Diagram or
- (c) Manpower Schedule
- (d) Construction Schedule
- (e) Construction Safety and Health Program initially approved by the Head of the Procuring Entity
- (f) Contractor's All Risk Insurance (CARI)

3. In consideration of the payments to be made by the PROCURING ENTITY to the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the PROCURING ENTITY to execute and complete the Works and remedy any defects therein in conformity with the provisions of this CONTRACT AGREEMENT in all respects.
4. In consideration of the execution and completion of the Works by the CONTRACTOR, the PROCURING ENTITY hereby covenants to pay the CONTRACTOR the unit prices in the CONTRACTOR'S Calculated Bid, as applied to the actual quantities accomplished as certified by the PROCURING ENTITY under the provisions of this CONTRACT AGREEMENT at the times and in the manner prescribed by this CONTRACT AGREEMENT.

SCOPE OF WORK

Item No.	Description	Quantity	Unit	Unit Cost	Total Amount
PART A FACILITIES FOR THE ENGINEERS					
A.1.1 (B)	Provision of Field Office for the Engineer (Rental Basis)	10.27	mo.	28,350.00	291,154.50
PART B OTHER GENERAL REQUIREMENTS					
B.3	Permits and Clearances	1.00	L.S.	1,750.25	1,750.25
B.5	Project Billboard/Signboard	1.00	each	5,372.30	5,372.30
B.7(2)	Occupational Safety and Health Program	1.00	L.S.	323,190.00	323,190.00
B.9	Mobilization/Demobilization	1.00	L.S.	115,670.96	115,670.96
PART III CIVIL, MECHANICAL, ELECTRICAL AND SANITARY/PLUMBING WORKS					
PART B PLAIN AND REINFORCED CONCRETE WORKS					
902(1)a	Reinforcing Steel (Deformed), Grade 40	31,610.65	kg	105.39	3,331,446.40
900(1)c1	Structural Conc. Class A 28 days	661.83	m³	10,655.00	7,051,798.65
PART J FLOOD CONTROL AND DRAINAGE					
1710(1)c	Riprap (Class C)	6,066.38	m³	3,070.00	18,623,786.60
1710(1)d	Riprap (Class D)	1,678.13	m³	3,448.00	5,786,192.24
1710(2)a	Grouted Riprap (Class A)	1,053.60	m³	4,422.50	4,659,546.00
1712(2)	Concrete (Slope Protection)	342.72	m³	11,510.00	3,944,707.20
1717(5)a1	Furnished and Driven of Steel Sheet Pile	3,285.71	m	10,190.00	33,481,384.90
	Z-Type (Grade 50)				
				TOTAL	77,615,000.00

5. For contract duration of Three Hundred Eight (308) calendar days inclusive of 44 predetermined unworkable days due to unfavorable working conditions.

Funds Available:

Subject to the provisions of

Executive Order No. 91-s-2019

LITO A. RECAMADAS

Accountant III

RODRIGO L. LABUNOG

Proprietor

Contractor: LABB CONSTRUCTION

MARTIN A. PELARADA

Chief, Construction Section

The Government of the Republic of the Philippines
 (Department of Public Works & Highways) By:

GODFREDO R. LAGA, JR.

District Engineer

Department of Public Works and Highways (DPWH)

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BIEN UNIDO, BOHOL

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Accountant III

6. Pursuant to the provision of Republic Act No. 6685, the Contractor is required to hire at least fifty percent (50%) of the unskilled and thirty percent (30%) of the skilled labor requirements from the unemployed bonafide and actual residents in the province, city and municipality who are ready, willing and able as determined by the governor, city mayor or municipal mayor concerned where the projects are to be undertaken. The Contractor shall submit to the "ENTITY" as among the requirements for every progress billing, a certificate of compliance with the above requirement duly sworn to, including a list of names of residents hired from the locality where the project was undertaken.
7. The provisions on liquidated damages under Section 68 and Paragraph 8 of Annex "E", both of the R-IRR of R.A. No. 9184, are hereby incorporated and deemed to form part of this CONTRACT AGREEMENT. The amount of liquidated damages shall be equal to one tenth (1/10) of one percent (1%) of the cost of the unperformed portion of the works for every day of delay.
8. The PROCURING ENTITY shall terminate a contract for default when due to the contractor's fault and after the contract time has expired, it has incurred a negative slippage of ten percent (10%) or more in the completion of the work;
9. Slippage of more than 30 days from the contract duration shall result in non payment, cancellation of the contract agreement, blacklisting of the contractor and the entry of new contractor who will finish the project;
10. The Implementing Rules and Regulations of the R.A. 9184, P.D. 1759, other existing laws, decrees, executive and administrative orders, department orders/circulars issued by proper authorities affecting government construction projects as well as the guidelines for the completion and payment of Price Escalation on infrastructure contracts adopted and approved by the Government, shall be made and formed as integral part of this Contract;

Contractor: LABB CONSTRUCTION

RODRIGO L. LABUNOG
Proprietor

MARTIN A. PELARADA
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GODFREDO R. LAGA, JR.
District Engineer

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11. The CONTRACTOR shall pay taxes in full and on time and that failure to do so will entitle the Government to suspend payment for the contract;
12. The CONTRACTOR shall likewise regularly present within the duration of the contract, a tax clearance from the BIR as well as a copy of its income and business tax returns duly stamped received by the BIR and duly validated with the tax payments made thereon;

Within thirty (30) days from receipt of the Notice to Proceed, the CONTRACTOR shall immediately comply with and/or do the following: (1) Submit As-staked plan which has already been approved by the ENTITY; (2) Provide the facilities for the ENTITY's engineers, if any, is required under the "Scope of Work" portion hereof; (3) Provide the ENTITY's with a Service Vehicle, if any, is required under the "Scope of Work" portion above; (4) Deploy all the manpower and equipment units pledged; (5) Submit approved Revised PERT/CPM together with the As-Staked Plan; and (6) Conduct testing on materials to be used in accordance with the DPWH Blue Book. The CONTRACTOR understands and accepts that, without all of the above having been submitted, provided, and/or complied with, the ENTITY shall, except if allowed by the same due to justifiable reasons, not process or permit any advance payment and/or progress billing. In addition, the ENTITY may impose other sanctions provided under R.A. No. 9184 and its R-IRR.

13. Once the project reaches an accomplishment of nine (90%) of the total contract amount, the CONTRACTOR shall, in writing, inform the ENTITY of such percentage of accomplishment as well as request therein that the project be preliminary inspected by the latter. Immediately after receipt of such written notice and request, the ENTITY's Inspectorate Team shall conduct a preliminary inspection and submit to the CONTRACTOR, in preparation for the final turn-over of the project, a punch-list which, as stated in Section 7 of Annex "E" of the R-IRR of R.A. No. 9184, shall, among others, indicate the remaining works, work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time. This, however, shall not preclude the ENTITY's claim for liquidated damages.

Contractor: LABB CONSTRUCTION

MARTIN A. PELARADA

Chief, Construction Section

RODRIGO L. LABUNOG

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The Government of the Republic of the Philippines
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GODOFREDO R. LAGA, JR.

District Engineer

Department of Public Works and Highways (DPWH)

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Location of the Contract : BIEN UNIDO, BOHOL

14. If upon the CONTRACTOR's assessment, the project has already reached an accomplishment of 100% of the total contract amount, it shall immediately inform the ENTITY in writing of such completion and request therein that a final inspection be conducted by the latter for the issuance of a Certificate of Completion pursuant to DPWH D.O. No. 101, Series of 2005. Upon the recommendation of the ENTITY's Project Engineer and the receipt of the said written request from the CONTRACTOR, the ENTITY, through its Inspectorate Team, shall conduct a final inspection of the project to determine whether said project has been satisfactorily completed in accordance with the Plans and Specifications of the Contract. Immediately thereafter, the ENTITY's Inspectorate Team shall submit to the Regional Director a report on the inspection conducted. If in the report it is found that the project has been completed in accordance with the Plans and Specifications of the Contract and the Regional Director is satisfied with such finding, the latter shall then immediately issue, in favour of the CONTRACTOR, a Certificate of Completion on accordance with DPWH D.O. No. 101, Series of 2005. However, if in the report it is found that the project has remaining works to be accomplished and/or defects to be rectified, the ENTITY shall immediately inform the CONTRACTOR thereof which shall then carry out the necessary works and corrections.

The project shall be deemed to be actually completed on the day of, and only after, the issuance by the ENTITY of said Certificate of Completion. Accordingly, if there are delays in the implementation of the project or remaining works left after the contract period has expired, the computation of liquidated damages shall be up to the day of issuance of said Certificate of Completion shall be the reckoning point in the running of the Defects Liability Period.

15. The ENTITY's Inspectorate Team, upon written request of the CONTRACTOR made at least thirty (30) days prior to the expiration of the Defects Liability Period, or *motu proprio*, shall conduct an inspection of the project, pursuant to DPWH D.O. No. 101, s. 2005, to determine whether the project is free from failures and defects which are traceable to poor workmanship, use of poor quality materials and non-compliance with Plans and Specifications of the Contract. In the event that no such defects will be found, the ENTITY's Inspectorate Team shall issue an Acceptance Report pursuant to DPWH D.O. No. 101, s. 2005. Upon receipt of said Acceptance Report, the CONTRACTOR shall then, unless it has already previously submitted the same, submit to the ENTITY, a warranty security in accordance with Section 62.2.3 of the R-IRR of R.A. No. 9184. The Regional Director, after finding to be satisfactory the Acceptance Report issued as well as the Warranty Security submitted, shall then issue a Certificate of Acceptance in accordance with DPWH D.O. No. 101, Series of 2005. However, if there may be found such failures and defects, the CONTRACTOR, after notification of the existence of such failures and defects, shall immediately rectify the same. Only if such failures and defects have been properly rectified or corrected to the satisfaction of the ENTITY shall an Acceptance Report be issued.

The CONTRACTOR understands and accepts that the running of the warranty period for the subject project shall be reckoned from the day of issuance by the ENTITY of the Certificate of Acceptance for the same.

Funds Available:
Subject to the provisions of
Executive Order No. 916 2019

LITO A. RECAMADAS
Accountant III

RODRIGO L. LABUNOG
Proprietor

LABB CONSTRUCTION

Contractor:

MARTIN A. PELARADA
Chief, Construction Section

The Government of the Republic of the Philippines
(Department of Public Works & Highways) by:

GODOFREDO R. LAGA, JR.
District Engineer

Funds Available:
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Location of the Contract : BIEN UNIDO, BOHOL

16. It is understood that among the obligations which the CONTRACTOR has to fulfill in order that this CONTRACT AGREEMENT be deemed as consummated is its submission of all warranty securities required under DPWH D.O. No. 101, s. of 2005 (which states that "the warranty bond shall be renewed every year until the end of the warranty period") and Section 62.2.3. of the R-IRR of R.A. No. 9184. In addition, the CONTRACTOR understands and accepts that" (1) as per DPWH d.o. nO. 101, s. of 2005, the "(n) on-renewal of the warranty shall be a ground for suspension and/or blacklisting of the contractor"; and (2) its failure to update and submit the required complete warranty security shall be deemed as an act under Section (III) (A) (2) (C) (iii) of GPPB Resolution 03-2011 dated January 28, 2011 ("flagrantly neglects to carry out its obligations under the contract"), in which case, the CONTRACT AGREEMENT may be terminated by the ENTITY.

17. Anent the matter of IROW Acquisition if any, the Contractor acknowledges and accept that: (a) the project's IROW Acquisition Component and the Civil Works Component are contained in the same GAA and are likewise released simultaneously; (b) IROW Acquisition Process required a considerable period to accomplish and thus, requires sufficient lead time; (c) however, the project's funding expires 1 year from the passage of the GAA and also, there is a mandate that INFRASTRUCTURE funding should be obligated within the first quarter of the calendar year; (d) there, is thus, a need to implement simultaneously the two aforementioned project components.

Additionally, the Contractor acknowledges that (a) projects with IROW Acquisition Components include, among its pay items, the demolition of structures and obstructions; and (b) unlike regular and usual writs of possession, writs of possession under R.A. No. 8974 do not need a sheriff in order that possession of affected structures be placed under the possession of the Implementing Agency and that thus, demolition be already commenced with as the aforesaid law clearly states that "the court shall immediately issue to the Implementing Agency an order to take possession of the property and start the implementation of the project."

Accordingly, the Contractor is obligated to immediately demolish the structure concerned and start the implementation of the project as regards that area upon receipt from the Implementing Agency of a copy of the writ of possession (expropriation) or entry permit (negotiated sale), whichever is applicable. Likewise, the Contractor acknowledges and accepts that suspensions of work due to existing right of way problems under Item 9.2 (a), Annex "E" of the IRR of R.A. No. 9184 is still subject to the consent and approval of the Implementing Agency.

Contractor: LABB CONSTRUCTION

RODRIGO LABUNOG
Proprietor

Contractor:

MARTIN A. PELARADA
Chief, Construction Section

The Government of the Republic of the Philippines
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GODOFREDO R. LAGA, JR.
District Engineer

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BIEN UNIDO, BOHOL

Location of the Contract : BIEN UNIDO, BOHOL


IN WITNESS WHEREOF, the parties hereto have caused this **CONTRACT AGREEMENT**
to be executed the day and year first before written.

Signed, sealed, delivered by **GODOFREDO R. LAGA, JR.**, the District Engineer (for the Entity)

Signed, sealed, delivered by **RODRIGO L. LABUNOG**, the Proprietor
(for the CONTRACTOR)

**REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS**

(THE PROCURING ENTITY)


GODOFREDO R. LAGA, JR.
District Engineer

WITNESS:
For the Implementing Office:

INOCHITO C. CUYNO
Chief, Quality Assurance
(Witness)

Funds available:
Subject to the provisions of
Executive Order No. 91 s.2019


LITO A. RECANADAS
Accountant III

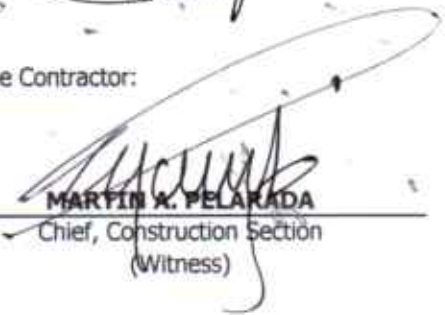
Approves this _____

LABB CONSTRUCTION

(THE CONTRACTOR)


RODRIGO L. LABUNOG
Proprietor

For the Contractor:


MARTIN A. PELARADA
Chief, Construction Section
(Witness)

Funds Available:
Subject to the provisions of
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~~LITO A. REGAMADAS~~
Accountant III

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Location of the Contract : BIEN UNIDO, BOHOL

REPUBLIC OF THE PHILIPPINES
PROVINCE OF BOHOL

ACKNOWLEDGEMENT

Contractor: LABB CONSTRUCTION

RODRIGO L. TABUNOG

Preorietox

BEFORE ME, as the Notary Public for the within the Municipality of Tagbilaran City, personally appeared **GODOFREDO R. LAGA, JR.**, District Engineer, representing the REPUBLIC OF THE PHILIPPINES (Department of Public Works and Highways), with **Residence Certificate No. _____ issued on _____** and **RODRIGO L. LABUNOG**, Proprietor, representing **LABB CONSTRUCTION**, with Residence Certificate No. _____ issued on _____ at _____ known to me to be the same persons who executed the foregoing CONTRACT and AGREEMENT and they acknowledged to me that the same is their true act and deed for and in behalf of the parties they represented.

The instrument consists of **eight (8)** pages, including this page, on which this acknowledgement is written duly signed by the contracting parties and their witnesses on the left margin of the other pages.

IN WITNESS WHEREOF, I have hereunto affixed my signature and official seal this day of APR 11 2023.

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Series of 2023

The Government of the Republic of the Philippines
(Department of Public Works & Highways) by:

MARTIN A. PELARADA
Chief, Construction Section

~~GODOFREDO R. LAGA, JR.,
District Engineer~~

NOTARY PUBLIC
 - NCS NO. 2022-14; 04-27-2022
 NOTARY PUBLIC
 TAGUIG LARAN CITY AND PROVINCE OF BOHOL
 UNTIL DECEMBER 31, 2023
 219, OMBIA TRADE CENTER BLDG, CPG AVE., TAGUIG CITY
 TEL. NO. (038) 501 0201
 ROLL NO. 48763; TIN 138-887-748
 PTR O.R. NO. A1102554; 12/16/2022 (FOR CY 2023); TAGUIG CITY
 ISP O.R. NO. 233379; 12/26/2022 (PON CY 2023); TAGUIG CITY
 RICLE COMPLIANCE NO. VII-0101066; 02/15/2022