

Department of Public Works and Highways (DPWH)

Contract ID : 20HC0077
Contract Name : REHABILITATION OF MULTI-PURPOSE BUILDING, BRGY. CORAZON
SAN MIGUEL, BOHOL

Location of the Contract : SAN MIGUEL, BOHOL

CONTRACT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT AGREEMENT**, made this 14th day of Feb 2020 between DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS, BOHOL 2nd DISTRICT ENGINEERING OFFICE, UBAY, BOHOL represented herein by **VICENTE R. VALLE, JR., OIC-District Engineer**, as the **PARTY OF THE FIRST PART**, hereinafter called the "**ENTITY**", duly authorized for this purpose.

CLAVITE CONSTRUCTION AND SUPPLY with office address at Poblacion Norte Carmen, Bohol represented herein by **HERMINIA B. CLAVITE** Authorized Representative/Proprietor/Manager, has been duly authorized for this purpose as the **PARTY OF THE SECOND PART** hereinafter called the "**CONTRACTOR**".

WHEREAS, the ENTITY is desirous that the CONTRACTOR execute the Works under **Contract ID No. 20HC0077- REHABILITATION OF MULTI-PURPOSE BUILDING, BRGY. CORAZON, SAN MIGUEL, BOHOL** hereinafter called "the Works" and the 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, for a total Contract Price of **SEVEN HUNDRED EIGHTY SEVEN THOUSAND NINE HUNDRED THIRTY FIVE PESOS & 80/100 ONLY (P787,935.80)**.

NOW THIS CONTRACT AGREEMENT WITNESSETH AS FOLLOWS:

1. In this CONTRACT AGREEMENT, words and expressions shall have the same meaning as are respectively assigned to it in the Conditions of Contract.
2. The following documents shall be attached, deemed to form part and be read and construed as part of this CONTRACT AGREEMENT:
 - a. General and Special Conditions of Contract;
 - b. Drawings/Plans;
 - c. Specifications;
 - d. Invitation to Apply for Eligibility and to Bid
 - e. Instruction to Bidders;
 - f. Bid Data Sheet;
 - g. Addenda and/or Supplemental/Bid Bulletins, if any;
 - h. Bid Form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes;
 - i. Eligibility requirements, documents and/or statements;
 - j. Performance Security;
 - k. Credit Line issued by a licensed bank
 - l. Notice of Award of Contract and the Bidder's conforme thereto
 - m. PERT/CPM
 - N. Other contract documents that may be required by existing laws and/or the Entity.
- 3.

In consideration of the payments to be made by the ENTITY to the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the ENTITY to execute and complete the Works and remedy and defects therein in conformity with the provisions of this CONTRACT AGREEMENT.

Funds Available:

LITO A. RECAMADAS

Accountant III

Contractor: CLAVITE CONSTRUCTION AND SUPPLY

HERMINIA B. CLAVITE

Proprietor

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

MARTIN A. PELARADA

OIC-Chief, Construction Section

VICENTE R. VALLE, JR.

OIC-District Engineer

VICENTE R. VALLE, JR.

OIC-District Engineer

Contractor: CLAVITE CONSTRUCTION AND SUPPLY

MARTIN A. PELARADA

OIC-Chief Construction Section

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Funds Available:

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4. In consideration of the execution and completion of the Works by the CONTRACTOR, the ENTITY hereby covenants to pay 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.

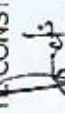
SCOPE OF WORK

Item No.	Description	Quantity	Unit	Unit Cost	Total Amount
PART II OTHER GENERAL REQUIREMENTS					
PART B OTHER GENERAL REQUIREMENTS					
B.5	Project Billboard	1.00	each	7,960.00	7,960.00
B.7	Occupational Safety and Health Program	2.00	mo.	30,600.00	61,200.00
PART III CIVIL, MECHANICAL, ELECTRICAL AND SANITARY/PLUMBING WORKS					
PART A EARTHWORKS					
803(1)a	Structure Excavation	5.81	m ³	340.00	1,975.40
804(4)	Gravel Fill	0.28	m ³	2,130.00	596.40
PART B PLAIN AND REINFORCED CONCRETE WORK					
900(1)	Reinforced Concrete	7.29	m ³	17,600.00	128,304.00
PART C FINISHING					
1014(1)b2	Pre-Painted Metal Sheets	145.00	m ²	1,020.00	147,900.00
1047(1)	Structural Steel (Roof Framing)	1.00	l.s	440,000.00	440,000.00
TOTAL=					787,935.80

5. For contract duration of Seventy Five (75) calendar days inclusive of _____ predetermined unworkable days due to unfavorable working conditions.
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.



VICENTE R. VALLE, JR.
OIC-District Engineer

Contractor: CLAVITE CONSTRUCTION AND SUPPLY


HERMINE B. CLAVITE
Proprietor


MARTIN A. BELARADA
OIC-Chief Construction Section

Funds Available:


LITO A. RECAMADAS
Accountant III

Department of Public Works and Highways (DPWH)

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8. 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;
9. 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;
10. 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.
11. 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.

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12. 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.

13. 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.

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

VICENTE R. VALLE, JR.

OIC-District Engineer

Contractor: CLAVITE CONSTRUCTION AND SUPPLY

HERMINIA B. CLAVITE

Proprietor

MARTIN A. PELARADA

OIC-Chief, Construction Section

Funds Available:

LITO A. RECAMADAS

Accountant III

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14. 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.

15. 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 write 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: CLAVITE CONSTRUCTION AND SUPPLY

HERMINIA B. CLAVITE

Proprietor

MARTIN A. PELARADA

OIC-Chief, Construction Section

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

VICENTE R. VALLE, JR., OIC-District Engineer

Signed, sealed, delivered by
(for the Entity)

HERMINIA B. CLAVITE, the Proprietor

Signed, sealed, delivered by
(for the CONTRACTOR)

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS

CLAVITE CONSTRUCTION AND SUPPLY

(THE PROCURING ENTITY)

(THE CONTRACTOR)

VICENTE R. VALLE, JR.

OIC-District Engineer

HERMINIA B. CLAVITE

Proprietor

WITNESS:

For the Implementing Office:

For the Contractor:

INOCHITO C. CUYNO

OIC- Chief, Quality Assurance
(Witness)

MARTIN A. PELARADA

OIC- Chief, Construction Section
(Witness)

Funds available:

LITO A. RECANADAS

Accountant III

Approves this

18th

February 2020

Funds Available:

LITO W. RECAMADAS

Accountant III

Department of Public Works and Highways (DPWH)

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Location of the Contract : SAN MIGUEL, BOHOL
REPUBLIC OF THE PHILIPPINES
PROVINCE OF BOHOL

ACKNOWLEDGEMENT

BEFORE ME, as the Notary Public for the within the Municipality of _____, personally appeared **VICENTE R. VALLE, JR.**, OIC- District Engineer, representing the REPUBLIC OF THE PHILIPPINES (Department of Public Works and Highways), with **Residence Certificate No. _____ issued on _____** and **HERMINIA B. CLAVITE** Proprietor, representing **CLAVITE CONSTRUCTION AND SUPPLY** 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 **seven(7)** 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 **FEB 18 2020** day of _____.

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Page No. 71
Book No. 26
Series of 2020

Atty. ELEANOR S. DELANAR-CAGAS, C.E.
NCS No. 2020-11: 12/18/2019
Notary Public
Tagbilaran City and Province of Bohol
Until December 31, 2021
2/F, Quibir Trade Center Bldg., CPG Ave., Tagb. City
ROLL No. 58414; TIN 943409741
PTR O.R. No. A0731133; 12/03/2019 (for CY 2020), Tagb. City
IBP O.R. No. 096696; 12/06/2019 (for CY 2020), Tagb. City
MCLE COMPLIANCE NO. VI-0006652, 02/23/18

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

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HERMINIA B. CLAVITE

Proprietor

MARTIN A. PELARADA

OIC-Chief, Construction Section