

Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila

20 MAR 2018

**MEMORANDUM**

**FOR** : **Secretary MARK A. VILLAR**  
Secretary  
This Department

This refers to the Memorandum dated 26 February 2018 of **DPWH Region XI Regional Director ALLAN S. BORRAMEO, CESO IV**, requesting for the approval of the Modification of the hereunder project for FY 2018 General Appropriation Act (GAA), to wit:

As per GAA/Original			As Modified		
Project Description					
UACS No. 300204100035000 Project ID: P00230125MN  Convergence and Special Support Program  Construction/Improvement of Access Roads leading to Trades, Industries and Economic Zones  Guadalupe-Lower Tuganay Road Connecting Carmen Overland Transport Terminal in Support of Banana and Coconut Industries, Davao del Norte			Convergence and Special Support Program  Construction/Improvement of Access Roads leading to Trades, Industries and Economic Zones  Guadalupe-Lower Tuganay Road Connecting Carmen Overland Transport Terminal in Support of Banana and Coconut Industries, Davao del Norte		
Physical Target	Unit Cost (P'000)	Allocation (P'000)	Physical Target	Unit Cost (P'000)	Estimated Cost (P'000)
CW-1 Const. of Concrete Road: 7.200 lane km	P 24,125/ lane km	P 173,700	CW1 Const. of Concrete Road: 2.696 lane km	P 14,725.757541/ lane km	P 39,700.64233
EAO	-	P 6,300	CW2 Const. of Gravel Road: 6.586 lane km	P 20,346.091356/ lane km	P 133,999.35767
			EAO	-	P 6,300
Total:		P 180,000	Total:		P 180,000

**Justification:**

Generally, there are changes in component costs due to the following:

- Additional type of work/project (embankment/gravelling) component;
- Based on the revised length as per actual survey/as per design for the different types of work; and
- Based on the unit costs generated as per programmed.

Additional type of work/project component (embankment/gravelling) with considerable unit cost were due to the following:

- The original scope of work of the project involves concreting of two road sections. However, as per actual survey, portion of section 1, which is the priority section as identified by DTI (see attached MOA between DTI and DPWH and Certifications of Consultations), will form part of a proposed dike (based on Tagum-Libuganon Master Plan) since said section is located on a low-lying area and at the downstream side of a major river basin, particularly the Tagum-Libuganon. With this, there is a need to raise first the roadway elevation (embankment works/gravelling) of the road section in order to address flooding problem in the area. This is also to ensure that said embankment is sufficient to cater the highest flood level.
- Since the area is subjected to inundation, there is a need to raise the grade line to at least 0.5 meter above the maximum experienced flood level. The additional unit cost for embankment works/gravelling was then due to the average embankment/fill height of 2.4 m to 3.02 m and gravel road width of 11.75 m as per design and considering that the embankment materials are from borrow and not from roadway excavation.

Decrease in physical target for concreting from 7.200 lane km to 2.696 lane km but with lower unit cost due to the following:

- Change in type of work for section 1 (from concreting to gravelling);
- Based on the remaining allocation since section 1 is being prioritized; Remaining allocation only covers 1.348 km for section 2; and

Unit cost for concreting is less than that of the original since there is a minimal horizontal and vertical corrections on the designed alignment for section 2 (following existing road).

Based on our evaluation, the herein request is found in order, hence approval is hereby recommended.

**RAFAEL G. YABUT**

Senior Undersecretary

Undersecretary for Regional Mindanao Operations

**APPROVED/DISAPPROVED:**

**MARK A. VILLAR**

Secretary

2.1 MSQ/ACF/RCY

Department of Public Works and Highways  
Office of the Secretary



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