



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

June 17, 2020

MEMORANDUM

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

This refers to the memorandum dated 21 May 2020 of DPWH Region IX Director **CAYANGOMBABO D. DIA** requesting for the approval of the Modification of the hereunder project covered by CY 2020 General Appropriation Act (GAA), to wit:

As per GAA - Original		As Modified	
Project Description		Project Description	
LHAIS No. 310304100780000 Project ID : P00401250NIN			
OO1: Ensure Safe and Reliable National Road System - Network Development - Construction of By-Pass and Diversion Roads		OO1: Ensure Safe and Reliable National Road System - Network Development - Construction of By-Pass and Diversion Roads	
Baliugan Coastal Road, Jct Baliugan-Kauswagan-Manad Section (Package 1), Zamboanga del Norte		Baliugan Coastal Road, Jct Baliugan-Kauswagan-Manad Section (Package 1), Zamboanga del Norte	
Type of Work/ Physical Target CV1 - Construction of Concrete Road 4.46 lane km	Unit Cost P 32,453,568.5M/ lane km	Type of Work/ Physical Target CV1 - Construction of Concrete Road 4.46 lane km	Unit Cost P 32,494,963.28M/ lane km <i>P 32 M/km</i>
EAO		EAO	
Total P 150.0 M		Total P 150.0 M	
Justification:		Justification:	
• Adjustment of the actual Component Cost of Civil Work (CV1) and Engineering Overhead Expenses (EAO) as per approved Program of Work (POW), to conform with the Department Order No. 52 series of 2019. The physical target remains the same.		• Adjustment of the actual Component Cost of Civil Work (CV1) and Engineering Overhead Expenses (EAO) as per approved Program of Work (POW), to conform with the Department Order No. 52 series of 2019. The physical target remains the same.	
• The road design includes drainage and slope protection structures to address surface runoff and Slope Protection Structures to prevent the road embankment from scouring/erosion constituting to 4.97% (P5,832,046.15) and 2.92% (P3,429,017.79) of the total project cost. Thus, slightly increased the unit cost.		• The road design includes drainage and slope protection structures to address surface runoff and Slope Protection Structures to prevent the road embankment from scouring/erosion constituting to 4.97% (P5,832,046.15) and 2.92% (P3,429,017.79) of the total project cost. Thus, slightly increased the unit cost.	
• The hauling distance of 45.50 kilometers from the DEO to the project site also contributed to the increase in cost per kilometer of the road project.		• The hauling distance of 45.50 kilometers from the DEO to the project site also contributed to the increase in cost per kilometer of the road project.	

Based on our evaluation, the submitted request for modification of the said project is in order hence, it is respectfully recommended to the Secretary for his consideration and approval. *subject to RD Certificate of Necessity*

DIMAS S. SORIANO, CESO I
Undersecretary for Regional Operations in Mindanao

APPROVED/DISAPPROVED:

MARK A. VILLAR
Secretary

2.3 aad/AVS/SSS

EMIL K. SADMEN, CESO I
Undersecretary for PMO Operations and Technical Services
Officer-in-Charge

