

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)

Contract ID: **13HF0121**

Contract Name: Const. / Replacement of Suba Bridge and Approaches along Toledo
Tabuelan-San Remegio Road, (Phase 2) K0096+260-K0096+730, Cebu

Location of the Contract: K0096+260-K0096+730, Cebu

FORM OF CONTRACT AGREEMENT

THIS *CONTRACT AGREEMENT*, made this February 03, 2014, between DPWH Cebu 3rd District Engineering Office, hereinafter called the "*ENTITY*", and WILLY T. GO / WTG CONST.& DEVT. CORP. and hereinafter called the "*CONTRACTOR*".

WHEREAS, the *ENTITY* is desirous that the *CONTRACTOR* execute the Works under **Contract ID No. 13HF0121** 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, or a total Contract Price of **Sixteen Million Seven Hundred Forty Thousand Eight Hundred Fifteen Pesos and 50/100 Only (Php 16,740,815.50)**

WHEREAS, the whole WORKS in the PROJECT as covered by this CONTRACT shall be completed within **One Hundred Sixty (160)** calendar-days in accordance with the provisions of the Bid Documents.

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 them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this *CONTRACT AGREEMENT*:
 - a. The bid form accomplished and submitted by the Contractor including the following annexes:
 - i.) Bid Security
 - ii.) Authority of the signing official
 - iii.) Duly signed Construction Schedule and S-Curve
 - iv.) Duly signed Construction Methods in narrative form
 - v.) Duly signed Organizational Chart for the Contract
 - vi.) Duly signed Contractor's Certification on Key Personnel for the Contract, with Key Personnel's Affidavit of Commitment to Work on the Contract
 - vii.) Duly signed Manpower Schedule
 - viii.) Duly signed List of Contractor's Equipment owned/pledge to the Contract
 - ix.) Duly signed and notarized Affidavit of Site Inspection
 - x.) Written credit line commitment or cash deposit certificate for the contract issued by a reputable bank: attach original document if not yet submitted as part of LOI, or certified copy if already submitted as part of LOI

WILLY T. GO
Contractor

ROMEON M. GOLLE
BAC Chairman

REYNALDO V. NAVALES, DPA
OIC-Assst District Engineer

ALEX V. MANAYON
Accountant III


WILLY T. GO
Contractor

- xi.) Duly signed Construction Safety and Health Program
- xii.) Duly signed and notarized Affidavit of compliance with existing labor laws and standards
- xiii.) Duly signed and notarized Affidavit of compliance with responsibilities under R.A 9184, IRR-A, Section 17.7.1
- xiv.) Duly signed Bid of Prices in the Bill of Quantities
- xv.) Duly signed Detailed Estimates
- xvi.) Duly signed Cash Flow by Quarter and Payments Schedule

b. Bidding Documents for the Contract (Annex "A")

- a. General Conditions of Contract
- b. Special Conditions of Contract
- c. Drawings
- d. Specifications
- e. Invitation to Apply for Eligibility and to Bid
- f. Instructions to Bidders
- g. Bid Data Sheet
- h. Supplemental/Bid Bulletins (Addenda)

c. CONTRACTOR's Calculated Bid in the Form of Bid including its Technical and Financial Proposals, with addendum showing corrections, if any, made during the Bid evaluation to arrive at the Calculated Bid (Annex "B")

d. CONTRACTOR's Letter of intent for Eligibility and Contractor's Information from the DPWH Registry (Annex "C")

e. Notice of Award of Contract and the CONTRACTOR's "conforme" thereon (Annex "D")

f. Performance Security (Annex "E")

g. PERT/CPM diagram (Annex "F")

h. Contractors all Risk insurance (if applied) (Annex "G")

i. Other pertinent documents as may be required (Annex "H")

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 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 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 provision of this CONTRACT AGREEMENT, all the times and in the manner prescribed by this CONTRACT AGREEMENT.


ROMEO GOLLE
BAC Chairman


ALEX V. MANAYON
Accountant III


REYNALDO V. NAVALES - DPA
OIC/Asst. District Engineer

5. The following items and quantities are included in the scope of work:

Pay Item No.	Description	Unit	Quantity	Unit Price	Amount
104 (1)	Embankment Bridge Approaches Concrete Pavement	m3	3,116.54	600.00	1,869,924.00
105(2)	Subgrade Preparation (Common Materials)(Bridge Approaches)	m2	3,957.60	55.00	217,668.00
200	Aggregate Sub-base Course	m3	1,140.57	900.00	1,026,513.00
505(1)	Grouted Riprap (Bridge Approaches) and Stairs	m3	3,852.09	3,450.00	13,289,710.50
604(4)	Fencing (Gates) H=3m & L=4.2m	each	3.00	35,000.00	105,000.00
SPCL (I)	Mobilization/Demobilization	ls	1.0	100,000.00	100,000.00
SPCL (2)	Engineer's Facilities	ls	1.0	50,000.00	50,000.00
SPCL (3)	Project Sign Board	each	2.0	3,500.00	7,000.00
SPCL(4)	Safety & Health Services / Traffic Control	ls	1.0	75,000.00	<u>75,000.00</u>

Total - Php 16,740,815.50

THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES
(DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS)

WILLY T. GO
Contractor

ROMEO M. GOLLE
BAC Chairman

REYNALDO V. NAVALES, DPA
OIC-Asst. District Engineer

ALEX V. MANAYON
Accountant III

6. The implementing rules and regulations of the amended P.D. 1759, and Implementing Rules and Regulation of Republic Act No. 9184 and other existing laws, decrees, executive and administrative orders, circulars, applicable 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 and approved by the government, shall be made and formed as Integral part of the contract.

7. That this CONTRACT shall not take effect until the CONTRACTOR has furnished and delivered to the EMPLOYER a performance bond that is fully acceptable to the EMPLOYER in the form and amount as required in the Instruction to bidders.
8. In case the CONTRACTOR refuses or fails to satisfactorily complete the work within the specified contract time or extension duly granted and is in default under the CONTRACT, the CONTRACTOR shall pay the GOVERNMENT for liquidated damages, as computed with the approved formulas below and not by way of penalty. An amount to be determined for each calendar day delay, until the work is completed and accepted or taken over by the government.

$$TLD = VUUP \times [(1+OCC)-1] \times K$$

$$VUUP = TCP - VCUP$$

Where: TLD = Total Liquidated Damages in Pesos

VUUP = Value of the uncompleted and unusable portions of the contract work, as of the expiry date of the contract, in pesos

TCP = Total Current Price, in Pesos

VCUP = Value of the completed and usable portion of the contract work, as of the expiry date of the contract, in pesos,

OCC = Prevailing opportunity cost of Capital for government projects set by NEDA, which is currently pegged at 15%

n = Total number of years that the contract work is delayed after the expiry date of the contract

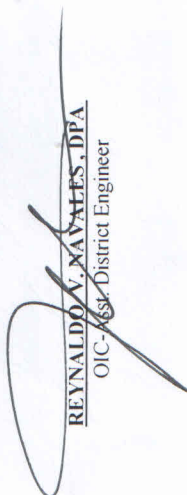
K = Adjustment factor to cover additional losses
 $= 1 + C + (I \times n)$

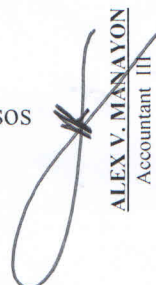
Where: C = Cost of construction supervision as a percentage, not exceeding 10% of construction cost

I = Annual Inflation Rate


WILLY T. GO
Contractor


ROMEO M. GOLLE
BAC Chairman


REYNALDO N. NAVALES, DPA
OIC - Asst. District Engineer


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The Head of Agency is not precluded to impose additional liquidated damages on the Contractor in default.

9. In case the CONTRACTOR lags behind schedule in his work and incurs 15% or more negative slippage, based on his approved PERT/CPM, the Secretary of Department of Public Works and Highways may, at his discretion, terminate or rescind the contract through the recommendation of the Procuring Head pursuant to existing laws, rules and regulations.
10. The provision of R.A. 6685 as implemented by Department Order No. 51 series of 1990 is hereby incorporated as part of this CONTRACT.
11. The CONTRACTOR shall comply with, and strictly observe, all laws regarding Workmen's health and safety, workmen's welfare, compensation for the injuries, minimum wages, hours of labor and other labor laws as per Ministry Order No. 9 Series of 1981.
12. The CONTRACTOR warrants that he, his partners, incorporators, employees & relatives has not given nor promised to give any money or gift to any employee of the EMPLOYER in order (or any Philippine Government Instrumentality) to secure or perform this CONTRACT.
13. The Joint Guidelines on Change Orders, Extra Work Orders, etc. as provided under the pertinent provisions of the Implementing Rules and Regulations of R.A. No. 9184 as amended are hereby incorporated as part of this CONTRACT.
14. Within a period of 12 (twelve months) after completion and final acceptance of the PROJECT the CONTRACTOR shall remain liable for any damages or defects discovered on the work due to faulty construction of use of materials of inferior quality in violation of terms and conditions of the CONTRACT.
15. If any dispute or difference of any kind whatsoever arises between the EMPLOYER or the ENGINEER and the CONTRACTOR in connection with or arising out of the CONTRACT, or carrying out of the WORKS, it shall be first be referred to and settled by the Construction ENGINEER. However if the decision of the ENGINEER is not satisfactorily either to the employer or the contractor, such dispute may be submitted to, and settled by, the Construction Industry Arbitration Commission (CIAC) created by Executive Order No. 1088.

This agreement becomes binding and valid upon approval by the proper authorities.

THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES
(DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS)


WILLY T. GO
Contractor

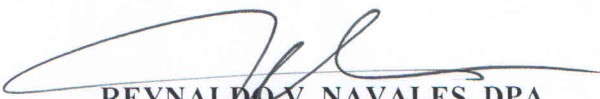

ROMEO N. GOLLE
BAC Chairman


REYNALDO NAVATES, DPA
OIC - Asst. District Engineer


ALEX V. MANAYON
Accountant III

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

Signed, sealed, delivered by


REYNALDO V. NAVALES, DPA
OIC-Asst. District Engineer
Cebu 3rd District Engineering Office, Toledo City

Signed, sealed, delivered by


WILLY T. GO
(Contractor)
88 N. Bacalso Ave, Ext. Cogon, Pardo, Cebu City
(Address)

Binding Signature of the PROCURING ENTITY/Binding Signature of the CONTRACTOR

WITNESSES:


ROMEO M. GOLLE
BAC Chairman

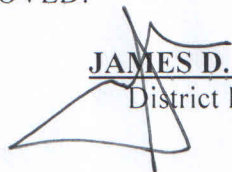

EVA B. ACOSTA
BAC Member - Regular

FUNDS AVAILABLE:


ALEX V. MANAYON
Accountant III

Approved this 5th day of FEBRUARY year 2014.

APPROVED:


JAMES D. DELLOSA
District Engineer

REPUBLIC OF THE PHILIPPINES


WILLY T. GO
Contractor

_____) S.S

_____)

ACKNOWLEDGEMENT

BEFORE ME, as the Notary Public for and within the City of Toledo, personally appeared REYNALDO V. NAVALES, DPA representing the REPUBLIC OF THE PHILIPPINES (Department of Public Works and Highways) with Residence Certificate No. 14579627 Issued on January 22, 2014 at Toledo City, Cebu and WILLY T. GO President/Manager, representing WTG CONST. & DEVT. CORP. with Residence Certificate No. 33910085 issued on January 09, 2014 at Cebu City who executed the foregoing CONTRACT and AGREEMENT and they acknowledge to me that same is their true act and deed for and in behalf of the parties they represented.

This instrument consist of Seven (7) pages, including this page, on which this acknowledgment is written duly signed by the contracting parties and their witnesses on the left margin of the pages.

IN WITNESSES WHEREOF, I have hereunto affixed my signature and official seal this FEB 03 2014 day of CEBU CITY, 20014.

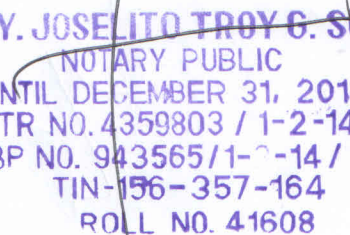

ROMEO M. GOLLE
BAC Chairman


ALEX V. MANAYON
Accountant III

(Notary Public)


REYNALDO V. NAVALES, DPA
OIC-Ast. District Engineer

Doc. No. 494,
Page No. 10,
Book No. 133,
Series of 211.


ATTY. JOSELITO TROY G. SUELLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2014
PTR NO. 4359803 / 1-2-14/CC
BP NO. 943565/1-2-14/CC
TIN-156-357-164
ROLL NO. 41608