

DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)

Contract ID : 13HB0014

Contract Name : Construction of Two (2) Storey Four Classroom School Building

Location of the Contract: Dimiao National High School, Dimiao, Bohol

FORM OF CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT, made this 20th day of March, 2013 between Department of Public Works and Highways, Bohol 3rd District Engineering Office, Guindulman, Bohol hereinafter called the "ENTITY", and **MUAÑA CONSTRUCTION & DEVELOPMENT CORPORATION** hereinafter called the CONTRACTOR')

- a) WHEREAS, the ENTITY is desirous that the CONTRACTOR execute the Works under **Contract ID No. 13HB0014 – Construction of Two (2) Storey Four Classroom School Building at Dimiao National High School, Dimiao, 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, or a total Contract Price of **Four Million Six Hundred Fifty Nine Thousand Seven Hundred Ninety Eight Pesos (PhP 4,659,798.00).**

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this CONTRACT AGREEMENT, words and expression shall have the same meanings 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 Organization Chart for the Contract
- vi) Duly signed Contractor's Certification on Key Personnel's Affidavit of Commitment to Work on the Contract

1072013-03-000889

3/21/13

₱ 4,659,798.00

1072013-03-000889

Bea
BEATRIZ N. MILO
Accountant III

Brenda
BRENDA A. BARRETE
BAC Secretary

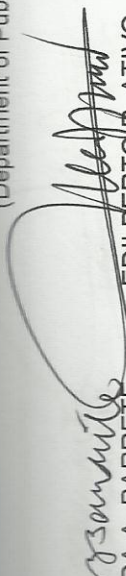
EDILBERTO R. ATIVO
District Engineer

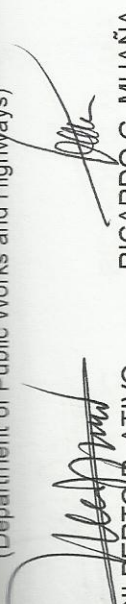
Ricardo
RICARDO G. MUAÑA
Contractor

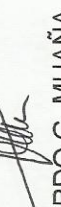
Cecilia
CECILIA B. BERNIDO
Engineer III

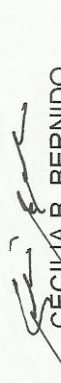
End User, Construction Projects

- 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
 - 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 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/Specifications
 - d. Invitation to Apply for Eligibility and to Bid
 - e. Instructions to Bidders
 - f. Bid Data Sheet
 - g. 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")
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.


BRENDA A. BARRETE
BAC Secretary


EDILBERTO R. ATIVO
District Engineer


RICARDO G. MUNA
Contractor

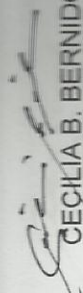

CECILIA B. BERNIDO
Engineer III
End User, Construction Projects

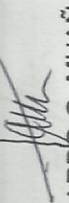
4. In consideration of the execution and completion of the WORKS by the CONTRACTOR, the ENTITY hereby covenants to pay the CONTRACTOR the unit prices in the CONTRACTOR's Calculated Bid, as applied to the actual quantities accomplished as certified by the PROCURING ENTITY under the provision of this CONTRACT AGREEMENT at the times and in the manner prescribed by this CONTRACT AGREEMENT, and specified in the BID. It is understood that the quantities listed in the PROPOSAL do not govern final payment; hence payment to the CONTRACTOR will be made only for actual quantities of contract items performed in accordance with the plans and specifications and accepted by the EMPLOYER.

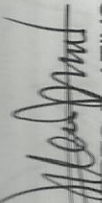
5. The following items and quantities are included in the scope of work:

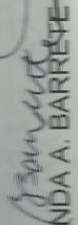
Description	Unit	Quantity	Unit Price (P)	Amount (P)
SPCL-1 - Billboards	pc	1.00	6,110.00	6,110.00
SPCL-2 - Clearing and Grubbing	m ²	162.00	93.89	15,210.18
SPCL-3 - Termite Control	m ²	252.45	66.94	16,899.00
803 - Excavation for Structure	m ³	115.00	209.13	24,049.95
804 - Fill Up	m ³	170.00	1,162.35	197,599.50
900 - Reinforced Concrete	m ³	129.43	20,014.00	2,590,412.02
704 - Masonry Units	m ²	460.00	693.80	319,148.00
1027 - Plain Cement Plaster	m ²	1,027.00	169.62	174,199.74
1003 - Carpentry and Joinery	bdf.	5,700.00	25.20	143,640.00
403 - Steel Trusses	Kgs.	3,949.56	64.00	252,771.84
1009 - Jalousie Windows	m ²	17.00	6,366.18	108,225.06
1014 - Prepainted Metal Sheets	ln.m.	340.20	464.30	157,954.86
1032 - Painting	m ²	1,925.00	158.03	304,207.75
1100 - Electrical	lot	1.00	148,720.00	148,720.00
1002 - Plumbing	lot	1.00	145,387.16	145,387.16
1018 - Ceramic Tiles (Toilets)	m ²	42.00	603.57	25,349.94
SPCL2 - G.I. Railings (PWDS)	lot	1.00	29,913.00	29,913.00
TOTAL			PhP	4,659,798.00

6. The implementing Rules and Regulations of the amended P.D. 1594, P.D. 1759, and Implementing Rules and Regulation of Republic Act No. 9184 and other existing laws, decrees, executive and administrative 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 the Contract.


CECILIA B. BERNIDO
Engineer III
End User, Construction Projects


RICARDO G. MUNA
Contractor


EDILBERTO R. ATIVO
District Engineer


BRENDA A. BARRETE
BAC Secretary


BEATRIZ N. MILO
Accountant III

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 Instructions to Bidders.
8. In case the CONTRACTOR refuses or fails to satisfactorily complete the work within the specified contract time of **One Hundred Eighty (180) Calendar Days**, plus any time extension duly granted and is hereby 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 of delay, until the works is completed and accepted or taken over by the Government.

$$\text{TLD} = \text{VUUP} \times [(1 + \text{OCC})^n - 1] \times K$$
$$\text{VUUP} = \text{TCP} - \text{VCUP}$$

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 Contract 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 supervisions as a percentage, not exceeding 10% of construction cost

i = Annual Inflation Rate

The head of Agency is not precluded may also impose additional liquidated damages on the Contractor in default

107113-03-10889 3/20/13 P21,659,798-N
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CECILIA B. BERNIDO

Engineer III

End User, Construction Projects

RICARDO G. MUAÑA

Contractor

EDILBERTO R. ATIVO

District Engineer

BRENDA A. BARRETE

BAC Secretary

BEATRIZ N. MILO

Accountant III

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 & Highways may, at his discretion, terminate or rescind the contract pursuant through the recommendation of the Procuring Head pursuant to existing laws, rules and regulations.
10. The provision of RA 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 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 works due to faulty construction or the 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 first be referred to and settled by, the 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.

107013-03-m189 3/28/13 P4,659,798.00
#107013-03-m189 3/28/13 m23

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

CONCORDIO E. LANGOMEZ

Assistant District Engineer
DPWH – Bohol 3rd District
Engineering Office
Guindulman, Bohol

Signed, sealed delivered by

RICARDO G. MUAÑA

Gentle Peace Subd.
Lawaan II, Talisay City, Cebu

Binding Signature of the PROCURING ENTITY

/ Binding Signature of the
CONTRACTOR

WITNESSES:

AFIALITA M. DANIEL
BAC Chairman

BRENDA A. BARRETE
BAC Secretary

CECILIA B. BERNIDO
BAC Member

Funds Available:

BEATRIZ N. MILO
Accountant II

Approved this _____ day of **MAR 26 2013** year _____.

APPROVED:

EDILBERTO R. ATIVO
District Engineer

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