



Reference No. : 2728822
Contract Number : 227

CONTRACT OF CONSTRUCTION

This AGREEMENT is made and entered this 15th day of September, 2014 between DEPARTMENT OF AGRICULTURE-RFO XII, Koronadal City, Philippines, represented by its Regional Executive Director, AMALIA J. DATUKAN, MBA hereinafter called the "First Party" and MARCUS CONSTRUCTION, represented by its Proprietress, MARLYN T. CUSTODIO hereinafter called the "Second Party";

WITNESSETH

Whereas, the First Party has a project of **Concreting of Kibayao - Kibenes FMR in Brgy. Kibayao, Carmen, North Cotabato** with the Approved Budget for the Contract (ABC) of **Twenty-Two Million Three Hundred Twenty-Eight Thousand Five Hundred Seventy-One Pesos and 63/100 (Php22,328,571.63)**.

Whereas, a public bidding was conducted last July 28, 2014 with four (04) participating bidders and Marcus Construction was declared as winning bidder in the amount of **Twenty-Two Million Two Hundred Forty-Eight Thousand Seven Hundred Sixty-Five Pesos and 82/100 (Php22,248,765.82)**.

Whereas, the First Party has accepted the bid of the Second Party which shall be completed within **one hundred eighty (180) calendar days** upon receipt of Notice to Proceed (NTP), with the following Project Description and Scope of Works, to wit:

Project Description : Concreting of 1.96 km road at 6.0 l.m. width and 20 cm thickness with 1.50 l.m. gravel shoulder on both sides

Scope of Works:

- Item 102 (1) -Unsuitable Excavation : 1,026 m³
- Item 104 - Embankment : 976 m³
- Item 105 - Subgrade preparation : 17,640 m²
- Item 200 - Aggregate Sub Base Course : 4,312 m³
- Item 311(1) - Portland Cement Concrete Pavement : 11,760 m²

NOW THEREFORE, for and in consideration of the following premises, the parties hereto agreed as follows:

1. The following documents shall be deemed to form and be read and construed as part of this agreement, viz.:
 - a) Approved Purchase Request;
 - b) Approved Program of Works and Estimates;
 - c) Approved Plans and Designs;
 - d) Advertisement;

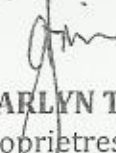
- e) Approved Notice of Award;
 - f) Performance Bond;
 - g) Special Conditions of the Contract;
 - h) General Conditions of the Contract;
 - i) PERT/CPM of equivalent schedule of work;
 - j) License copy of the Contractor;
 - k) Abstract of Bids for Bid project;
 - l) Resolution of the Bids and Awards Committee as the case may be; and
 - m) Other pertinent documents as may be reasonable required by the First Party.
2. In consideration of the payments to be made by the **First Party**, the **Second Party** hereby covenants/agrees with the Department of Agriculture to construct and complete the works in conformity with all aspects with the provisions of this contract;
 3. The **First Party** hereby covenants to pay the 15% mobilization fee of the total cost of the project to the **Second Party** as advance payment, upon compliance of the following :
 - a) **Letter request for 15% advance payment;**
 - b) **Standby irrevocable letter of credit/security bond/bank guarantee which corresponds to the amount of the 15% mobilization fee;**
 - c) **Installation of project billboard;**
 - d) **Construction of bunkhouse; and**
 - e) **Mobilization of initial equipment and personnel.**
 4. The warranty of one (01) year for the necessary repairs and maintenance and services must be strictly observed. The obligation of warranty shall be covered by retention money, in an amount equivalent to ten percent (10%) of the total contract price, or a bank guarantee in a form of an irrevocable stand-by letter of credit. Said amount shall be released after the lapse of the warranty period;
 5. Should the **Second Party** incur delay, Section 68, Rule XXII of RA 9184, partly states, "xxx. The amount of the liquidated damages shall be at least equal to one tenth (1/10) of one percent (1%) of the cost of the unperformed portion for every day of delay. Xxx";
 6. Other provisions of RA 9184 and its IRR not stipulated in this contract are deemed applicable; and
 7. This agreement shall be valid and binding upon approval of both parties.

IN WITNESS WHEREOF, the parties hereto set their respective signatures on the day written above.

Department of Agriculture
by:


AMALIA J. DATUKAN, MBA
Regional Executive Director

Marcus Construction
by:


MARLYN T. CUSTODIO
Proprietress

REVIEWED AND WITNESSED BY:

[Signature]
GINALYN FE C. CACHUELA
Project Manager
SOCKSARGEN ADPO

[Signature]
JIMMY M. OLIVO, PhD.
BAC Chairman

Allocation of Funds:

[Signature]
RAKMA B. BUISAN
Regional Budget Officer

Availability of Funds:

[Signature]
ANNA MAE A. SIDIÑO
OIC - Regional Accountant

Verified and Found in Order:

[Signature]
CARLENE C. GOLLADO CPA
OIC Chief, Finance Division

ACKNOWLEDGMENT

Republic of the Philippines)
City of Koronadal)SS

Before me, a Notary Public for Koronadal City personally appeared the following:

NAME	Res. Cert.	Issued at	Issued on
1. Amalia J. Datukan	08628843	Koronadal City	January 17, 2014
2. Marlyn T. Custodio	25967584	Midse-yap, Cotabato	January 2, 2014

Known to me to be the same persons who executed the foregoing documents and acknowledged that the same are their voluntary acts and deeds.

This instrument consists of three (3) pages including this page in which the acknowledgement is written, and signed in the left hand margin of each and every page thereof by parties and their witnesses.

Witness MY HAND AND SEAL, this _____ day of _____, 2014 at _____

SEP 12 2014

[Signature]
VERONICA R. LINDAR
Notary Public

12-01-09-14-01-01
PTR NO. 14, CITY OF KORONADAL
MICLE Exemption

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