



# DEPARTMENT OF AGRICULTURE

REGIONAL FIELD OFFICE No. 12  
CSA-1 BUILDING, ZULUETA STREET  
KORONADAL CITY  
TEL No./FAX No. (083)-520-0564

Reference No. : 2728886  
Contract Number : 229

## CONTRACT OF CONSTRUCTION

This AGREEMENT is made and entered this 29<sup>th</sup> 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 PALMARES GENERAL MERCHANDISE, with principal address at #5 Public Market Bldg., Magsaysay Avenue, Tacurong City represented by its Manager, PACIFICO P. LIM hereinafter called the "Second Party";

### WITNESSETH

Whereas, the First Party has a project of **Concreting/Upgrading of San Felipe - Tinongcop FMR in Brgy. San Felipe, Tantaran, South Cotabato** with the Approved Budget for the Contract (ABC) of **Nineteen Million Seven Hundred Thirty-Four Thousand Seven Hundred Forty-Five Pesos and 07/100 (Php19,734,745.07)**.

Whereas, a public bidding was conducted last July 28, 2014 with nine (09) participating bidders and Palmares General Merchandise was declared as winning bidder in the amount of **Seventeen Million Seventeen Thousand Nine Hundred Seventy-Two Pesos and 23/100 (Php17,017,972.23)**.

Whereas, the First Party has accepted the bid of the Second Party which shall be completed within **two hundred ten (210) calendar days** upon receipt of Notice to Proceed (NTP), with the following Project Description and Scope of Works, to wit:

**Project Description** : Concreting of 2.10 km road (940 l.m. at 5.0 l.m. width and 1,160 l.m. at 6.10 l.m. width) with 20 cm thickness, 1.5 l.m. gravel shoulder on both sides, construction of 660 l.m. Grouted Riprap Structure

#### Scope of Works:

|             |   |                           |
|-------------|---|---------------------------|
| Item 102    | - Roadway Excavation                        | : 3,335.10 m <sup>3</sup> |
| Item 104    | - Embankment                                | : 2,982.96 m <sup>3</sup> |
| Item 103(1) | - Structure Excavation                      | : 660 m <sup>3</sup>      |
| Item 505    | - Grouted Riprap                            | : 561.70 m <sup>3</sup>   |
| Item 103(3) | - Foundation Backfill                       | : 396 m <sup>3</sup>      |
| Item 105(1) | - Subgrade preparation                      | : 20,640 m <sup>2</sup>   |
| Item 201    | - Aggregate Base Course (base and shoulder) | : 5,211.20 m <sup>3</sup> |
| Item 311(1) | - Portland Cement Concrete Pavement         | : 11,776 m <sup>2</sup>   |
| SPCL "A"    | - Informative sign board                    | : 1 lump sum              |

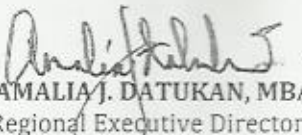
**NOW THEREFORE**, for and in consideration of the following premises, the parties hereto agreed as follows:

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 RFO XII  
by:

  
AMALIA J. DATUKAN, MBA  
Regional Executive Director

Palmares General Merchandise  
by:


  
PACIFICO P. LIM  
Manager

REVIEWED AND WITNESSED BY:

  
GINALYN FE C. CACHUELA  
Project Manager  
SOCCKSARGEN ADPO

  
JIMMY M. OLIVO, PhD.  
BAC Chairman

Allocation of Funds:

  
RAKMA B. BUISAN  
Regional Budget Officer

Availability of Funds:

  
ANNA MAE A. SIDENO  
OIC - Regional Accountant

Verified and Found in Order:

  
CARLENE C. COELLADO 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. Pacifico P. Lim   | 10967956   | Koronadal City | January 6, 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 OCT 03 2014 day of           , 2014 at           

*Veronica A. Dondiego*  
VERONICA A. DONDIEGO  
Notary Public

UNTIL DECEMBER 31, 2015

IBP NO. 94001473

PTR NO. 10512910402

ROLL NO. 10512910402

MCLE Expires February 28, 2015

Doc No. : 27  
Page No. : 4  
Book No. : V  
Series of 2014