



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
 Regional Field Office No. 12
 CSA-1 Building, Zulueta Street
 Koronadal City
 Tel No./Fax No. (083)-520-1814

Reference No. : 3321389
 Contract Number : 2015-733

CONTRACT OF CONSTRUCTION

This AGREEMENT is made and entered thisday 22nd of February, 2016 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 JOHN RAY DEVELOPER AND SUPPLY with principal address at Brgy. Balindog, Kidapawan City represented by its Proprietor, REYNALDO A. EMBODO hereinafter called the "Second Party";

WITNESSETH

Whereas, the First Party has a project of **Concreting of San Felipe - Junction National Highway FMR in Brgy. San Felipe, Tantaran, South Cotabato** with the Approved Budget for the Contract (ABC) of **Two Million Four Hundred Twenty-Nine Thousand Nine Hundred Fifty Pesos and 82/100 (Ph2,429,950.82)**;

Whereas, a public bidding was conducted last August 19, 2015 with two (02) bidders and John Ray Developer and Supply owned by its Proprietor, Reynaldo A. Embodo was declared as winning bidder in the amount of **Two Million One Hundred Three Thousand Eighty-Seven Pesos and 73/100 (Php2,103,087.73)**;

Whereas, the First Party has accepted the bid of the Second Party which shall be completed within **sixty (60) calendar days** upon receipt of Notice to Proceed (NTP), with the following Project Description and Scope of Works, to wit:

Project Description : Concreting of 240 l.m. road at 6.10 l.m. width and 20 cm thickness with programmed gravel shouldering on both sides

Scope of Works:

- | | | |
|--------------|--|-------------------------|
| SPCL "A" | - Informative Signboard | : 1 l.s. |
| Item 102 (2) | - Surplus Common Excavation | : 346.16 m ³ |
| Item 104 | - Embankment | : 91.10 m ³ |
| Item 105 | - Subgrade Preparation | : 2,376 m ² |
| Item 201 | - Aggregate Base Course | : 619.20 m ³ |
| Item 311 | - Portland Cement Concrete Pavement (PCCP) | : 1,464 m ² |

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) Funded and 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;


Contract_Concreting of San Felipe - Junction National Highway FMR in Brgy. San Felipe, Tantaran, South Cotabato
 Php2,103,087.73

- g) PERT/CPM of equivalent schedule of work;
 - h) License copy of the Contractor;
 - i) Abstract of Bids for Bid project;
 - j) Resolution of the Bids and Awards Committee as the case may be; and
 - k) 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


John Ray Developer and Supply

by:


REYNALDO A. EMBODO
Proprietor

REVIEWED AND WITNESSED BY:.


ENGR. GINALYN F. CACHUELA
Project Manager
SOCSKSARGEN ADPO


JIMMY M. OLIVO, PhD.
BAC Chairman

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