

# REPAIR/REHABILITATION OF NEAP, BAGUIO CITY BUILDING, PHASE II

## CONTRACT AGREEMENT

THIS AGREEMENT, made this 27<sup>th</sup> day of September, 2021 between **DEPARTMENT OF EDUCATION- CORDILLERA ADMINISTRATIVE REGION (DEPED-CAR)** (hereinafter called the "Entity") and **MOMENT DIAGRAM BUILDERS** with office address at Room 3, 3<sup>rd</sup> Floor, Noble Bldg., Calderon Street, Baguio City (hereinafter called the "Contractor").

WHEREAS, the Entity is desirous that the Contractor execute the works under \_\_\_\_\_, Repair/Rehabilitation of NEAP, Baguio City Building, Phase II (hereinafter called "the Works") and the Entity has accepted the Bid for **TWENTY FIVE MILLION TWENTY TWO THOUSAND EIGHT HUNDRED EIGHTY TWO PESOS & 06/100 (Php25,022,882.06) Only** by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents as required by the 2016 revised Implementing Rules and Regulations of Republic Act No. 9184 shall be deemed to form and be read and construed as part of this Agreement, viz.:
  - a. Philippine Bidding Documents (PBDs);
    - i. Drawings/Plans;
    - ii. Specifications;
    - iii. Bill of Quantities;
    - iv. General and Special Conditions of Contract;
    - v. Supplemental or Bid Bulletins, if any;
  - b. Winning bidder's bid/quotation, including the Eligibility requirements, Technical and Financial Proposals, and all other documents or statements submitted;
  - c. Performance Security;
  - d. Notice of Award of Contract and the Bidder's conforme thereto; and
  - e. Other contract documents that may be required by existing laws and/or the Procuring Entity concerned in the PBDs. **Winning bidder agrees that additional contract documents or information prescribed by the GPPB that are subsequently required for submission after the contract execution, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.**
3. In consideration for the sum of **TWENTY FIVE MILLION TWENTY TWO THOUSAND EIGHT HUNDRED EIGHTY TWO PESOS & 06/100 (Php25,022,882.06)** or such other sums as may be ascertained, **MOMENT**

*Judica Palsiw*  
MOMENT DIAGRAM BUILDERS' Witness

*ROBERT B. DACTILI*  
ROBERT B. DACTILI

*EDGAR H. MADLAING*  
EDGAR H. MADLAING  
DeEd-CAR Witness

*ESTELA L. CARIÑO, EdD, CESO III*  
ESTELA L. CARIÑO, EdD, CESO III  
DepEd-CAR

**DIAGRAM BUILDERS** agrees to execute and complete the works within **One Hundred Eighty (180) Calendar Days from receipt of the Notice to Proceed** in accordance with its Bid/Quotation.

4. The DepEd-CAR agrees to pay the above-mentioned sum as follows:

**a. Advance Payment:** Upon a written request of the contractor which shall be submitted as a contract document, DepEd- CAR may make an advance payment to the contractor in an amount not exceeding fifteen percent (15%) of the total contract price, to be made in lump sum or, at the most, two installments according to a schedule specified in the Instructions to Bidders and other relevant Tender Documents

The advance payment shall be made only upon the submission to and acceptance by the procuring entity of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission and confirmed by the procuring entity.

**b. Progress Payment**

Once a month, the contractor may submit a statement of work accomplished (SWA) or progress billing and corresponding request for progress payment for work accomplished. The SWA should show the amounts which the contractor considers itself to be entitled to up to the end of the month, to cover (a) the cumulative value of the works it executed to date, based on the items in the Bill of Quantities, and (b) adjustments made for approved variation orders executed.

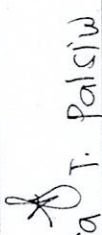
DepEd- CAR's representative/project engineer shall check the contractor's SWA and certify the amount to be paid to the contractor as progress payment. materials and equipment delivered on the site but not completely put in place shall not be included for payment.

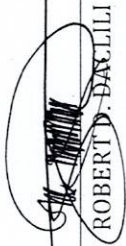
The procuring entity shall deduct the following from the certified gross amounts to be paid to the contractor as progress payment:

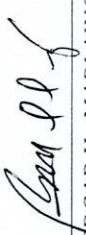
- a) Cumulative value of the work previously certified and paid for.
- b) Portion of the advance payment to be recouped.
- c) Retention money in accordance with the condition of contract.
- d) Amount to cover third party liabilities.
- e) Amount to cover uncorrected discovered defects in the works.

**c. Retention Money**

Progress payments are subject to retention of ten percent (10%) referred to as the "retention money." Such retention shall be based on the total amount due to the contractor prior to any deduction and shall be retained from every progress payment until fifty percent (50%) of the value of works, as determined by DepEd- CAR, are completed. If, after fifty percent (50%) completion, the work is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed.

  
Judisa T. Palsiw  
MOMENT DIAGRAM BUILDERS' Witness

  
ROBERT D. BAEILILI

  
EDGAR H. MADLAING  
DepEd-CAR Witness

  
ESTELA L. CARINO, EdD, CESO III  
DepEd-CAR

The total "retention money" shall be due for release upon final acceptance of the works. The contractor may, however, request the substitution of the retention money for each progress billing with irrevocable standby letters of credit of from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to Government, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten percent (10%) retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of the Government shall be valid for a duration to be determined by the concerned implementing office/agency or DepEd-CAR and will answer for the purpose for which the ten percent (10%) retention is intended, i.e., to cover uncorrected discovered defects and third party liabilities.


**d. Liquidated Damages**

Once the contract duration expires, including any time extension duly granted, and the contractor refuses or fails to satisfactorily complete the work, DepEd-CAR shall impose upon the contractor liquidated damages. Liquidated damages is an amount equal to at least one tenth (1/10) of one (1) percent of the cost of the unperformed portion of the works for every day of delay.

In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, DepEd- CAR has the following options:

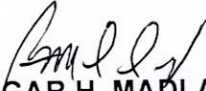
- d.1. Terminate the contract pursuant to the Guidelines on Termination of Contract and forfeit the contractor's performance security. or
- d.2. Allow the contractor to continue the works without prejudice to the continued imposition of liquidated damages until the works have been completed. This does not, however, preclude DepEd-CAR in resorting to Termination of Contract.

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

  
**ESTELA L. CARIÑO EdD, CESO III**  
Regional Director  
DepEd- CAR

  
**ROBERT B. DAGLI**  
MOMENT DIAGRAM BUILDERS

SIGNED IN THE PRESENCE OF:

  
**EDGAR H. MADLAING**  
Chief Education Supervisor  
ESSD

  
**Judith T. Palaw**  
MOMENT DIAGRAM BUILDERS

REPUBLIC OF THE PHILIPPINES)  
CITY OF BAGUIO ) S.S.

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Baguio City, Philippines, this  
27th day of September, 2021 personally appeared:

GOVERNMENT ISSUED IDENTIFICATIONS  
(Passport, Driver's License, SSS, GSIS,  
Philhealth... IDs)

NAME Number Issued on Issued at

ESTELA L. CARIÑO, EdD, CESO III

ROBERT B. DACLILI

Driver's License A01-98-000170

Known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that same is the free and voluntary act and deed of the entities which they respectively represent.

The foregoing instrument is a CONTRACT consisting of four (4) pages (exclusive of attachments), including this page on which this acknowledgment is written and signed by the parties hereto and their instrument witness on the left hand margin of each and every page hereof.

WITNESS MY HAND AND SEAL on the date and place first above written.

Doc. No. 038  
Page No. 09  
Book No. VIII  
Series of 20 21

NOTARY PUBLIC

Until December 31, 20\_\_

*Monoten-Edgar S.*  
**EDGAR S. MONOTEN**

Notary Public for Baguio City

Until December 31, 2022

N.A. NC-54-NEW-20

Roll No. 52936; May 6, 2014

IBP No. 120461; Feb-26-2020; Baguio-Benguet

PTR No. 4870380; Jan-12-2021; Baguio City

Contact No. 09190018814/Tel: (074) 620 2797

Rm 4, 3rd Floor, Noble Bldg. Calderon, Baguio City