

**CONTRACT OF AGREEMENT  
FOR THE PROJECT:**

**CONSTRUCTION OF DRAINAGE CANAL  
AT SITIO LUMANTANG, BRGY. NEW SAN JOSE, DINALUPIHAN, BATAAN**

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract/ Agreement made and entered into this 4<sup>th</sup> day of November, 2021 at Municipality of Dinalupihan, Bataan.

by and between:

The Municipal Government of Dinalupihan, Bataan, represented by **MARIA ANGELA S. GARCIA**, in her capacity as Municipal Mayor, with office address at Municipal Hall, San Ramon Dinalupihan, Bataan, as the PARTY OF THE FIRST PART, hereinafter referred to as the OWNER, duly authorized for this purpose;

and

**DM BERNALES CONSTRUCTION**, a corporation duly organized and existing by virtue of the Laws of the Republic of the Philippines, represented by MS. DRAZEL M. BERNALES with office address at #39 Apollo St., Orani, Bataan, as the PARTY OF THE SECOND PART, hereinafter referred to as the CONTRACTOR who has been duly authorized for this purpose;

**"WITNESSETH"**

**WHEREAS**, in accordance with the advertisement of the OWNER published/ posted in accordance with the Revised Implementing Rules and Regulations of RA 9184, the CONTRACTOR & other contracts/ bidders submitted bids to construct & complete the CONSTRUCTION OF DRAINAGE CANAL AT SITIO LUMANTANG, BRGY. NEW SAN JOSE, DINALUPIHAN, BATAAN, in accordance with the plans & specifications & requirements thereof;

**WHEREAS**, the above-mentioned project has been undertaken through Competitive Public Bidding;

**WHEREAS**, after the opening of bids on September 15, 2021 at 9:00 AM the bid price of the CONTRACTOR was found to be the Single Calculated/Rated and Responsive Bid.

**WHEREAS**, the Bids and Awards Committee of the OWNER, under Resolution dated 17<sup>th</sup> day of September, 2021 recommended to award the above-mentioned Project to the CONTRACTOR at the amount of Three Million Nine Hundred Ninety-Two Thousand Seven Hundred Ninety-Two Pesos and 35/100 (Php3,992,792.35) Philippine Currency, only.

**KNOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. That in this Contract Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to;
2. That the following documents shall be deemed to form and be read and construed as part of this Agreement, viz:
  - a. Contract Agreement;
  - b. Bidding Documents;
  - c. Drawings/ Plans;
  - d. Specifications;
  - e. Invitation to Apply for Eligibility and to Bid;
  - f. Winning bidder's bid, including the Eligibility requirements, Technical & Financial Proposals, and all other documents/ statements submitted;
    - i. Registrations Certificate from SEC, DTI for Sole Proprietorship, CDA for cooperatives;
    - ii. Mayor's Permit;
    - iii. Statement of all On-going & Completed Government & Private Contracts within Ten (10) years;
    - iv. PCAB License
    - v. Latest Audited Financial Statements Stamped Received by BIR;
    - vi. NFCC Computation or Credit Line Commitment;
    - vii. Valid Joint Venture Agreement (JVA); (if applicable)
    - viii. Bid Security;
    - ix. Duly Signed Contractor's Key Personnel for the Contract, with Key Personnel's Affidavits of Commitment to Work on the Contract with Complete Qualification & Experience Data;
    - x. Duly signed List of Contractor's Equipment Pledged to the Contract supported with Proof of Ownership;
    - xi. Sworn Statement in accordance with Section 25.2 (b) (iv) of the revised IRR of R.A. 9184;
    - xii. Form Bid;
    - xiii. Duly signed Bid Prices in the Bill of Quantities;
    - xiv. Duly signed Detailed Estimates, including a summary sheet indicating the unit prices of construction materials, labor rates and equipment rentals used in coming up with the Bid;
    - xv. Duly signed Cash Flow by Quarters and Payment Schedule;
  - g. Performance Security.
  - h. Credit Line Issued by an authorized bank in accordance with the provisions of the Revised IRR of R.A. 9184, if applicable;
  - i. Notice of Award of Contract and Contractor's "Conforme" thereto;
  - j. Pert/ CPM
  - k. Other contract documents that may be required by existing laws and/or the agency concerned.
3. That in consideration of the Payments to be made by the OWNER to the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the OWNER to execute and complete the WORKS and remedy any defects therein in conformity, in all respects, with the provisions of this CONTRACT:

5. That the OWNER hereby covenants to pay the CONTRACTOR in consideration of the execution and completion of the WORKS at the unit prices agreed in the TENDER, at the time and in the manner prescribed by the CONTRACT and specified in the BID. It is understood that the quantities listed in the PROPOSAL do not govern final 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 OWNER;
6. The items of work covered under this contract are enumerated hereunder, viz;

Item Number	Description	Quantity	Unit	Unit Cost (P)	Total Amount (P)
	See attached program of works				

The Implementing Rules and Regulations-A of R.A. 9184, P.D. 1759, other existing laws, decrees, executive and administrative orders, department orders/ circulars issued by proper authorities affecting government construction projects, as well as the guidelines for the completion and payment of Price.

7. Escalation on infrastructure contracts adopted and approved by the Government, shall be made and formed as integral part of this Contract;
8. That this CONTRACT shall not take effect until the CONTRACTOR has furnished and delivered to the OWNER a "Performance Security" that is fully acceptable to the Owner in the form and amount as required in the Instruction to Bidders;
9. In case the CONTRACTOR refuses or fails to satisfactory complete the work/s within the specified contract time, plus any time extension duly granted and is hereby in default under the CONTRACT, the CONTRACTOR shall pay the OWNER for LIQUIDATED DAMAGES, as provided in the conditions of contract, equal to at least one tenth (1/10) of one (1%) percent of the cost or the unperformed portion of the works for every day of delay.
10. In case the CONTRACTOR lags behind schedule in his work and incurs 15% or more negative slippages, based on his approved PERT/ CPM, the OWNER Municipal Government of Dinalupihan, Bataan, may, at his discretion, terminate or rescind this contract pursuant to existing laws, rules and regulations;
11. The provisions of R.A. 6685 as implemented by Department Order No. 51, series of 1990, is hereby incorporated as part of this Contract;
12. The CONTRACT or 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

13. The CONTRACTOR warrants that he has not given nor promised to give any money or gift to any employee/official of the OWNER (or any Philippine Government Instrumentality/ies) to secure this CONTRACT;
14. The Joint Guidelines on Change Orders, Extra Work Orders, etc. as provided under the pertinent provisions of the R.A. 9184 and Department Order No. 204 series of 2004, are hereby incorporated as part of this CONTRACT;
15. Within a period of 1 year after the completion and final acceptance of this PROJECT, the CONTRACTOR shall remain liable for any damage/s or defect/s discovered on the works due to faulty construction methods or the use of materials of inferior quality or violation of the terms and conditions of this CONTRACT;
16. The CONTRACTOR shall be held responsible for any structural defects and/or failure of the completed projects within after Final Acceptance except those occasioned by force majeure and those caused by the other parties; the OWNER shall issue perpetual disqualification to the CONTRACTOR from participating in any public bidding, if it fails to comply with the Warranty Provisions under Section 62 of R.A. 9184;
17. The CONTRACTOR shall pay taxes in full and on time and that failure to do so will entitle the Government to suspend payment for the contract;
18. The CONTRACTOR shall likewise regularly present within the duration of the contract, a tax clearance from the BIR as well as a copy of its income and business tax returns duly stamped received by the BIR and duly validated with the tax payments made thereon;
19. This contract/agreement becomes binding and valid upon the parties and shall remain effective upon approval hereof until the final completion and acceptance of the project.

**IN WITNESS WHEREOF**, the parties hereto affixed their respective signatures on the 4<sup>th</sup> day of November, 2021 and place first above-written.

**MUNICIPAL GOVERNMENT OF DINALUPIHAN**

(Party of the First Part)

BY:

  
**MARIA ANGELA S. GARCIA**  
Municipal Mayor

WITNESSES:

  
**EMILIA V. CARPIO**  
BAQ Chairman

**DM BERNALES CONSTRUCTION**

(Party of the Second Part)

BY:

  
**DRAZEL M. BERNALES**  
Contractor

  
**JOSENI A H. NAVA**

REPUBLIC OF THE PHILIPPINES)

\_\_\_\_\_) S.S  
\_\_\_\_\_)


### ACKNOWLEDGEMENT

BEFORE ME, as the Notary Public for and within the \_\_\_\_\_, personally appeared MARIA ANGELA S. GARCIA, Municipal Mayor, representing the REPUBLIC OF THE PHILIPPINES, Municipality of Dinalupihan, Bataan, with TIN No. 000-539-964-000, and DRAZEL M. BERNALES, Contractor, with TIN No. 257-882-707-000, known to me to be the same persons who executed the foregoing CONTRACT and AGREEMENT and they acknowledge to me that the same is their true act and deed for and in behalf of the parties they represented.

This instrument consisting of five (5) pages, including this page, on which this acknowledge is written duly signed by the contracting parties and their witnesses on the left margin of the other pages.

IN WITNESS WHEREOF, I have hereunto affixed my Signature and Official Seal this 4<sup>th</sup> day of November, 2021.

Doc. No. 395  
Page No. 80  
Book No. CLXVII  
Series of 2021

  
**ATTY. RENATO C. BAGAY**  
NOTARY PUBLIC - until Dec. 31, 2022  
Notarial Commission No. 386 - 21  
PTR No. 5476959 / 12-11-20/ Bataan  
IBP No. 145478 / 01-09-21/Bataan  
Roll No. 35035  
MCLE Comp. VI-0025488/04-15-19