

Republic of the Philippines
Province of Cebu
Municipality of Moalboal

NOTICE TO PROCEED

October 24, 2024

BSM BUILDERS AND DEV'T INC.
MGR Building Sunrise Village Extension
Bulacao, Cebu City


Dear Sir or Madam:

The attached Contract having been approved, notice is hereby given to BSM BUILDERS AND DEV'T INC. that work may proceed on the project: Climate Change Design/Sewerage System(Construction and Improvement of Drainage/Sewerage System).

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the agreement and in accordance with the Implementation Schedule.

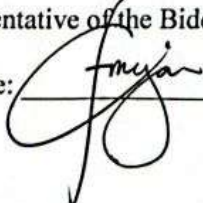
Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below. Keep one copy and return the other to the Municipality of Moalboal.

Very truly yours,


INOCENTES G. CABARON
Municipal Mayor

I acknowledge receipt of this Notice on October 25, 2024

Name of the Representative of the Bidder: MR. ADRIAN A. MEJARES

Authorized Signature:  _____

BSM BUILDERS AND DEV'T. INC.

ARCH. ADRIAN A. MEJARES
Authorized Managing Officer

CONTRACT AND AGREEMENT

for the Climate Change Design/Sewerage System(Construction and Improvement of Drainage/Sewerage System)

KNOW ALL MEN BY THESE PRESENTS:

This contract made and entered into this 22nd day of October 2024 at Moalboal, Cebu

by and between

The REPUBLIC OF THE PHILIPPINES/(Municipality of Moalboal) represented herein by **INOCENTES G. CABARON**, Municipal Mayor with office address at Poblacion West, Moalboal, Cebu as the PARTY OF FIRST PART, herein after called the EMPLOYER duly authorized for this purpose,

And

By:

ASUNCION D. PALMITOS
Private Secretary II
(Witness)

BSM BUILDERS AND DEV'T. INC., a construction firm existing by virtue of the Laws of the Republic of the Philippines with office address at MGR Building, Sunrise Village Extension, Bulacao, Cebu City represented by **ARCH. ADRIAN A. MEJARES**, Authorized Managing Officer who has been authorized for this purpose as the PARTY OF SECOND PART herein after called the CONTRACTOR

WITNESSETH

WHEREAS, the EMPLOYER is desirous that the certain WORKS should be executed by the CONTRACTOR, viz. : **Climate Change Design/Sewerage System(Construction and Improvement of Drainage/Sewerage System)** and has accepted the OFFER of the CONTRACTOR for the execution and completion of such WORKS and the remedying of any defects therein;

WHEREAS, the above mentioned project has been undertaken through a Public Bidding pursuant to R.A. 9184;

WHEREAS, the total amount of award for completion of the WORKS is **THREE MILLION ONE HUNDRED NINETY-EIGHT THOUSAND SIXTY-SEVEN PESOS & 00/100(Php 3,198,067.00)**

WHEREAS, the whole WORKS in this PROJECT as covered by this CONTRACT shall be completed within two hundred forty(240) calendar days in accordance with the provision of Bid Documents.

NOW 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 hereafter referred to;
2. That the following documents shall be deemed to form and be read and construed as part of this Agreement, viz;
 - a. The Bid Form accomplished and submitted by the Contractor including the following annexes;

- i. Authority of the Signing Official
- ii Bid Prices in the Bill of Quantities
- iii. Detailed Estimates
- iv. Construction Schedule
- v. Construction Methods
- vi. Project Organization Chart
- vii. Manpower Schedule

Republic of the Philippines
Municipality of Moalboal

INOCENTES G. CABARON
Municipal Mayor

[Signature]
ARCHI. ADRIAN V. MEJARES
 Authorized Managing Officer

- viii. Equipment Utilization Schedule
- ix. Cash Flow and Payments Schedule
- x. Certificate of Site Inspection
- xi Supplementary PQ Statement per D.O # 8 s.1991

- b. Contract Agreement
- c. Conditions of Contracts
- d. Drawings / Plans
- e. Invitation to Bid
- f. Specification
- j. Instruction to Bidders
- h. Addenda
- i. Performance Bond
- j. Pre-qualification and Post qualification statements
- k. Certificate of Cash Deposit for Operating Expenses
- l. Notice of Award to Contractor and Contractor's Conformance thereto
- m. Contractor's All Risk Insurance (if applicable)
- n. Other pertinent documents as may be required

By:

[Signature]
ASUNCION D. PALMITOS
 Private Secretary II
 (Witness)

3. That in consideration of the Payments to be made by the EMPLOYER to the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the EMPLOYER to execute and complete the WORKS and remedy any defects therein in conformity in all respects with the provisions of this CONTRACT.

4. That the EMPLOYER 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 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, hence 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 EMPLOYER.

The following items and quantities are included in the scope of work:

Climate Change Design/Sewerage System (Construction and Improvement of Drainage/Sewerage System)

[Signature]
KATRINA ANNE G. LISONDRA
 Municipal Engineer
 (Witness)

	DESCRIPTION	% OF WORKS	AMOUNT
1.0	General Requirements		
1.1	Mobilization/Demobilization	0.98%	31,500.00
1.2	Contractor's Temporary Facilities and Field Office Rental	3.18%	101,640.00
1.3	Material Testing	0.64%	20,475.00
1.4	Signage and Barricades	0.20%	6,237.00
1.5	Project Billboard	0.48%	15,356.00
1.6	Construction of Safety and Health	3.44%	110,000.00

2.0 DEMOLITION AND RESTORATION OF PAVEMENT

2.1	Pavement Demolition	0.51%	16,200.00
2.2	Concreting of Affected Roads	3.66%	117,000.00
2.3	Hauling and Disposal of Surplus Excavated Material	0.07%	2,250.00

Republic of the Philippines
 Municipality of Moalboal
 By: *[Signature]*
INOCENTES G. CABARON
 Municipal Mayor

[Signature]
 ARCH. ADRIAN A. MEJARES
 Authorized Managing Officer

3.0 DRAINAGE IMPROVEMENT WORKS

3.1	Excavation	11.94%	381,700.00
3.2	Concreting Works		
3.2.1	Cast in Place Concrete ,fc' ¹ =27.60Mpa (3,000psi), 28 days	34.40 %	1,100,000.00
3.2.2	Concrete Reinforcing Steel (Grade 40, PNS 49, fy=276 Mpa inclusive of Tie Wire Ga.#16)	30.30%	969,109.00
3.2.3	Formworks and Falseworks	7.50 %	239,850.00
3.3	Hauling and Disposal of Surplus Excavated Material	<u>2.71 %</u>	<u>86,750.00</u>
	Total Project Cost	100.00%	3,198,067.00

By:

[Signature]
 ASUNCION D. PALMITOS
 Private Secretary II
 (Witness)

5. The implementing Rules and Regulations of the amended P.D. 1594, P.D. 1759, other existing laws, decrees, executive and administrative orders, circulars issued by proper authorities affecting government construction projects, as well as the guidelines for the completion and payment of Price Escalation on infrastructure contracts adopted and approved by the Government, shall be made and formed as Integral part of the Contract

6. That this CONTRACT shall not take effect until the CONTRACTOR has furnished and delivered to the EMPLOYER in the form and amount as required in the Instruction to Bidders.


7. In case the CONTRACTOR refuses or fails to satisfactorily complete the work within the specified contract time, plus any time extension duly granted and is hereby in default under the CONTRACT, the CONTRACTOR shall pay the GOVERNMENT for liquidated damages, and not by way of penalty, an amount to be determined for each calendar day of delay, until the work is completed and accepted or taken over by the Government.

[Signature]
 KATRINA ANNE G. LISONDRA
 Municipal Engineer
 (Witness)

Where

- TLD = $VUUP \times [(1+OCC)^n - 1] \times K$
- VUUP = TCP - VCUP
- TLD = Total liquidated Damages, in pesos
- VUUP = Value of the Uncompleted and Unusable Portion of the contract work, as of the expiry date of the contract, in pesos
- TCP = Total Contract Prices , in pesos
- VCUP = Value of the Completed and Unusable portions of the contract work, as of the expiry date of the contract , in pesos
- OCC = prevailing opportunity cost of capital for government projects set by NEDA, which is currently pegged at 15%
- n = total number years that the contract work is delayed after the expiry date of the contract
- K = adjustment factor to cover additional losses
 $= 1 + C + (I \times n)$
- C = cost of construction supervision as a percentage, not exceeding 10% of construction cost
- i = annual inflation rate

Republic of the Philippines
 Municipality of Moalboal
 By:
[Signature]
 INOCENTES G. BARON
 Municipal Mayor

BSM BUILDERS AND DEV'T. INC.

ARCH. ADRIAN MEJARES
Authorized Managing Officer

- 8. In case the CONTRACTOR lags behind schedule in his work and incurs 15% or more negative slippage, based on his approved PERT/CPM, the Municipal Mayor may, at his discretion, terminate or rescind the contract pursuant to existing laws, rules and regulations.
- 9. The provision of RA 6685 as implemented by Department Order No. 51, series of 1990 is hereby incorporated as part of this CONTRACT.

By:
ASUNCION D. PALMITOS
Private Secretary II
(Witness)

- 10. The CONTRACTOR 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 other labor laws as per Ministry Order No. 9 series of 1981.
- 11. The CONTRACTOR warrants that he has not given nor promised to give any money or gift to any employee of the EMPLOYER (or any Philippine Government Instrumentality) to secure this CONTRACT.
- 12. The Joint Guidelines on Change Orders, Extra Works Orders, Etc. as provided under the pertinent provisions of the Implementing Rules and Guidelines of the RA 9184 as amended are hereby incorporated as part on this CONTRACT.


KATRINA ANNE G. LISONDRA
Municipal Engineer
(Witness)

- 13. Within a period of twelve (12) months after completion and final acceptance of the PROJECT, the CONTRACTOR, shall remain liable for any damages or defects discovered on the works due to faulty construction or the use of materials of inferior quality or violation of terms of the CONTRACT.
- 14. That the warranty of the project including its warranty securities shall govern by Section 62 of R.A. 9184.

Republic of the Philippines
Municipality of Moalbooc
By:
INOCENTES G. CABARON
Municipal Mayor

- 15. This CONTRACT becomes binding and valid upon approval by the proper authorities.



IN WITNESS WHEREOF, the parties hereto set their respective hands on the day, month and year first above written.


MUNICIPALITY OF MOALBOAL

BSM BUILDERS AND DEV'T. INC.

(PARTY OF FIRST PART)


(PARTY OF SECOND PART)

BY:




INOCENTES G. CABARON
Municipal Mayor


BY:



ARCH. ADRIAN A. MEJARES
Authorized Managing Officer



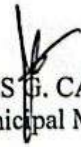
KATRINA ANNE G. LISONDRA
Municipal Engineer
(Witness)



ASUNCION D. PALMITOS
Private Secretary II
(Witness)

Approved this 22nd day of October, 2024

APPROVED :



INOCENTES G. CABARON
Municipal Mayor

BSM BUILDERS AND DEVT. INC.

ARCH. ADRIAN A. MEJARES
Authorized Managing Officer

For the (Climate Change Design/Sewerage System(Construction and Improvement of Drainage/Sewerage System)

REPUBLIC OF THE PHILIPPINES)
CEBU CITY)S.S

ACKNOWLEDGEMENT

By:

ASUNCION D. PALMITOS
Private Secretary II
(Witness)

BEFORE ME, as the Notary Public for and within the City of Cebu, personally appeared INOCENTES G. CABARON Municipal Mayor, representing the Municipality of Moalboal, Cebu with Residence Certificate No. 12642363 issued on January 05, 2024 and ARCH. ADRIAN A. MEJARES, Authorized Managing Officer representing BSM BUILDERS AND DEVT. INC. with Residence Certificate No. 13897860 issued on January 3, 2024 known to me to be the same persons who executed the foregoing CONTRACT and AGREEMENT and they acknowledged to me that the same is their true act and deed and in behalf of the parties they represented.

This instrument consist of six (6) pages, including this page, on which this acknowledgement is written duly signed by the contracting parties and their witness on the left margin of the other pages.

IN WITNESS WHEREOF, I have hereunto affixed my signature and Official Seal this ___ day of 23 OCT 2024, 2024. ___

KATRINA ANNE G. LISONDRA
Municipal Engineer
(Witness)

ATTY. RAUL R. PATUAL
Notary Public Cebu City
Until Dec 31, 2024
PTR NO. 2484770 on Dec 20, 2023
At Cebu City Roll No. 44641
Commission No. 0123 Notary Public
MCLE No. VHC05079
979 Jakosalem St., Cebu City

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Book No. 182
Series of 2024

Republic of the Philippines
Municipality of Moalboal
By:

INOCENTES G. CABARON
Municipal Mayor

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