



**Bustos Dam After Bay Structure Project
Bustos, Bulacan**

NIAR3-2024-BUL-BUSTOS DAM-46
(Contract No.)

KNOW ALL MEN BY THESE PRESENTS:

This Contract is executed and entered into this 3rd day of September, 2024 at Tambubong, San Rafael, Bulacan, Philippines, by and between:

The **National Irrigation Administration**, hereinafter referred to as the NIA, a government instrumentality created under Republic Act No. 3601, as amended by Presidential Decree No. 552 with principal office at NIA Building, Epifanio Delos Santos Avenue, Diliman, Quezon City, represented herein by its Regional Manager, **JOSEPHINE B. SALAZAR** who is duly authorized to represent it in this Contract:

- and -

LORENZO CONSTRUCTION & DEVELOPMENT CORPORATION herein referred to as the Contractor, a private entity duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal address at **Alua, San Isidro, Nueva Ecija** represented by its Authorized Managing Officer, **JOSE MAXIMINO L. VILLAREAL** who is duly authorized to represent the said firm in this Contract;

WITNESSETH, THAT

WHEREAS, the NIA in its Invitation to Bid No. **NIAR3-2024-BUL-BUSTOS DAM-46** called for tenders for the **Bustos Dam After Bay Structure Project** located in **Bustos, Bulacan**, and in accordance with the Bid Documents;

WHEREAS, on **July 25, 2024**, the Contractor submitted the lowest responsive bid for the above-mentioned works in the total amount of **Ninety-Two Million One Hundred Twenty-Seven Thousand Seven Hundred Sixteen and 73/100 Pesos Only (PhP 92,127,716.73)**;

WHEREAS, NIA finds this bid of the CONTRACTOR to be the lowest calculated and responsive bid, the same being **P 92,127,716.73** or **P 450,024.45** lower than the Approved Budget for the Contract (ABC) of **P 92,577,741.18**;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties have mutually agreed and do hereby agree as follows:

Signed in the Presence of:

FERDINAND A. DE GUZMAN
Acting Chief, Construction Management Section

ROCHELLE R. CERVANTES
Manager, Admin & Finance Division

LORENZO CONSTRUCTION & DEVELOPMENT CORPORATION
(Name of Contractor)

JOSE MAXIMINO L. VILLAREAL
Authorized Managing Officer

By:

National Irrigation Administration
By:
JOSEPHINE B. SALAZAR
Regional Manager

National Irrigation Administration
By:

JOSEPHINE B. SALAZAR
Regional Manager

**LORENZO CONSTRUCTION &
DEVELOPMENT CORPORATION**
(Name of Contractor)

By: 
JOSE MAXIMINO L. VILLAREAL
Authorized Managing Officer

Signed in the Presence of:


ROCHELLE R. CERVANTES
Manager, Admin & Finance Division


FERDINAND A. DE GUZMAN
Acting Chief, Construction Management Section

C - 1 CONTRACT DOCUMENTS

The following pertinent documents attached to this Contract or on file with the NIA are hereby incorporated and expressly made integral parts of this Contract as though fully written out and set forth herein;

1. Invitation to Bid No. **NIAR3-2024-BUL-BUSTOS DAM-46**
2. Advertisement or Evidence of Publication
3. Instruction to Bidders
4. General Conditions
5. Special Conditions
6. Local Conditions
7. Technical Specifications
8. Drawings
9. Resolution No. **99 s. 2024** of the Bids and Award Committee
10. Notice of Award of Contract and Contractor's "Conforme"
11. Contractor's Performance Security
12. Eligibility/Legal and Technical Documents
13. Financial Documents

All codes, designations, standards, standard specifications, and similar materials that are referred to in the Conditions and Technical Specifications are being made part of this Contract.

All of the above documents are referred to herein as the Contract Documents and shall remain the property of NIA.

It is expressly agreed and understood that in case of any irreconcilable conflict between this contract and the provision of any of the Contract Documents, the former shall be controlling.

C - 2 ACCEPTANCE OF BID

The NIA has accepted the offer of the CONTRACTOR for the **Bustos Dam After Bay Structure Project, Bustos, Bulacan** in conformity and in accordance with and subject to all of the terms and conditions of the Contract Documents and as provided in the Contract;

It is expressly agreed by both parties that no upward change in the Contract price as of the date of the signing of this Agreement shall be made as a result of among others, any fluctuation in the cost of materials and labor or for any reason whatsoever.

C - 3 AGREEMENT

The Contractor agrees to furnish all equipment, supplies, materials, labor, superintendence, and other incidentals and to perform and complete all of the Contract Work under this Contract and the NIA agrees to pay for such, as described in the Contract Documents.

C - 4 OBLIGATIONS OF CONTRACTOR

The Contractor agrees to perform well and faithfully all of the contract works indicated in the contract documents and as described in Clause C-1 herein before, and to furnish all of the equipment, materials, supplies, labor and superintendence and other facilities requisites for or incidental to the successful completion of the works and the carrying out of all the duties and obligations imposed by the Contract Documents.

National Irrigation Administration
By:

JOSEPHINE B. SALAZAR
Regional Manager

LORENZO CONSTRUCTION &
DEVELOPMENT CORPORATION
(Name of Contractor)

By: 
JOSE MAXIMINO L. VILLAREAL
Authorized Managing Officer

Signed in the Presence of:


ROCHELLE R. CERVANTES
Manager, Admin & Finance Division


FERDINAND A. DE GUZMAN
Acting Chief, Construction Management Section

The Contractor agrees to satisfactorily complete all of the contract works under the Contract within **Two Hundred Forty (240)** calendar days from receipt of the Notice to Proceed.

The Contractor also agrees to hire laborers at least fifty (50%) percent of the required manpower in the contract works from the members of the Irrigator's Association wherein the project will be undertaken.

C - 5 OBLIGATIONS OF THE NIA

The NIA agrees, subject to the terms and conditions in the Contract Documents, to pay to the Contractor the total amount of **Ninety-Two Million One Hundred Twenty-Seven Thousand Seven Hundred Sixteen and 73/100 Pesos Only (PhP 92,127,716.73)** at the rates and times and in the manner set forth under the General Conditions of the Contract and in the Contract Documents.

C - 6 MUTUAL OBLIGATIONS

The NIA and the Contractor mutually agree to perform, fulfill, abide by, and submit to any and all of the provisions and requirements and all matters and things contained or expressed in, or reasonably to be inferred from the contract documents.

C - 7 LIQUIDATED DAMAGES

The parties hereby expressly agree that Liquidated Damages, under this Contract, shall be settled in accordance and subject to such terms and conditions as set forth under Rule XXII – Civil Liability Section 68 Liquidated Damages of the 2016 Revised Implementing Rules and Regulations of R.A. 9184.

C - 8 PERFORMANCE BOND

In compliance with the conditions in the contract documents, the contractor hereby posts his Performance Security in the form of Performance Bond in the amount of **Twenty-Seven Million Six Hundred Thirty-Eight Thousand Three Hundred Fifteen and 02/100 Pesos Only (P 27,638,315.02)** which is valid and in effect for the entire duration of the contract, including any extension.

The Performance Security shall be released by the NIA after completion of the works and issuance of the Certificate of Completion, provided liquidated damages and other claims, if any, had been settled and the submission of an acceptable guarantee bond (surety bond) to be issued by the GSIS or any reputable bonding institution acceptable to NIA equivalent to 30% ; or cash deposit, cash bond, irrevocable letter of credit or bank guarantee of 10% of the final contract amount to assure NIA that the Contractor shall made good any defects that may be found in the project within a period of one (1) year from the acceptance thereof, it being understood that nothing in these condition extinguishes that liability of the Contractor for damages, except those occasioned by *force majeure*, within 5 years from the completion of the project, if the same should collapse on account of defects in the construction and the use of materials of inferior quality furnished by it or due to any violation of the terms of the contract, as provided for in the Civil Code.

For this purpose, the document transmitting and/or evidencing the performance bond in the form of cash, manager's check, cashier's check, bank guarantee, letter of credit, surety bond, or a combination thereof, shall contain the following;

National Irrigation Administration
By:

JOSEPHINE B. SALAZAR
Regional Manager

**LORENZO CONSTRUCTION &
DEVELOPMENT CORPORATION**
(Name of Contractor)

By:

JOSE MAXIMIANO L. VILLAREAL
Authorized Managing Officer

Signed in the Presence of:

ROCHELLE R. CERVANTES
Manager, Admin & Finance Division

FERDINAND A. DE GUZMAN
Acting Chief, Construction Management Section

“The right to institute action on the penal bond under Act No. 3688 of any individual firm, partnership, corporation, and association supplying the prosecution of the work is hereby acknowledged and confirmed.”

C - 9 NOTICES

All notices called for the terms of this Contract shall become effective only at the time of receipt thereof and only when received by the parties to whom they are addressed at the following addresses:

N I A : The Regional Manager
National Irrigation Administration, Region III
Tambubong, San Rafael, Bulacan

CONTRACTOR : THE AUTHORIZED MANAGING OFFICER
**LORENZO CONSTRUCTION &
DEVELOPMENT CORPORATION**
Alua, San Isidro, Nueva Ecija

Any change in address by either party shall be made known to the other who will acknowledge the change for purposes of this paragraph.

All notices called for by the terms of this Contract shall be in the English language and shall be sent by messenger or registered mail or telegram. However, telegrams shall be confirmed by a letter on the same day.

C - 10 INTEGRATION

The NIA and the CONTRACTOR agree that this Contract including the contract documents, expresses and integrates all of the agreements, understandings, promises, and covenants of the parties and supersedes all prior and contemporaneous negotiations, understandings and agreements, whether written or oral and that no modification or alteration of this Contract shall be valid or binding to either party unless expresses in writing and executed with the same formality as this Contract except as may otherwise be specifically provided in this Contract.

C - 11 JURISDICTION

The parties hereby mutually agree that the venue of the action for any cause or causes of action which may arise from this Contract shall be the proper court of BULACAN.

C - 12 COUNTERPARTS

The Contract is executed in five (5) identical counterparts, four (4) copies for the NIA, and one (1) for the CONTRACTOR.

C - 13 WARRANTY

The CONTRACTOR warrants that it has not given or promised to give any money or gift to any official or employee of the NIA and any violation of the warranty shall be sufficient grounds for the NIA to revoke or extra-judicially cancel this contract.

C - 14 DOCUMENTATION

Documentation/Notarial fees and documentary stamps in connection with this contract shall be for the account of the CONTRACTOR.

C - 15 APPROVAL

This contract shall be subject to the approval of proper authorities in accordance with pertinent laws, rules and regulations.

IN WITNESS WHEREOF, the parties have hereunto set their hands at the place and date first above written.

NATIONAL IRRIGATION ADMINISTRATION

(NIA)

BY:


JOSEPHINE B. SALAZAR
Regional Manager

**LORENZO CONSTRUCTION &
DEVELOPMENT CORPORATION**
(CONTRACTOR)

BY:


JOSE MAXIMINO L. VILLAREAL
Authorized Managing Officer

SIGNED IN THE PRESENCE OF:


ROCHELLE R. CERVANTES
Manager, Administrative & Finance Division


FERDINAND A. DE GUZMAN
Acting Chief, Construction Management Section

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES
BALIWAG, BULACAN

Personally appeared before me this SEP 03 2024, 20__ in the Philippines, **JOSEPHINE B. SALAZAR** of **National Irrigation Administration**, with Unified Multi-Purpose ID No. **006-0049-5664-6** and **JOSE MAXIMINO L. VILLAREAL** of **LORENZO CONSTRUCTION & DEVELOPMENT CORPORATION** with Passport No. **P8198372B** issued at **DFA Manila** on **December 10, 2021** valid until **December 09, 2031**, who executed the foregoing contract and acknowledged to me that the same is their free and voluntary act and deed.

This Contract consists of six (6) pages including this Notarial acknowledgment, signed by the parties and their witnesses on each on every page thereof. This refers to Contract No. **NIAR3-2024-BUL-BUSTOS DAM-46** located at **Bustos, Bulacan**.

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

Signed in the Presence of:

[Signature]
FERDINAND A. DE GUZMAN
Acting Chief, Construction Management Section

[Signature]
ROCHELLE R. CERVANTES
Manager, Admin & Finance Division

LORENZO CONSTRUCTION & DEVELOPMENT CORPORATION
(Name of Contractor)

[Signature]
JOSE MAXIMINO L. VILLAREAL
Authorized Managing Officer

By:

National Irrigation Administration
By:

[Signature]
JOSEPHINE B. SALAZAR
Regional Manager

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Series of 2024

[Signature]
ATTY. IRENEO A. ROMANO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2025
PTR No. **ROA No. 27192**
Issued at **IBP No. 325504-12-11-23**
On **PTR No. 2807417-1-02-24**
TIN: CLE COMPL. No. VII-0015998-4-21-22
BALIWAG, BULACAN