

Republic of the Philippines
NATIONAL IRRIGATION ADMINISTRATION
Region III
TARLAC - ZAMBALES IRRIGATION MANAGEMENT OFFICE
Jefmin, Concepcion, Tarlac

Construction of Diversion Works and Canal System of San Francisco
CIP (Dungan CIS Extension)
NIAR3-TARZAM-2021-18-SAN FRANCISCO CIP

KNOW ALL MEN BY THESE PRESENTS:

This Contract is executed and entered into this 18th day of MAY, 2021 at Jefmin, Concepcion, Tarlac, 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 de los Santos Avenue, Diliman, Quezon City, represented herein by the Acting Manager of TARZAM IMO, JAIME A. MANANGHAYA who is duly authorized to represent it in this Contract:

- and -

M.J. PASAMONTE CONSTRUCTION SERVICE 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 Brgy. Pandacaqui, Mexico, Pampanga, represented by its Manager, MARVIN JAMES M. PASAMONTE, who is duly authorized to represent said firm in this Contract;

WITNESSETH, THAT

WHEREAS, the NIA, in its Invitation to Bid, called for tenders for the Construction of Diversion Works and Canal System of San Francisco CIP (Dungan CIS Extension), located at Concepcion, Province of Tarlac, in accordance with the Bid Documents;

WHEREAS, on March 1, 2021, the Contractor submitted the lowest responsive bid for the above mentioned works in the total amount of Twenty Two Million Forty Five Thousand Eight Hundred Seventy Five Pesos & 40/100 (P22,045,875.40);

WHEREAS, NIA finds this bid of the CONTRACTOR to be the lowest calculated and responsive bid, the same being P22,045,875.40 or P87,742.49 lower than the Approved Budget for Contract (ABC) of P22,133,617.89;

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

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;

Signed in the Presence of:

M.J. Pasamonte Construction Service
(Name of Contractor)

National Irrigation Administration
By:

LOURDES B. BAGORIO
Sr. Accounting Processor A

TITUM M. TACANALALE
Senior Engineer A

MARVIN JAMES M. PASAMONTE
Manager

JAIME A. MANANGHAYA
Acting Manager, TARZAM IMO

National Irrigation Administration
By:

M.J. Pasamonte Construction Service
(Name of Contractor)

Signed in the Presence of:

JAIME A. MANANGHAYA
Acting Manager, TARZAM IMO

MARVIN JAMES M. PASAMONTE
Manager

THIO M. LACANLALE
Senior Engineer A

LOURDES B. BAGORIO
Sr. Accounting Processor A

Advertisement or Evidence of Publication

1. Invitation to Bid No. NIAR3-TARZAM-2021-18-SAN FRANCISCO CIP
2. Instruction to Bidders
3. General Conditions
4. Special Conditions
5. Local Conditions
6. Technical Specifications
7. Drawings
8. Resolution No. 07 s. 2021 of the Bids and Award Committee
9. Notice of Award of Contract and contractor's "Conforme"
10. Contractor's Performance Security
11. Bid Forms including the following annexes:
 - a) Authority of the Signing Official
 - b) Bid Prices in the Bill of Quantities
 - c) Detailed Breakdown of Estimates
 - d) Construction Schedule and S-Curve
 - e) Construction Methods
 - f) Project Organizational Chart
 - g) Manpower Schedule
 - h) Equipment utilization schedule
 - i) Cash flow and payment schedule
 - j) Construction Safety and health program
 - k) Certificate under oath from bidder of its compliance with existing labor laws and standards
 - l) A sworn statement attesting to the responsibilities of the bidder as required in IB-3-1 (A) to (D) of these Bid Documents;
 - m) A sworn affidavit of the bidder that it is not related to any NIA officers or employees having direct access to the information that may substantially affect the result of the bidding, as required in Section 47, Rule XV of the IRR-A of RA 9184
 - n) Authorizing the BAC or its duly authorized representatives to verify any or all of the documents submitted with the bids.

All codes, designations, standards, standard specifications and similar materials which 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 as 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 Construction of Diversion Works and Canal System of San Francisco CIP (Dungan CIS Extension) located at Concepcion, Province of Tarlac, 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.

Signed in the Presence of:

M.J. Pasamonte Construction Service
(Name of Contractor)

National Irrigation Administration
By:


LOURDES B. DAGORIO
Sr. Accounting Processor A


TITO M. LACANALE
Senior Engineer A


MARVIN JAMES M. PASAMONTE
Manager


JAIME A. MANANGHAYA
Acting Manager, TARZAM IMO

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.

The Contractor agrees to satisfactorily complete all of the contract works under Contract within Two Hundred Seventy (270) calendar days from receipt of the Notice to Proceed.

The Contractor also agrees to hire laborers at least fifty percent (50%) of the required manpower in the contract works from the member of 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 Twenty Two Million Forty Five Thousand Eight Hundred Seventy Five Pesos & 40/100 (P22,045,875.40) at the rates and times and in the manner set forth 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 Article GC-64 of the General Conditions and other pertinent provisions of the contract documents.

C - 8 PERFORMANCE BOND

In compliance with the conditions in the contract documents, the contractor hereby posts his Performance Security in the form of Surety Bond in the amount of Six Million Six Hundred Thirteen Thousand Seven Hundred Sixty Two Pesos & 62/100 (P6,613,762.62) which is valid and in effect for the entire duration of the contract, including any extension.

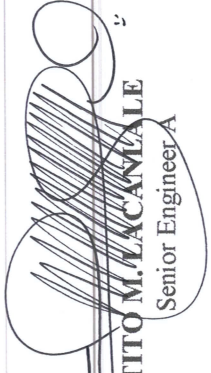
The Performance Security shall be released by the NIA after completion of the works and issuance of the Certificate of Completion, provided liquidated damages and other claims, if any, had been settled and the submission of an acceptable guarantee bond to be issued by the GSIS or any reputable bonding institution acceptable to NIA equivalent to 30%; or cash deposit, cash bond or letter of credit equivalent to 5%; 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

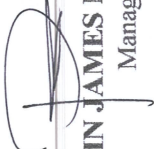
Signed in the Presence of:

M.J. Pasamonte Construction Service
(Name of Contractor)

National Irrigation Administration
By:


LOURDES B. BAGORIO
Sr. Accounting Processor A


TITO M. LACANALE
Senior Engineer A


MARVIN JAMES M. PASAMONTE
Manager


JAIME A. MANANGHAYA
Acting Manager, TARZAM IMO

Contractor for damages, except those occasioned by *force majeure*, within 15 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, or a combination thereof, shall contain the following:

"The right to institute action on the penal bond pursuant to 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 address at the following addresses:

N I A : The Acting Manager, TARZAM IMO
National Irrigation Administration
Jefmin, Concepcion, Tarlac

CONTRACTOR : The Manager
M.J. Pasamonte Construction Service
Brgy. Pandacaqui, Mexico, Pampanga

Any change in address by either party shall be made known 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 TARLAC.

C - 12 COUNTERPARTS

The Contract is executed in six (6) identical counterparts, five (5) copies for the NIA, 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 ground 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.

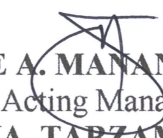
IN WITNESS WHEREOF, the parties have hereunto set their hands at the place and date first above written.

**NATIONAL IRRIGATION
ADMINISTRATION (NIA)**

**M.J. PASAMONTE CONSTRUCTION SERVICE
(CONTRACTOR)**

BY:

BY:


JAIME A. MANANGHAYA
Acting Manager
NIA-TARZAM IMO


MARVIN JAMES M. PASAMONTE
Manager

SIGNED IN THE PRESENCE OF:


TITO M. LAGANLALE
Senior Engineer A


LOURDES B. BAGORIO
Sr. Accounting Processor A

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES

Personally appeared before me this 10th day of MAY 2021 at the Philippines, JAIME A. MANANGHAYA, National Irrigation Administration, with PRC No. 0039714 issued on July 15, 1985 at Manila, Philippines and MARVIN JAMES M. PASAMONTE, Community Tax Certificate No. 1925 7380 issued at Mexico, Pampanga on 01/06/21 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 acknowledgement, signed by the parties and their witnesses on each on every page thereof. This refers to Contract No. NIAR3-TARZAM-2021-18-SAN FRANCISCO CIP, Construction of Diversion Works and Canal System of San Francisco CIP (Dungan CIS Extension), located at Concepcion, Province of Tarlac.

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

ATTY. DAVID P. BRIONES
NOTARY PUBLIC
PTR No. 6227784-1-21
IBP No. 154865-01-23-2021
TARLAC CITY

Until
PTR No.
Issued at
On
TIN

Doc No. 44
Page No. 40
Book No. XII
SERIES of 102

Signed in the Presence of:

M.J. Pasamonte Construction Service
(Name of Contractor)

National Irrigation Administration
By:

LOURDES B. BAGORIO
Sr. Accounting Processor A

TITO M. LACANALE
Senior Engineer A

MARVIN JAMES M. PASAMONTE
Manager

JAIME A. MANANGHAYA
Acting Manager, TARZAM IMO