



Republic of the Philippines
Province of Bulacan
CITY OF MALOLOS

BIDS AND AWARDS COMMITTEE

*BIDS & AWARDS COMMITTEE (BAC), 2nd Floor City Government of Malolos Building, Barangay Bulihan, City of Malolos, Bulacan,
Email address: legal.secretariat1@gmail.com*

NOTICE TO PROCEED

GERARD MARTIN S. MENDOZA
PROPRIETOR/MANAGER
GEJOMEB CONSTRUCTION
172 Ilang Ilang St. Alido Heights Subdivision
Brgy. Bulihan, City of Malolos, Bulacan

Dear **GEJOMEB CONSTRUCTION**,

This is to notify you that we are engaging your services for **“CONSTRUCTION OF FARM TO MARKET ROAD AT PARAISO ST., BRGY. LOOK 2ND, CITY OF MALOLOS”** consideration of only **One Million Two Hundred Ninety Two Thousand Seven Hundred Eighty Six Pesos and 18/100 Centavos (Php 1,292,786.18)** inclusive of appropriate taxes and fees pursuant to **RESOLUTION 2023 – 08 – 049**.

Relative thereto, this notice is hereby given to your company to commence immediately on the delivery of the said project. Your company is expected to perform to the terms and conditions stipulated in the contract.

Please acknowledge receipt and acceptance of this notice by signing at the portion provided below.

Thank you.

Sincerely yours,


ATTY. CHRISTIAN D. NATIVIDAD
City Mayor

Conforme:  _____

Date: 8/31/2023



Republic of the Philippines
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14 August 2023

NOTICE OF AWARD

GERARD MARTIN S. MENDOZA
PROPRIETOR/MANAGER
GEJOMEB CONSTRUCTION
172 Ilang Ilang St. Alido Heights Subdivision
Brgy. Bulihan, City of Malolos, Bulacan

Dear **GEJOMEB CONSTRUCTION**,

This is to notify you that we are engaging your services for **"CONSTRUCTION OF FARM TO MARKET ROAD AT PARAISO ST., BRGY. LOOK 2ND, CITY OF MALOLOS"** consideration of only **One Million Two Hundred Ninety Two Thousand Seven Hundred Eighty Six Pesos and 18/100 Centavos (Php 1,292,786.18)** inclusive of appropriate taxes and fees pursuant to **RESOLUTION 2023 - 08 - 049**.

You are also required to formally submit the performance security in the form of a Surety Bond callable upon demand and issued by a Surety or Insurance Company duly accredited by Insurance Commission to issue such security which shall be thirty percent (30%) of the total contract price and acceptable to the City Government of Malolos.

Failure to submit an Acceptable Performance Security and/or comply with the provisions of the 2016 Revised IRR of RA 9184 shall constitute a sufficient ground for cancellation of this award.

Contract and Notice to Proceed will be issued within fifteen (15) calendar days upon receipt of the Acceptable Performance Security.

Should you agree with the Award of the Contract, please acknowledge receipt and acceptance of this notice by signing at the portion provided below.

Sincerely yours,


ATTY. CHRISTIAN D. NATIVIDAD
City Mayor

Conforme:

Handwritten signature

agree, to enter into
subject to

CONTRACT FOR INFRASTRUCTURE PROJECT

KNOW ALL MEN BY THESE PRESENTS:

This **CONTRACT** is made and entered into by and between:

THE CITY GOVERNMENT OF MALOLOS, a corporate body politic created and existing under and by virtue of the laws of the Republic of the Philippines with office address at New City Hall, Brgy. Bulihan, City of Malolos, Bulacan herein represented by its Mayor, **HON. ATTY. CHRISTIAN D. NATIVIDAD**, hereinafter referred to as the "**THE ENTITY**" for brevity;

- and -

GEJOMEB CONSTRUCTION, with business address at 172 Ilang Ilang St. Alido Heights Subdivision, Brgy. Bulihan, City of Malolos, Bulacan, herein represented by its Proprietor/Manager, **GERARD MARTIN S. MENDOZA**, hereinafter referred to as the "**CONTRACTOR**" for brevity;

WITNESSETH: THAT

WHEREAS, the **THE ENTITY**, through its Bids and Awards Committee published an Invitation to Bid for the **CONSTRUCTION OF FARM TO MARKET ROAD AT PARAISO ST., BRGY. LOOK 2ND, CITY OF MALOLOS**, hereinafter referred to as the "**PROJECT**";

WHEREAS, after the opening and evaluation of the bids submitted by the eligible bidders during the public bidding held on the 7th day of August 2023 at the New City Hall, Brgy. Bulihan, City of Malolos, Bulacan the **CONTRACTOR**'s bid in the amount of **ONE MILLION TWO HUNDRED NINETY TWO THOUSAND SEVEN HUNDRED EIGHTY SIX PESOS AND 18/100 CENTAVOS (PHP 1,292,786.18)** was declared to be Lowest Calculated and Responsive Bid;

WHEREAS, the **PROJECT** was awarded to the **CONTRACTOR**, which accepted the award;

NOW, THEREFORE, for and in consideration of the foregoing premises and the covenants herein stipulated **THE**



agree, to enter into a **Contract for Infrastructure Project** subject to the following terms and condition, to wit:

ARTICLE I SCOPE OF WORK

The **CONTRACTOR** shall undertake the construction of the **PROJECT** for **THE ENTITY** in accordance with the plans and specifications prescribed in the contract documents enumerated in Article II of this **CONTRACT**.

The said undertaking by the **CONTRACTOR** shall include providing for all the labor, materials, equipment and supplies and performance of all the operations necessary for the completion of the **PROJECT**, complying faithfully and strictly with the terms and conditions set forth in this **CONTRACT**.

ARTICLE II CONTRACT DOCUMENTS

The following documents shall form integral parts of this **CONTRACT**:

1. Notice of Award;
2. Contractor's Bid;
3. Bid Documents;
4. Specifications/Drawings/Plans;
5. Performance Security;
6. General and Special Conditions of Contract; and
7. Other contract documents that may be required by existing laws and/or **THE ENTITY**.

The **CONTRACTOR** agrees that additional contract documents or information prescribed by the Government Procurement Policy Board (GPPB) that are subsequently required for submission after the execution of this Contract, such as the Notice to Proceed, Variation Orders, and Warranty Security, shall likewise form part of the Contract.

ARTICLE III CONTRACT PRICE

For and in consideration of the full and faithful performance by the **CONTRACTOR** of all its obligations under this **CONTRACT**, **THE ENTITY** shall pay the **CONTRACTOR** the total contract price **ONE MILLION TWO HUNDRED NINETY**



In consideration for the sum of the above-mentioned Contract Price or such other sums as may be ascertained, the **CONTRACTOR** agrees to execute the **PROJECT** in accordance with its Bid.

ARTICLE IV COMMENCEMENT AND COMPLETION OF WORK

The **CONTRACTOR** shall commence the execution of the **PROJECT** from receipt of the Notice to Proceed from the **The Entity** and shall have completed the **PROJECT** within a total of *One Hundred Fifty (150) calendar days, from and including the commencement date*, unless it is given additional time by the **CITY in writing** to finish the **PROJECT**.

ARTICLE V PERFORMANCE SECURITY

The **CONTRACTOR** shall, prior to the signing of this **CONTRACT**, post any of the following securities in favor of **THE ENTITY**, to guarantee its full and faithful performance of the **PROJECT** and to cover for the payment of its obligation/s that may arise from this **CONTRACT**, while the same remains in full force and effect, to wit:

1. Cash, Certified Check, Cashier's Check, Manager's Check or Irrevocable Letter of Credit in an amount equivalent to Five Percent (5%) of the total contract price;
2. Bank/Draft Guarantee in an amount equivalent to Ten (10%) of the total contract price;
3. Surety Bond in an amount equivalent to Thirty Percent (30%) of the total contract price; or
4. A combination of the foregoing.

The Performance Security posted by the **CONTRACTOR** shall be stated in Philippine Currency and shall be effective during the applicable warranty period. It shall be in the full amount required for the first year, renewable each year thereafter, subject to depreciation for the subsequent year/s on a straight-line basis.

ARTICLE VI TERMS OF PAYMENT

PROGRESS PAYMENT

The **CONTRACTOR** may submit, on a monthly basis, a request for payment corresponding to work accomplished. Such

THE ENTITY. For purposes thereof, materials and equipment delivered on site but not completely put in place shall not be considered as work accomplished, except as otherwise stipulated in the Instructions to Bidders.

THE ENTITY shall have the right to deduct from the **CONTRACTOR's** progress billing such amount as may be necessary to cover the **CONTRACTOR's** third-party liability/s, as well as uncorrected defects discovered in the **PROJECT.**

RETENTION MONEY

Progress payments shall be subject to Ten Percent (10%) "*Retention Money*" based on the total amount payable to the **CONTRACTOR** prior to any deduction and shall be retained from every progress payment until Fifty Percent (50%) of the value of works is completed, as determined by **THE ENTITY.** If, after Fifty Percent (50%) completion of the **PROJECT,** the work was satisfactorily done according to schedule, no further retention shall be made; otherwise, the Ten Percent (10%) retention above-described shall be imposed upon subsequent progress payments.

The total accumulated retention money shall be released only upon final acceptance of the works by **THE ENTITY.** In the meantime, the **CONTRACTOR** may request to be allowed to substitute the retention money for each progress billing with irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand, accepted by **THE ENTITY** and in amounts equivalent to the retention money substituted; provided, that the project is on schedule and is satisfactorily undertaken. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds to be posted in favor of **THE ENTITY** shall be valid for a period to be determined by **THE ENTITY.**

ARTICLE VII CONTRACTOR'S WARRANTY OF WORK

The **CONTRACTOR** shall assume full responsibility for the contract works from the time the project construction commences up to its final acceptance by **THE ENTITY.** It shall be liable for any damage or destruction of the works except those occasioned by *force majeure.* Likewise, it shall be its duty to ensure the safety, protection, security, and convenience of its personnel, third parties, and the public at large as well as of the works, equipment and installations made in line with the **PROJECT.** Furthermore, it shall be required to put up a warranty security in the form of cash

Handwritten signature

bank guarantee, letter of credit, GSIS or surety bond callable on demand, in accordance with the following schedule:

FORM OF WARRANTY	MINIMUM AMOUNT IN % OF TOTAL CONTRACT PRICE
1. Cash deposit, cash bond or letter of credit	Five percent (5%)
2. Bank guarantee	Ten percent (10%)
3. Surety Bond	Thirty Percent (30%)

The warranty security shall be stated in Philippine Currency and shall be effective during the applicable warranty period. It shall be in the full amount required for the first year, renewable each year thereafter, subject to depreciation for the subsequent year/s on a straight-line basis.

The defects-liability period for infrastructure projects shall be one (1) year from project completion until final acceptance thereof by **THE ENTITY**, within which period the **CONTRACTOR** shall undertake to repair any damage in the **PROJECT** on account of the use of materials with inferior quality, at his own expense. Such repair works must be commenced within ninety (90) days from the time **THE ENTITY** has issued an order for the **CONTRACTOR** to undertake repair. In case of failure or refusal by the **CONTRACTOR**, **THE ENTITY** may undertake to do the same but shall be entitled to full reimbursement of the expenses incurred therefore by the **CONTRACTOR**.

Any **CONTRACTOR** who fails to comply with an order to make repairs within the defects-liability period shall suffer perpetual disqualification from participating in any public bidding and his property/s shall be subject to attachment or garnishment proceedings to recover damages and costs in favor of **THE ENTITY**. Any and all payables in favor of the **CONTRACTOR** shall likewise be offset for said purpose.

After final acceptance of the project by **THE ENTITY**, the **CONTRACTOR** shall be held responsible for structural defects and/or failure of the completed project within the following warranty periods from final acceptance, except those occasioned by *force majeure* and those caused by other parties:

a) Permanent Structures: Fifteen (15) years

Buildings of types 4 (steel, iron, concrete, or masonry

incombustible fire resistance) and 5 (steel, iron, concrete, or masonry construction), steel and concrete bridges, flyovers, concrete aircraft movement areas, ports, dams, diversion tunnels, causeways, wharves, piers, dikes, filtration and treatment plants, sewerage systems, power plants, transmission and communication towers, railway system, and other similar structures;

b) Semi - Permanent Structures: Five (5) years

Buildings of types 1 (wooden), 2 (wood with 1 hour fire resistance), and 3 (masonry and wood construction), concrete roads, asphalt roads, river control, drainage, irrigation and drainage canals, municipal ports and river landing, deep wells, rock causeway, pedestrian overpass, and other similar structures; and

c) Other Structures: Two (2) years

Bailey and wooden bridges, shallow wells, spring developments, and other similar structures.

ARTICLE VIII LIQUIDATED DAMAGES

In the event that the **CONTRACTOR** fails and/or refuses to satisfactorily complete the work within the specified contract time, including any extension of time duly granted by **THE ENTITY**, the **CONTRACTOR** shall be deemed in default under this **CONTRACT** and shall be liable for liquidated damages. Such liquidated damages may be deducted from any amount due or which may become due in favor of the **CONTRACTOR** under this **CONTRACT** or may be taken from the retention money or other securities posted by the **CONTRACTOR**, at the option of **THE ENTITY**.

The amount of liquidated damages for each calendar day of delay until the work is completed and accepted by **THE ENTITY** shall be one tenth of one percent (.001) of the total contract price minus the value of the completed and usable portions of the **PROJECT** as of the expiration of the contract time, as determined by **THE ENTITY**.

To be entitled to such liquidated damages, **THE ENTITY** does not have to prove that it has incurred actual damages. Moreover, **THE ENTITY** may also impose additional liquidated damages upon the **CONTRACTOR** provided such additional liquidated damages were prescribed in the Instructions to Bidders.



In case the delay in the completion of the work exceeds a time duration equivalent to Ten Percent (10%) of the specified contract time plus any time extension duly granted to the **CONTRACTOR**, **THE ENTITY** may rescind this **CONTRACT**, forfeit the **CONTRACTOR'S** performance security and take over the execution of the **PROJECT** or award the same to a qualified contractor through negotiated contract.

In no case, however, shall the total sum of liquidated damages exceed Ten Percent (10%) of the total contract price, in which event this **CONTRACT** shall automatically be taken over by **THE ENTITY** or award the same to a qualified contractor through negotiation. In such case, the erring **CONTRACTOR'S** performance security shall be forfeited. The amount of the forfeited performance security shall be distinct from the amount of the liquidated damages that the **CONTRACTOR** shall pay **THE ENTITY** under the provisions of this clause. Other appropriate sanctions may likewise be imposed upon the **CONTRACTOR**.

ARTICLE IX CONTRACTOR'S LIABILITIES

It is hereby agreed and understood that no principal-agent relationship exists between **THE ENTITY** and the **CONTRACTOR** and that, likewise, no employer-employee relationship exists between **THE ENTITY** and all laborers, workers, employees and staff of the **CONTRACTOR**.

The **CONTRACTOR** hereby binds itself to protect and promote the immunity of **THE ENTITY** from any suit or liability arising from claims of any nature, such as death, injuries or damages that may be suffered by the **CONTRACTOR'S** workforce and/or third parties arising from or in connection with the execution of this **PROJECT**. The **CONTRACTOR** shall at all times be solely responsible for compliance with all existing laws, rules, regulations and ordinances. The **CONTRACTOR** hereby agrees and binds itself to hold **THE ENTITY** free and harmless from any liabilities.

ARTICLE X SUSPENSION OF WORK

THE ENTITY shall have the authority to suspend the work, wholly or partly, through a written order, for such period as it may deem necessary due to *force majeure* or the failure of the **CONTRACTOR** to correct bad conditions which are unsafe for workers or the general public, to carry out valid orders given by

A handwritten signature, possibly 'G. M. M.', is written vertically on the right margin. Below it is a large, stylized scribble or signature.

THE ENTITY, to perform any provisions of this **CONTRACT** or adjustments in the plan to suit field conditions discovered during the construction. The **CONTRACTOR** shall immediately comply with such written order.

On the other hand, the **CONTRACTOR** or its duly authorized representative shall have the right to suspend the work operation on any and all projects along the critical path of activities provided that a written notice to that effect is given to **THE ENTITY**'s Project Engineer, fifteen (15) calendar days prior to the intended date of suspension of work and on the following grounds only:

1. There exist right-of-way problems that disable the **CONTRACTOR** from performing works in accordance with the approved construction schedule;
2. The requisite construction plans which should be furnished by **THE ENTITY** were not issued to the **CONTRACTOR**, precluding any work called for such plans;
3. Peace and order condition/s making it extremely dangerous, if not impossible, to work. However, the existence of such condition/s must be certified in writing by the Philippine National Police (PNP) Station having responsibility over the affected area and confirmed by the Department of the Interior and Local Government (DILG) Regional Director;
4. **THE ENTITY** failed to deliver government-furnished materials and equipment as stipulated in the contract;
5. Delay in the payment of the **CONTRACTOR'S** claim for progress billing beyond Forty-Five (45) calendar days from the time the **CONTRACTOR'S** claim that its documents are complete has been certified by **THE ENTITY** authorized representative unless there are justifiable reasons therefore which shall be communicated in writing to the **CONTRACTOR**.

In case of total suspension, or suspension of activities along the critical path not due to any fault of the **CONTRACTOR**, the interval between the order of suspension and the order to resume work shall be allowed to the **CONTRACTOR** by adjusting the contract time accordingly.

ARTICLE XI
CHANGE ORDER AND/OR ADDITIONAL WORK

Amms



THE ENTITY may, at any time, by a written order, make changes in the schedule and work requirements under this **CONTRACT**. If any such change causes an increase or decrease in the work or the time required for the performance of this **PROJECT**, an equitable adjustment shall be made upon mutual agreement of the parties with respect to the contract price, completion date, and/or both and any other affected provisions, reflecting such adjustments by way of amendment to the contract.

Should **THE ENTITY** find it necessary to have any additional work, the same may be carried out immediately by the **CONTRACTOR** upon receipt of written instructions from **THE ENTITY**, reflecting the adjustment in terms of additional costs or additional time for completion or both in an amendment to this **CONTRACT**.

ARTICLE XII EXTENSION OF CONTRACT TIME

Should the amount of additional work of any kind or other special circumstances of any kind occur as to fairly entitle the **CONTRACTOR** to an extension of contract time, **THE ENTITY** shall determine the duration of such extension. **THE ENTITY** shall not be bound to grant any claim for an extension of time unless the **CONTRACTOR**, prior to the expiration of the contract time and within Thirty (30) calendar days after such work has been commenced or after the circumstances leading to such claim have arisen, delivered to **THE ENTITY** notices to allow **THE ENTITY** to verify the claimed existence of such circumstances. Failure to provide such notice at the time or immediately after such circumstances have arisen shall constitute a waiver by the **CONTRACTOR** of its claim for extension of time on the basis thereof. Upon receipt of a written notice containing the full and detailed particulars, **THE ENTITY** shall examine the facts and extent of the delay and either deny the claim or extend the contract time to the extent that, to **THE ENTITY**'s opinion, is justified.

No extension of contract time shall be granted to the **CONTRACTOR** on the basis of the following:

1. Ordinary unfavorable weather conditions; and
2. Inexcusable failure or negligence of **CONTRACTOR** to provide the required equipment, suppliers and materials.

Further, no extension of contract time shall be granted when the reason given to support the request for extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation

Summary



of the contract documents, as agreed upon by the parties prior to the execution of this **CONTRACT**.

Extension of time may be granted only when the affected activities fall within the critical path of the PERT/CPM network.

Extension of contract time on account of rainy/unworkable days shall be granted based on the actual conditions obtained on site considered unfavorable for the execution of the works, in addition to the number of the rainy/unworkable days pre-determined by the parties in relation to the original contract time during the conduct of detailed engineering and in the preparation of the contract documents and/or for equivalent period of delay due to major calamities such as exceptionally destructive typhoons, floods, earthquakes and epidemics, and for causes such as non-delivery of materials on time, working drawings or written information to be furnished by **THE ENTITY**, lack of permit to enter private properties within the right-of-way resulting in complete paralyze action of construction activities and other meritorious causes as determined by the City Engineer and approved by **THE ENTITY**.

Shortage of construction materials, general labor strikes, and peace and order problems that disrupt construction through no fault of the **CONTRACTOR** may likewise be considered grounds for extension of contract time provided they are publicly felt and certified by appropriate government agencies such as the DTI, DOLE, DILG and DND, among others.

The written consent of the bondsmen must be attached to any request of the **CONTRACTOR** for extension of contract time and submitted to **THE ENTITY**. If the request is granted, the effectivity of the performance security shall be correspondingly extended.

ARTICLE XIII ACCEPTANCE OF WORK

The **CONTRACTOR** shall, upon completion of all works required in the construction of the **PROJECT**, submit a written request for Acceptance of the Project by **THE ENTITY**. Thereafter, the latter shall conduct the required physical inspection and accept the **PROJECT** if all specifications have been satisfactorily completed in consonance with all pertinent documents forming integral parts of this **CONTRACT**.

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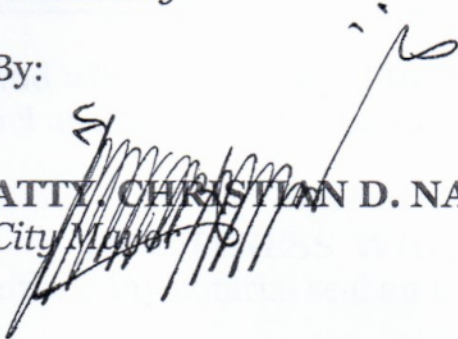
**ARTICLE XIV
PENAL CLAUSE**

The parties herein are enjoined to faithfully and strictly comply with the provisions of this **CONTRACT**. Any violation thereof shall be a ground for the cancellation of this **CONTRACT**.

IN WITNESS WHEREOF, the parties have hereunto affixed their respective signatures on this _____ day of _____, 2023 in the City of Malolos.

CITY GOVERNMENT OF MALOLOS
"The Entity"

By:


ATTY. CHRISTIAN D. NATIVIDAD
City Mayor

GEJOMEB CONSTRUCTION
"Contractor/Supplier"

By:


GERARD MARTIN S. MENDOZA
Proprietor/Manager

Witnessed by:

ACKNOWLEDGMENT

Republic of the Philippines }
City of Malolos } S.S.

AUG 22 2023

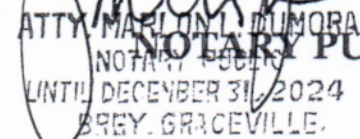
BEFORE ME on this _____ day of _____, 2023 in the City of Malolos, Bulacan, personally appeared **ATTY. CHRISTIAN D. NATIVIDAD** and **GERARD MARTIN S. MENDOZA**, whom I identified to be the same persons who executed the foregoing after exhibiting to me their respective proof of identity as follows:

	NUMBER	DATE OF ISSUE	PLACE OF ISSUE
Atty. Christian D. Natividad			
Gerard Martin S. Mendoza			

and who acknowledged to me that the same is their free and voluntary act and deed and the parties they represent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and place above-written.

Doc. No. 131 ;
Page No. 28 ;
Book No. 01 ;
Series of 2023.


ATTY. MARLOU L. DUMORAN
NOTARY PUBLIC
UNTIL DECEMBER 31, 2024
BREV. GRACEVILLE,
SAN JOSE DEL MONTE BULACAN
ROLL OF ATTORNEY NO. 76053
IBP NO. 260778/01-05-2023
PTR NO. 4087533/01-03-2023
MCLE COMPLIANCE NO. VI-0023957
