



NOTICE TO PROCEED

JGR DESIGN AND CONSTRUCTION

187 San Roque St., Abar 1st, San Jose City,
 Nueva Ecija
 CP#0922-821-5471
 E-mail Add: Jefferson.rillorta@gmail.com

Thru: **ENGR. JEFFERSON G. RILLORTA** *JG*
 Proprietor

Sir / Madam:

The attached **CONTRACT** (Contract ID No.. 2019-002) having been approved, notice is hereby given to your firm that, delivery of the goods and other ancillary services may proceed for the Project entitled: **"Construction of PRSD La Union Building at San Fernando, La Union"** (Reference: PR No. 2018-04-0232 / IB No. 2018-010INF), effective upon receipt of this Notice.

You are therefore responsible for performing the services under the terms and conditions of the Contract 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 PAGASA.

Very truly yours,

[Signature]
VICENTE B. MALANO, Ph.D.
 Administrator

[Signature]

I hereby acknowledge receipt of this Notice on January 10, 2019
 (date of receipt)

Name of Representative of the Bidder: Glenn Villaluz

Authorized Signature: *[Signature]*

"tracking the sky... helping the country"

Postal Address: P.O. Box 3278 Manila

Tel No. (63-2) 929-4865 (w/Fax) & 434-9040



Contract ID No. : CI 2019-002
 Contract Name : Construction of PRSD La Union Building
 Location of the Project : San Fernando, La Union

INFRASTRUCTURE CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

This Agreement is made and entered into at Quezon City, Philippines, this 08 day of JAN 08 2019 2018, by and between:

The **PHILIPPINE ATMOSPHERIC, GEOPHYSICAL AND ASTRONOMICAL SERVICES ADMINISTRATION (PAGASA)**, a government agency under the Department of Science and Technology (DOST), with principal office located at the PAGASA Central Office, Science Garden Complex, BIR Road, Diliman, Quezon City, represented herein by **DR. VICENTE B. MALANO**, in his capacity as the Administrator and Head of the Procuring Entity (HOPE), hereinafter referred to as the "**PAGASA**";

- and -

The **JGR DESIGN AND CONSTRUCTION**, a sole proprietorship business entity duly organized and existing under and by virtue of the laws of the Philippines, with office and postal address located at 187 San Roque Street, Abar 1st, San Jose City, Nueva Ecija, represented herein by its Proprietor, **MR. JEFFERSON G. RILLORTA**, and hereinafter referred to as the "**CONTRACTOR**".

WITNESSETH:

WHEREAS, PAGASA is desirous that certain works be undertaken, viz.: Construction of PRSD La Union Building, San Fernando La Union (*Reference: PR#2018-04-0232 / ITB No. 2018-010INF*), hereinafter referred to as the "**PROJECT**";

WHEREAS, by virtue of PAGASA-BAC Resolution No. 2018-047, series of 2018 which was duly approved by the Head of the Procuring Entity (HOPE), **PAGASA** has accepted the bid proposal of the **CONTRACTOR** for the execution and completion of such work, declaring the **CONTRACTOR** as the bidder with the **Single Calculated and Responsive Bid (SCRB)** in its total calculated bid offer of **THIRTEEN MILLION SEVEN HUNDRED TWENTY FIVE THOUSAND FIVE HUNDRED TWENTY FOUR AND 46/100 (Php13,725,524.46) ONLY**;

WHEREAS, in this Infrastructure Contract, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to;

WHEREAS, the following documents shall be attached, deemed to form, and be read and construed as part of this Contract, to wit:

- | | | |
|-------------------|----|--|
| <i>Attachment</i> | a) | Notice to Proceed; |
| <i>Attachment</i> | b) | Performance Security; |
| <i>Attachment</i> | c) | Notice of Award and the Bidder's conforme thereto; |
| <i>Attachment</i> | d) | PAGASA-BAC Resolution No. 2018-047; |
| <i>Attachment</i> | e) | Abstract of Bids, "as Read" and "as Calculated"; |
| <i>Attachment</i> | f) | Addendum and/or Supplemental/Bid Bulletins (SBB); |
| <i>Attachment</i> | g) | Detailed Evaluation Report submitted by the TWG; |
| <i>Attachment</i> | h) | Minutes of the Meeting; |
| <i>Attachment</i> | i) | Eligibility, Technical and Financial documents as submitted by the Contractor, including the appropriate Bid Security, the duly approved architectural and building designs and drawings; detailed plans and program/scope of works; and, structural analysis; |
| <i>Attachment</i> | j) | Invitation to Bid (ITB) / Notice to Bidders; |
| <i>Attachment</i> | k) | IPP, Purchase Request including the Terms of Reference (TOR) and necessary permits issued by various government authorities; |
| <i>Attachment</i> | l) | Bid Data Sheet (BDS); |
| <i>Attachment</i> | m) | Instructions to Bidders; |
| <i>Attachment</i> | n) | General and Special Conditions of Contract |
| <i>Attachment</i> | m) | Scope of works and specifications, instructions and their related documents for the satisfactory and faithful performance of all the works which are necessary to commence and complete the Project . |

The above documents shall collectively be referred to as "**Contract Documents**."

NOW THEREFORE, for and in consideration of the foregoing premises and of the terms and conditions hereinafter set forth, the parties hereto hereby agree as follows:

ARTICLE I - SCOPE OF WORKS

The **CONTRACTOR**, in consideration of a sum of money to be paid by **PAGASA**, agrees to furnish all labor, materials, equipment, tools and other facilities described in the scope of works and specifications, instructions and their related documents for the satisfactory and faithful performance of all the works which are necessary to commence and complete the **Project**. The work shall generally consist of the following:

1. Other General Requirements
 - Construction of Project Billboard/Signage
 - Occupational Health and Safety Program.
 - Basic P.P.E. for workers at site good for 365 C.D.
 - *All workers, shall be in proper uniform and shall conform with the DOLE D.O. No. 13 series of 1998, GUIDELINES GOVERNING OCCUPATIONAL SAFETY AND HEALTH IN THE CONSTRUCTION INDUSTRY.*

2. Earthworks
 - Clearing and Grubbing
 - Structure Excavation (Soft Rock-Manual)
 - Soil Poisoning
 - Backfilling Excavated Materials

3. Structural Concrete Works
- Gravel Bedding (50mm. thick)
 - Structural Concrete for Footing & Wall Footing, Sun Breaker Footing(Class "A" 28 days) 21MPa.
 - Reinforcing Steel (Footing, Wall Footing, Subn Breaker Footing), Gr. 60
 - Forms and Falsework (Footing & Wall Footing)
 - Structural Concrete for Tie Beam, 2nd Floor Beams, Roof Deck Beams (Class "A" 28 days) 21MPa.
 - Reinforcing Steel,Tie Beam, 2nd Floor Beams, Roof Deck Beams, Gr. 60
 - Forms and Falsework, Tie Beam, 2nd Floor Beams and Roof Deck Beams, Rental
 - Structural Concrete for Column (Class "A" 28 days) 21MPa
 - Reinforcing Steel Column, Gr. 60
 - Forms and Falsework, Column
 - Structural Concrete for Slab on Fill, Ground Slab, 2nd Floor Slab, Roof Deck Slab (Class "A" 28 days) 21MPa
 - Reinforcing Steel,Slab on Fill, Ground Slab, 2nd Floor Slab, Roof Deck Slab, Gr. 60
 - Forms and Falsework, Slab on Fill, Ground Slab, 2nd Floor Slab, Roof Deck Slab, Penthouse Slab, Rental
 - Structural Concrete for Ground Stair at Entry Porch, Ground to Roof Deck Stairs, Pathwalk, Ramps (Class "A" 28 days) 21MPa
 - Reinforcing Steel for Ground Stair at Entry Porch, Ground to Roof Deck Stairs, Pathwalk, Ramps, Gr. 60
 - Forms and Falsework, for Ground Stair at Entry Porch, Ground to Roof Deck Stairs, Pathwalk, Ramps
 - *All construction materials shall be subjected for testing before actual use.*
 - *Concrete shall be subjected to 14th, 21st and 28thdays compression tests.*
 - *All structural concrete works shall be Ready Mix.*
4. Masonry Works
- 150mm. CHB Non Load Bearing - Exterior (incl. Reinforcement and mortar)
 - 100mm. CHB Non Load Bearing - Interior (incl. Reinforcement and mortar)
 - Cement Plaster Finish
5. Finishes
- Floor Finishes
 - FF-1, 600mm. X 600mm. Non-skid Granite Tiles
 - FF-2, 800mm. X 800mm. Non-skid Granite Tiles
 - FF-3, 600mm. X 600mm. Synthetic Granite Tiles
 - FF-4, 800mm. X 800mm. Glazed Granite Tiles
 - FF-5, Supply and Installation of Carpet Flooring with underlay foam complete
 - FF-6, 600mm. X 600mm. Non-skid Granite Tiles w/ PVC Stair Nosing
 - FF-7, 400mm. X 400mm. Non-skid Granite Tiles
 - FF-8, Waterproofing Cement Base

- Waterproofing Bituminous Torch-Membrane w/ 2" concrete topping reinforce with ga. #8 steel matting and top coat finish of two-component water based acrylic epoxy paint (2 coats).
- Granite Countertop for Kitchenette & Conference Toilet (includes Under Counter Lavatory, 300 x 300 granite wall tiles, Overhead and Under kitchen Cabinet made of 3/4" thick Marine Plywood)
 - All granite tiles shall undergo a pre-approval before installations commence.
 - The contractor shall submit the technical specifications of waterproofing material to be used and its methodology to PAGASA before installation and application commence.
 - The contractor shall submit a proposed design of cabinet before fabrication and installation commence for approval.
- Painting Works
 - Painting Works (Concrete and Masonry Wall)
 - Skimcoat shall be used to patch uneven surface before application of first coat.
 - First will be flat latex paint and two coats of semi-gloss latex paint.
 - Painting Works (Metal Painting)
 - Use Gray Alkyd Metal Primer for first coating.
 - Use Quick Dry-Enamel paint for second and third coat.
 - 4.5mm. Fiber Cement Board on Metal Frame Ceiling.
 - Stainless Metal Railings for PWD Ramps, PWD Grab Bars for PWD C.R.'s and Stair Railings
 - Metal Railings & Architectural Tubular Steel.
- Doors and Windows
 - D-1 Double Swing Type Door with 1/2" thk. Tempered tinted glass, powder coated frames
 - D-2 Sliding Type Door with 1/2" Thk Tempered Glass, powder coated frames, (2 sets)
 - D-3 Swing Type Door with 1/2" Thk Tempered Glass, powder coated frames
 - D-4 Panel Type Door with 1/2" Thk Tempered Tinted Glass
 - D5 -Panel Type Door with 1/2" Thk Tempered Tinted Glass, incl. wooden door jamb
 - D-6 Panel Type Door with 1/2" Thk Tempered Tinted Glass
 - D-7 Flush Type Door with Louver Air Inlet
 - D-8 Louver Type Door
 - D-9 Flush Type Door w/ Kick Plate
 - W-1, 1.4m. X 2.1m, 2" x 5" Powder Coated Aluminum Framing complete with 1/2" thick tempered tinted glass
 - W-2, 1.4m. X 1.2m. , Casement type window Powder Coated Aluminum Framing w/ 1/4" thick tinted fixed glass
 - W-3, 1.4m. X 1.2m. , Fixed type window w/ 1/4" thick tinted fixed glass
 - W-4, 0.7m. X 1.2m. , Casement type window Powder Coated Aluminum Framing w/ 1/4" thick tinted fixed glass
 - W-5, 1.8m. X 0.5m., Awning type window Powder Coated Aluminum Framing w/ 1/4" thick tinted fixed glass

6.

Sanitary/Plumbing Works

- Drain Waste and Vent System (Sanitary Waste System, Storm Drainage, Catch Basin, Septic Tank)
 - All pipes shall be High Impact uPVC Sanitary Pipe Series 1000 and shall conform with ASTM D2729 Standard Specification for Poly(Vinyl Chloride) (PVC) Sewer Pipe and Fittings. Has undergone the following test methods in conformance with ISO 2505, ISO 3472, ISO 3127 and ASTM D2241.
- Plumbing Fixtures
 - 1 set, Urinal
 - 7 sets, Wall-Hung Lavatory
 - 8 sets, Stainless Steel Lavatory Faucet
 - 8 sets, Stainless Steel Faucet for each C.R.'s
 - 8 sets, Flush Tank Type Water Closet
 - 8 sets, Soap Holder
 - 8 sets, Tissue Holder
 - 1 set, Under Counter Lavatory
 - 1 set, Stainless Kitchen Double Sink
 - 2 sets, Kitchen Sink Faucet
 - 8 sets, ¼" thick Mirror Glass
 - 10 sets, Stainless Steel Dome Tyoe Roof Drain
 - 1 set, Telephone Shower Handset w/ Head and Valve
 - 14 pcs., 4" x 4" Stainless Steel Floor Drain
- Cold Water Line System Pipe and Fittings
 - All plumbing fixtures and appurtenances shall undergo a pre-approval before actual installations commence.
 - Cold Water Line System Shall be made of PPR. (PN 10) and shall conform with ISO 15874: Plastics Piping Systems for Hot and Cold Water Installations.

7.

Electrical, Mechanical Works and Fire Alarm System

- Panel Board with Main Breaker/Branches and Surge Protection
 - 1-set, Panel Board NEMA Enclosure, Gray Coated, Surface Mounted, Gauge 16, Bolt On, 1 main Circuit Breaker, 2 Pole w/ 14 branches, 14 - 2
pole 1 pc 100AT, 225AF, 2 pole, 250VAC, 65 KAIC, Bolt-On, 10 pcs. 20AT, 60AF, 2pole 4 pcs. 50AT, 60AF, 2pole
ALL SQUARE D
 - 1-set, Panel Board NEMA Enclosure, Gray Coated, Surface Mounted, Gauge 16, Bolt-On, 1 main Circuit Breaker, 2 Pole w/ 14 branches, 20
- 2 pole 1 pc 100AT, 225AF, 2 pole, 250VAC, 65 KAIC, Bolt-On, 14 pcs. 20AT, 60AF, 2pole 6 pcs. 30AT, 60AF, 2pole
ALL SQUARE D
 - 1-set, Panel Board NEMA Enclosure, Gray Coated, Surface Mounted, Gauge 16, Bolt-On, 1 main Circuit Breaker, 2 Pole w/ 14 branches, 2 -
2 pole 1 pc 175AT, 225AF, 2 pole, 250VAC, 65 KAIC, Bolt-On, 2 pcs. 100AT, 60AF, 2pole
ALL SQUARE D
 - 1-set, 175AT circuit breaker, 230V, 2P, Bolt-On in NEMA 4X enclosure
 - 4-sets, 50AT circuit breaker, 230V, 2P, Bolt-On in NEMA 3R enclosure
 - 6-sets, 30AT circuit breaker, 230V, 2P, Bolt-On in NEMA 3R enclosure

- 1-set, Transient voltage surge suppressor, 40KA, 240VAC (L-N), MAX LDV, 275 VAC (L-N) 5ns response time, LED diagnostic type
- PVC/RSC/IMC/EMT Conduit Fittings / Conduit Works, Boxes and Fittings
- Wires and Wiring Devices
- Lighting Fixtures
 - 150 pcs. Pinlight
 - 150 pcs. 5W LED bulb.
- Exhaust Fan, 7 sets, 300mm. 48W Reversible
- Fire Alarm System
 - 9pcs., Smoke Detector
 - 1 set, Fire Alarm Control Panel
 - 2 sets, Manual Press Button
 - 2 sets, Fire Alarm Bell
 - 2 units, Fire Extinguisher
 - Hangers, Brackets and Fasteners
- Supply Delivery, Installation, testing and commissioning of Air-conditioning Units.
 - 4-units, 3TR (Inverter) Carrier Under Ceiling FLC Series Air Conditioner, 230V, 60Hz, Single Phase, Outdoor Unit 07KHP040, Indoor Unit 42FLC036308 (Supply Delivery, installation testing & Commissioning)
 - 4-units, 2.0HP (Inverter) Carrier Optima Split-type Air Conditioner, 230V, 60Hz, Single Phase (Supply Delivery, installation testing & Commissioning)
 - 1-unit, 1.5HP (Inverter) Carrier Optima Split-type Air Conditioner, 230V, 60Hz, Single Phase (Supply Delivery, installation testing & Commissioning)
 - 1-unit, 1.0HP (Inverter) Carrier Optima Split-type Air Conditioner, 230V, 60Hz, Single Phase (Supply Delivery, installation testing & Commissioning)

All electrical fixtures and appurtenances to be used shall undergo a pre-approval before actual installations commence.

Note:

Specifications shall conform with the DPWH Standard Specifications for Highways, Bridges, Airports and Buildings (Volume II), these includes Description, Construction Requirements and Method of Measurement, The National Structural Code of the Philippines 2015, National Building Code of the Philippines, Batas Pambansa Bilang 344, Philippine Electrical Code, Local Ordinances and other pertinent laws.

Detailed Unit Price Analysis (DUPA) for each item shall be provided by the contractor as basis for the Cost Estimates.

ARTICLE 2 – CONTRACTOR’S OBLIGATIONS

The **CONTRACTOR** shall carry out the Works diligently and in accordance with this Contract. The **CONTRACTOR** shall supply all materials, labor, equipment and technical supervision necessary for its implementation in accordance with the contract documents and project schedule and manpower/equipment schedule. **Job site shall**

be provided with safety early warning signs and enclosures/barricades as necessary during the implementation.

The electricity and water consumption incurred during the execution of the project shall be borne by the **CONTRACTOR**. The **CONTRACTOR** shall commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program of Work submitted by the **CONTRACTOR**, as updated with the approval of the **PAGASA's** representative, and complete them by the Intended Completion Date.

The **CONTRACTOR** shall be responsible for the safety of all activities on the Site and shall carry out all instructions of the **PAGASA's** representative that comply with the applicable laws where the Site is located.

The **CONTRACTOR** shall employ the key personnel named in the Schedule of Key Personnel, as referred to in the **SCC**, to carry out the implementation and supervision of the entire Work. **PAGASA** shall at all times be consulted of any proposed replacement of key personnel shall approve the same only if their relevant qualifications and abilities are equal to or better than those of the personnel listed in the Schedule.

If the **PAGASA** asks the **CONTRACTOR** to remove a member of its staff or work force, for justifiable cause, the **CONTRACTOR** shall ensure that the person leaves the Site within seven (7) days and has no further connection with the Work in this Contract.

During Contract implementation, the **CONTRACTOR** shall abide at all times by all labor laws, including child labor related enactments, and other relevant rules.

The **CONTRACTOR** shall submit to the **PAGASA** for consent the name and particulars of the person authorized to receive instructions on behalf of the **CONTRACTOR**.

The **CONTRACTOR** shall cooperate and share the Site with other contractors, public authorities, utilities, and the **PAGASA** between the dates given in the schedule of other contractors particularly when they shall require access to the Site. The **CONTRACTOR** shall also provide facilities and services for them during this period. The **PAGASA** may modify the schedule of other contractors, and shall notify the **CONTRACTOR** of any such modification thereto.

Should anything of historical or other interest or of significant value be unexpectedly discovered on the Site, it shall be the property of the Procuring Entity. The **CONTRACTOR** shall notify the **PAGASA's** representative of such discoveries and carry out the **PAGASA's** representative's instructions in dealing with them.

ARTICLE 3 -- TIME OF COMPLETION

The Work stipulated in this Contract shall be completed "**Broom**" clean and ready for use not later than **Three hundred sixty five (365) calendar days** from receipt of the **Notice to Proceed (NTP)** by the **CONTRACTOR**.

ARTICLE 4- CONTRACT AMOUNT/ PAYMENT SCHEDULE

The **PAGASA** agrees that for and in consideration of the faithful performance by the **CONTRACTOR** of this Contract, it shall pay to **CONTRACTOR**, in a manner provided hereinafter the amount of **THIRTEEN MILLION SEVEN HUNDRED TWENTY FIVE THOUSAND FIVE HUNDRED TWENTY FOUR AND 46/100 (Php13,725,524.46) ONLY.**

PROVISION OF ADVANCE PAYMENT

The **PAGASA** shall, upon a written request of the **CONTRACTOR**, which shall be submitted within **thirty (30) calendar days** upon receipt of the **NTP**, allow an advance payment to the **CONTRACTOR** in an amount not to exceed **fifteen percent (15%)** of the total contract price, to be made in lump sum.

Provided, however that, the said advance payment shall be made only upon the submission to and acceptance by the **PAGASA** of an irrevocable standby letter of credit (LC) of equivalent value from a commercial bank, a bank guarantee (BG) or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Philippine Insurance Commission and confirmed by **PAGASA**.

The advance payment shall be repaid by the **CONTRACTOR** by deducting fifteen percent (15%) from his periodic progress payments.

The **CONTRACTOR** may reduce his standby Letter of Credit or Guarantee Instrument by the amounts refunded by the Monthly Certificates in the advance payment.

PROGRESS PAYMENT

Pursuant to the Cash Flow (by quarter) and payment schedule as accepted by **PAGASA** and made part of the Contract Documents hereof, the **CONTRACTOR** may submit a request for payment for work accomplished. Such request for payment shall be verified and certified by **PAGASA's** Project Engineer. Except as otherwise stipulated in the Instruction to Bidders, materials and equipment delivered on the site but not completely put in place shall not be included for payment.

PAGASA shall have the right to deduct from the contractor's progress billing such amount as may be necessary to cover third party liabilities, as well as uncorrected discovered defects in the project.

Should the **PAGASA** require the **CONTRACTOR** to perform the work over and above that is required by this Contract, the additional cost shall be added to the Contract amount, and in the same way, should the **CONTRACTOR** be ordered to omit work as required by this Contract, the corresponding cost shall be deducted from the Contract amount. In either case, the cost of additions or reductions shall previously be mutually agreed upon in writing by **PAGASA** and the **CONTRACTOR** before execution.

METHOD OF PAYMENT

Pursuant to and in compliance with the **DBM Circular No. 3-2013-16A**, dated February 6, 2014, the **CONTRACTOR** shall be required to apply and/or submit to **PAGASA**, through the **Cashier Unit**, its **bank account and branch thereof**, and, preferably from an authorized government servicing bank such as, Land Bank of the Philippines (LBP), Development Bank of the Philippines (DBP) or Philippine Veterans Bank (PVB), to which any payment due to the **CONTRACTOR** shall be made or credited.

In the event; however, that the **CONTRACTOR'S** bank account is not among the listed authorized government servicing banks, any corresponding bank charges shall be borne/paid by the **CONTRACTOR**.

ARTICLE 5 – RETENTION MONEY

The total billing submitted by the **CONTRACTOR** will be subject to retention of ten percent (10%) referred to as the “**retention money**”.

The “retention money” shall be due for release upon final acceptance of the works. The **CONTRACTOR** may, however request for the substitution of the retention money for each progress billing with irrevocable standby letter of credit from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to the **PAGASA**; provided that, the project is on schedule and is satisfactorily undertaken. Otherwise, the ten percent (10%) retention shall be made. Said irrevocable standby letter of credit, bank guarantee and/or surety bond, to be posted in favor of the **PAGASA**, shall be valid for a duration to be determined by the **PAGASA** and will answer for the purpose for which the ten percent (10%) retention is intended i.e. to cover uncorrected discovered defects and third party liabilities.

ARTICLE 6 – CONTRACT COMPLETION

Once the project reaches an accomplishment of ninety five (95%) of the total contract amount, the **PAGASA** may create an inspectorate team to make preliminary inspection and submit a **punch-list** to the **CONTRACTOR** in preparation for the final turnover of the project. Said **punch-list** will contain, among others, the remaining works, work deficiencies for necessary corrections, and the specific duration/time to fully complete the project considering the approved remaining contract time. This, however, shall not preclude the **PAGASA**'s claim for liquidated damages.

ARTICLE 7 – LIQUIDATED DAMAGES

In the event that 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 **PAGASA** for liquidated damages, and not by way of penalty, an amount to be determined in accordance with the following formula provided in the conditions of contract, for each calendar day of delay, until the work is completed and accepted or taken over by the **PAGASA**.

The amount of the liquidated damages shall be at least equal to **one-tenth (1/10) of one percent (1%)** of the cost of the unperformed portion for every day of delay.

Such amount shall be deducted from any money due or which may become due the contractor under the contract and/or collect such liquidated damages from the retention money or other securities posted by the contractor whichever is convenient to the procuring entity.

In the event that 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 procuring entity concerned may rescind the contract, forfeit the contractor's performance security and takeover the prosecution of the project or award the same to a qualified contractor through negotiated contract.

Such other provisions on liquidated damages under Annex “E” of R.A. 9184 and its IRR shall likewise be implemented.

ARTICLE 8 – SUSPENSION OF WORK

PAGASA shall have the authority to suspend the work, wholly or partly by written order for such period as may be deemed necessary, due to *force majeure* or any fortuitous event or for failure on the part of the **CONTRACTOR** to correct bad conditions which are unsafe for workers or for the general public, to carry out valid orders given by the **PAGASA** or to perform any provisions of the contract, or due to adjustment of plans to suit field conditions as found necessary during construction. The **CONTRACTOR** shall immediately comply with such order to suspend the work wholly or partly. Such other provisions on Suspension of Work under Annex "E" of R.A. 9184 and its IRR shall be implemented.

ARTICLE 9 – EXTENSION OF CONTRACT PERIOD

Should the amount of additional work of any kind or other special circumstances of any kind whatsoever occur such as to fairly entitle the **CONTRACTOR** to an extension of contract time the **PAGASA** shall determine the amount of such extension; *provided that*, the **PAGASA** is not bound to take into account any claim for an extension of time unless the **CONTRACTOR** has prior to the expiration of the contract time and within **fifteen (15) calendar days** after such work has been commenced or after the circumstances leading to such claim have arisen, delivered to the **PAGASA** notices in order that it could have investigated them at the time. Failure to provide such notice shall constitute a waiver by the **CONTRACTOR** or any claim. Upon receipt of full detailed particulars, the **PAGASA** shall examine the facts and extent of the delay and shall extend the contract time for completing the contract work when, in the **PAGASA's** opinion, the findings of facts justify an extension. Such other provisions on Extension of Contract Time under Annex "E" of R.A. 9184 and its IRR shall be implemented.

ARTICLE 10 – VARIATION ORDERS

The provisions on Variation Orders under Annex "E" of R.A. 9184 and its IRR shall be implemented.

ARTICLE 11 – WARRANTY

1. The **CONTRACTOR** shall assume full responsibility for the contract work from the time project construction commenced up to final acceptance by the **PAGASA** and shall be held responsible for any damage or destruction of the works except those occasioned by *force majeure* and the safety, protection, security, and convenience of its personnel, third parties, and the public at large, as well as the works, equipment, installation and the like.
2. Within **one (1) year period** from project completion up to final acceptance by the **PAGASA**, the **CONTRACTOR** shall undertake the repair works, at its own expense, of any damage to the infrastructure on account of the use of materials of inferior quality, within ninety (90) days from the time the **PAGASA** has issued an order to undertake repair. In case of failure or refusal to comply with this mandate, the **PAGASA** shall undertake such repair works and shall be entitled to full reimbursement of expenses incurred therein upon demand. The defects liability period shall be covered by the **Performance Security** of the **CONTRACTOR** required in **Section 39.1 of the IRR**, which shall guarantee that the **CONTRACTOR** performs his responsibilities stated in the immediately preceding paragraph. If the **CONTRACTOR** fails to comply with its obligations under the foregoing paragraph, the **PAGASA** shall forfeit its **Performance Security**, subject its property (ies) to attachment or garnishment proceedings,

and perpetually disqualify it from participating in any public bidding. All payables of the **PAGASA** in its favor shall be offset to cover the costs.

3. To guarantee that the **CONTRACTOR** shall perform his responsibilities as prescribed in foregoing number, the **CONTRACTOR** shall post a warranty security in accordance with the following schedule:

Form of Warranty Security	Amount of Warranty Security (Equal to Percentage of % of the Total Contract Price)
1. Cash or letter of credit issued by a Universal or Commercial Bank	Five percent (5%)
2. Bank guarantee confirmed by a Universal or Commercial Bank	Ten percent (10%)
3. Surety bond callable upon demand issued by the GSIS or a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty percent (30%)

4. The warranty security shall be denominated in Philippine Pesos and shall remain effective during the applicable warranty period provided under Section 62.2.3.2, **RULE XIX** of the **Revised IRR of RA No. 9184**, and shall be returned only after the lapse of the said warranty period.

ARTICLE 12- PRE-TERMINATION OF CONTRACT

The **PAGASA** reserves the right to pre-terminate the contract for cause, without liability and without prejudice to any other right of **PAGASA**, upon the **CONTRACTOR's** material default such as violation of the terms and conditions of the Contract, significant delay in the work schedule that is not attributable to force majeure or fortuitous events or any valid reason beneficial to **PAGASA**. In case of pre-termination, the **CONTRACTOR** shall be informed by the **PAGASA** thirty (30) days prior to such pre-termination.

In case of pre-termination, the **CONTRACTOR** shall be liable for liquidated damages equivalent to one percent (1%) of the Contract price as provided by the Government Accounting and Auditing Manual (GAAM) and to forfeit the Performance Security.

The **PAGASA** shall have the right to blacklist the **CONTRACTOR** in case of pre-termination.

ARTICLE 13 -MUTUAL CONSULTATION AND ARBITRATION AND VENUE OF ACTION

The **Parties** shall as often as practicable, mutually consult with each other with respect to the faithful performance of their respective obligations under this Contract.

The **Parties** shall use their best efforts to promptly resolve any differences or disagreements in connection with the implementation of the terms and conditions of this

Contract. However, in the event that any dispute could not be resolved after mutual consultation by the Parties, then such dispute(s) shall be submitted to arbitration in accordance with the provisions of Republic Act No. 876 otherwise known as the "Arbitration Law". At the option of **PAGASA**, the arbitration shall be held in Quezon City, Metro Manila. A decision in any such arbitration shall be final and binding upon the **Parties**, unless the aggrieved party shall make an appeal by way of Petition for Review to the proper Court with competent jurisdiction.

The **CONTRACTOR** shall continue to deliver the Works described in this Contract notwithstanding any dispute which may have arisen between the **Parties** is being arbitrated.

ARTICLE 14 - GOVERNING LAWS

The governing laws of Republic Act No. 9184 otherwise known as "The Government Procurement Reform Act" and its Revised Implementing Rules and Regulations, the laws on Obligations and Contracts and other pertinent laws shall govern this Contract.

ARTICLE 15-OTHER PROVISIONS

Any other commitment made by the **CONTRACTOR** and accepted by the **PAGASA** such as but not limited to the provision of additional materials necessary for the completion and/or to improve the specifications set under the scope of works for the project but without additional cost to the **PAGASA** shall be adopted and made part of this Contract.

The **CONTRACTOR** hereby agrees to comply with laws bearing on employment of its workers performing the work including minimum wages, COLA, SSS, Philhealth, PAGIBIG, ECC, income tax payments, VAT payments, and permit fees necessary in the execution of work.

The **PAGASA** shall not be liable for any injury, damage, or death suffered by its workers in the performance of their duties.

Any amendment, change or alteration of any of the terms of this **Contract**, which are mutually agreed upon by the Parties shall be made in writing and attached as an Addendum to the Contract.

ARTICLE 16 - VALIDITY CLAUSE


If any term or condition of this Contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.

IN WITNESS WHEREOF, the **Parties** hereto have caused this Contract to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

**PHILIPPINE ATMOSPHERIC,
GEOPHYSICAL AND ASTRONOMICAL
SERVICES ADMINISTRATION
(PAGASA)**

**JGR DESIGN AND
CONSTRUCTION**

By:


VICENTE B. MALANO, Ph.D.
Administrator

By:


JEFFERSON G. RILLORTA
Owner / Proprietor

Signed in the Presence of:


ENGR. EDWIN F. MANRESA
Chief, ESTD



Witness for the Contractor

Funds Available:


BERNARD LOUISE C. DATUIN
OIC, Accounting Section

CRS# 2018-12-6946

1060401000

13,725,524.44

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.
X-----X

BEFORE ME, personally appeared:

Name	Valid Identification Document	Issued by	Place Issued
VICENTE B. MALANO	Office ID #571	PAGASA	Quezon City
JEFFERSON G. RILLORTA			

Both known to me to be the same persons who executed the foregoing **INFRASTRUCTURE CONTRACT** and they acknowledged to me that the same is their own, free and voluntary act and deed as well as that of the entity represented.

This instrument consists of **FOURTEEN (14)** pages including this page on which this Acknowledgment is written and has been duly signed by the parties and their witnesses.

JAN 0 8 2019

SIGNED AND SEALED on _____ 2018 at Quezon City.

Doc. No. 217 ;
Page No. 49 ;
Book No. 24 ;
Series of 2018-2019

Florimond C. Rous
ATTY. FLORIMOND C. ROUS
Notary Public for Quezon City
Until December 31, 2019
PTR No. 8521227 / 1-3-19 / Q.C.
JBP LIFETIME NO. 00315
ROLL NO. 25769 / TIN 142-154-935
MCLE 5 Comp-00001549; 1-22-2014
Adm Matter No.156 / RTC-QC / 2018-2019