



CA 2019-03

## Contract Agreement

### KNOW ALL MEN BY THESE PRESENTS:

THIS CONTRACT AGREEMENT made and entered this 5<sup>th</sup> day of August, 2019 between **MINDORO STATE COLLEGE OF AGRICULTURE AND TECHNOLOGY (MINSCAT)** a public institution of higher learning, duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Alcate, Victoria, Oriental Mindoro, represented by its College President, **DR. LEVY B. ARAGO, JR.** hereinafter called the "Entity" of the one part and **F.S. SUGAY CONSTRUCTION AND SUPPLIES**, duly organized and existing under the laws of the Republic of the Philippines with office address at Mahogany Street, Sto. Niño, Calapan City represented by its owner/proprietor, **FRANCILITA S. SUGAY** hereinafter called the "Contractor" of the other part.

WHEREAS, the Entity invited Bids for the **REHABILITATION/RENOVATION/UPGRADING OF GENERAL EDUCATION BUILDING IN MINSCAT CALAPAN CAMPUS** and has accepted a Bid for the rehabilitation/renovation/upgrading of said building in the amount of **TWENTY ONE MILLION EIGHT HUNDRED ONE THOUSAND FIVE HUNDRED EIGHTY EIGHT PESOS AND 36/100 (Php 21,801,588.36)** hereinafter called "the Contract Price".

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The Project calls for the Contractor to willfully and faithfully perform the following:

- B.5 Project Billboard/Signboard
- B.7 Occupational Safety & Health Program
- B.9 Mobilization and Demobilization
- 800(1) Clearing & Grubbing
- 803(1)a Structure Excavation, Common Soil
- 804(1)a Embankment from Structure Excavation
- 804(1)b Embankment from Borrow
- 804(4) Gravel Fill
- 1000(1) Soil Poisoning
- 900(1)c1 Structural Concrete (Ready Mix, Class A, 28 days)
- 902(1)1a Reinforcing Steel (Deformed), Grade 40
- 903(2) Formworks and Falseworks
- 506(1) Masonry Works (including Reinforcing Steel)
- 1010(4) Wooden Doors on Metal Jambs
- 1009(1)a Aluminum Casement Window
- 1005(1) Aluminum Sliding Door
- 1003(17) Carpentry and Joinery Works (Glassboard)
- 1021(1)c Plain Cement Finish
- 1027(1) Plain Cement Plaster Finish
- 1053(3)a G.I. Pipe Railings
- 1003(1)a1 Fiber Cement Board Ceiling on Metal Frame
- 1038(1) Reflective Insulation
- 1018 Tile Works
- 1032(1)a Masonry/Concrete Painting
- 1032(1)b Wooden Painting
- 1032(1)c Metal Painting
- 1014 Prepainted Metal Roofing
- 1047 Metal Structure (Steel Trusses)
- 1001(8) Sewer Line Works / Storm Drainage
- 1002(28) Cold Water Line Works
- 1002(8) Plumbing Fixtures
- 1001(6)b Catch Basin
- 1100(30)a Conduit, Boxes and Fittings
- 1101(42)a Wires and Wiring Devices

Page 1 of 4



**MINDORO STATE COLLEGE OF AGRICULTURE & TECHNOLOGY**  
**VICTORIA, ORIENTAL MINDORO 5205 PHILIPPINES**

E-mail: mnsctmainop@gmail.com  
Website: www.minscat.edu.ph  
Phone: (+63) 977-8467228

1102(27)a Power Load Center and Panelboards  
1103(1)a Lighting Fixtures  
PWD Provision for Lift/Elevator Structural Casing only

All in accordance with Drawings/Plans and Specifications made integral part of this Contract.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
- Invitation to Bid;
  - Instructions to Bidders;
  - Bid Data Sheet;
  - Addenda and/or Supplemental/Bid Bulletin, if any;
  - Bid Form and the Price Schedule submitted by the Bidder;
  - Schedule of Requirements;
  - Technical Specifications;
  - General Conditions of Contract;
  - Special Conditions of Contract; and
  - Entity's Notification of Award.

3. The Contractor shall perform the above-mentioned works within **two hundred seventy (270) calendar days** from the date of the receipt of the Contractor of this Contract and Notice to Proceed.

4. The Entity shall pay in consideration of the work performed within the stipulated period and fulfillment of other items and considerations of this contract, and acceptance of the work performed shall pay the Contractor the amount of **Twenty One Million Eight Hundred One Thousand Five Hundred Eighty Eight Pesos and 36/100 (Php 21,801,588.36)**.

5. The Entity hereby covenant to pay the contractor in consideration of the construction work at the contract price provided that the payment shall be made upon request of the contractor on the basis of accomplishment of the project prepared by the Project Engineer of MinSCAT. The implementing rules and regulations regarding adjustments of the contract price adopted and approved by the Government shall be applicable in this contract.

6. Progress payments are subject to ten percent (10%) retention referred to as the "retention money" and shall be due for release upon final acceptance of the works. The Contractor may however request for the substitution of the retention money for its progress billing with the surety bonds on demand of amounts equivalent to the retention money substituted for and acceptable to Entity, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten percent (10%) retention shall be made. Said surety bonds, to be posted in favor of the Entity shall be valid for a duration to be determined by the Entity and will answer for which the ten percent (10%) retention is intended, i.e., to cover uncorrected defects and third party liabilities.

7. Advance payment equivalent to fifteen percent (15%) of the total contract amount representing mobilization is allowed upon request of the contractor and is subject to approval by the College President.

8. In case the contractor refuses or fails to satisfactorily complete the work within the specified contract time, plus anytime extension duly granted and is hereby in default under the contract, the contractor shall pay the Entity for liquidated damages and not by way of penalty, an amount to be determined in accordance to the following formula for every calendar day of delay, until the work is completed and accepted or taken over by the Government.

$LD = .001 \times CP$

Where:

LD = Amount of liquidated damages for each calendar day of delay

CP = total Contract Price minus the value of the completed portions of the contract certified by the Government Office concern as usable of the expiration of the contract time

  
FS SUGAY CONSTRUCTION AND SUPPLIES

  
LEVY B. ARAGO JR., Ph.D.  
SUC President II/HoPE

  
JOELINE C. LEYNES  
VP for Administration & Finance



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9. In case the Contractor lags behind the schedule in his work and incurs 15% or more negative slippage, based on his approved PERT/CPM, the Entity will rescind the contract pursuant to existing laws, rules and regulations.
10. In consideration of payment to be made by the Entity to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Entity to construct, complete and maintain the works in conformity in all respects with provisions of the contract, and all defects noted in its performance during the first twelve (12) months after acceptance of the work done without the fault of the owner/occupant shall be borne out or repaired by the contractor of their cost.
11. The Contractor shall ensure the project against any loss or damages for whatever cause other than "expected risks", that notwithstanding the insurance of the project, the Contractor shall not be relieved of his obligation to have sole charge and care of the project and to take every precaution against any damage or injury to any part thereof until the final acceptance of the works.
12. 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.
13. After final acceptance of the project, the Contractor shall be held responsible for structural defects for the period of fifteen (15) years starting from final acceptance, except those occasioned by force majeure and those caused by other parties.
14. If any disputes or differences of any kind whatsoever arises between the Entity or the Engineer and the Contractor in connection with or arising out of the contract or carrying out of the works, it shall be first be referred to, and settled by the Construction Industry Arbitration Commission (CIAC) created by Executive Order No. 1008.
15. In this agreement words and expressions shall have the same meaning as are respectively assigned to them in the Condition of Contract.

**IN WITNESS WHEREOF**, the Parties have hereunto signed this agreement this 5<sup>th</sup> day of August, 2019 at MinSCAT Main Campus, Alcate, Victoria, Oriental Mindoro.

**MINDORO STATE COLLEGE OF  
AGRICULTURE AND TECHNOLOGY**  
Party of the First Part

By:

**MINSCAT BOARD OF TRUSTEES**  
Head of the Procuring Entity

By the Authority of the Board of Trustees  
As per BOT Resolution No. 08, Series 2019  
Approved on July 24, 2019

**LEVY B. ARAGO JR., Ph.D.**  
SUC President II

**F.S. SUGAY CONSTRUCTION  
AND SUPPLIES**  
Party of the Other Part

By:

**FRANCILITA S. SUGAY**  
Owner/Proprietor

SIGNED IN THE PRESENCE OF:

**JOELINE C. LEYNES**  
VP for Administration & Finance

**PERIKATA M. GENETA**



**ACKNOWLEDGEMENT**

Republic of the Philippines )  
Province of Oriental Mindoro) S.S.  
Municipality of Victoria )

BEFORE ME, notary public for and in the above jurisdiction, personally appeared the following:

NAME	PRC/I.D./CTC. NO.	DATE	PLACE OF ISSUE
Levy B. Arago, Jr.	PRC # 0002549	August 11, 2017	Manila
Francilita S. Sugay			
Joelene C. Leynes	PRC # 0115520	July 26, 2017	Manila

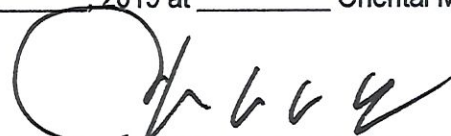
Known to me to be the persons who executed the foregoing instrument and acknowledgement that the same is their free and voluntary act and deed.

This instrument consisting of four (4) pages including the page wherein this acknowledgement is written had been signed by the parties and their instrumental witnesses on each and every page thereof..

WITNESS MY HAND AND SEAL, this \_\_\_\_ day of \_\_\_\_\_, 2019 at \_\_\_\_\_ Oriental Mindoro.

**NOTARY PUBLIC**

Doc No. 281  
Page No. 58  
Book No. 75  
Series of 2019

  
**ATTY. CALIXTO A. BACULO**  
Notary Public  
Until December 31, 2019  
Roll No. 15797  
PTR No. 9508836-12-12-19  
TIN 440-784-739  
IBP No. 055994-12-14-19  
MCLE No. V-000746

FS SUGAY CONSTRUCTION AND SUPPLIES

*Sugay*

  
**LEVY B. ARAGO, JR., Ph.D.**  
SUC President II/HoPE

  
**JOELENE C. LEYNES**  
VP for Administration & Finance