

# CONTRACT

(Philippine Rural Development Project)

PRDP SUBPROJECT – REHABILITATION OF KM. 15 KIPALILI – NEW LOON FMR WITH BRIDGE AT BRGY. CONCEPCION, BRGY. NEW LOON, MUN. OF ASUNCION & BRGY. KIPALILI, MUN. OF SAN ISIDRO, DAVAO DEL NORTE, I.D NO. PRDP – SU – IB – RO11 – DDN – 003 – 000 – 000 – 2023 – FMB

KNOW ALL MEN BY THESE PRESENTS:

This Agreement is made and entered into this \_\_\_\_ day of SEP 26 2024, 2024 at Tagum City, Davao del Norte, Philippines, between:

**PROVINCIAL GOVERNMENT OF DAVAO DEL NORTE**, a local government unit duly organized and existing under the laws of the Republic of the Philippines with office address at Capitol Bldg., Government Center, Barangay Mankilam, Tagum City, Davao del Norte, represented by the Head of the Procuring Entity, Honorable Governor **EDWIN I. JUBAHIB**, hereinafter referred to as the **PROCURING ENTITY**;

**-AND-**

**RELY CONSTRUCTION & SUPPLY, INC.**, a registered construction firm under the Securities and Exchange Commission Certificate Number CS201615169, with business address at Alongside Mamay Road, Brgy. Cabantian, Davao City, Davao del Sur, Region XI, duly represented by its Authorized Managing Officer, **RENATO R. CASTAÑEDA** hereinafter referred to as the **CONTRACTOR**.

## WITNESSETH THAT:

**WHEREAS**, the Procuring Entity is a local government unit mandated to provide infrastructure facilities to service the needs of the residents of the province and which are funded out of provincial funds including, but not limited to, provincial roads and bridges; inter-municipal waterworks, drainage and other similar facilities;

**WHEREAS**, the Procuring Entity is a recipient of the World Bank (WB) loan grant through Philippine Rural Development Project (PRDP) for PRDP SUBPROJECT – REHABILITATION OF KM. 15 KIPALILI – NEW LOON FMR WITH BRIDGE AT BRGY. CONCEPCION, BRGY. NEW LOON, MUN. OF ASUNCION & BRGY. KIPALILI, MUN. OF SAN ISIDRO, DAVAO DEL NORTE, I.D NO. PRDP – SU – IB – RO11 – DDN – 003 – 000 – 000 – 2023 – FMB;

**WHEREAS**, upon the opening of competitive bidding and after bid evaluation among contractor bidders who are interested to participate and willing to assume the afore-cited rehabilitation project, the Contractor has been found to be the Lowest Calculated Responsive Bid (LCRB) by the Bids and Awards Committee (BAC) of Davao del Norte;

**WHEREAS**, the Procuring Entity is desirous that the Contractor executes REHABILITATION OF KM. 15 KIPALILI – NEW LOON FMR WITH BRIDGE with Estimated Project Cost (EPC) of **TWO HUNDRED EIGHT MILLION SEVEN HUNDRED SIXTY THOUSAND PESOS (PHP 208,760,000.00)** under PRDP Subproject number: PRDP – SU – IB – RO11 – DDN – 003 – 000 – 000 – 2023 – FMB hereinafter called the **"Works"**, and the former has accepted the bid of the Contractor in the amount of **ONE HUNDRED EIGHTY-THREE MILLION SEVEN HUNDRED NINE THOUSAND ONE HUNDRED EIGHTY-FOUR PESOS AND SEVENTY-FIVE CENTAVOS (PHP 183,709,184.75)** for the execution and completion of such works.

**NOW THEREFORE**, for and in consideration of the foregoing premises, the parties hereto agreed, as by these presents, do hereby agree to be bound by the following terms and conditions, to wit:

## I-CONTRACT

This contract is an infrastructure project between the **PROVINCIAL GOVERNMENT OF DAVAO DEL NORTE** and **RELY CONSTRUCTION & SUPPLY, INC.** with approved Project pursuant to **PRDP Subproject I.D No. PRDP – SU – IB – RO11 – DDN – 003 – 000 – 000 – 2023 – FMB** hereinafter called the "*Infrastructure Project*".

The project consists of the **PRDP SUBPROJECT – REHABILITATION OF KM. 15 KIPALILI – NEW LOON FMR WITH BRIDGE AT BRGY. CONCEPTION, BRGY. NEW LOON, MUN. OF ASUNCION & BRGY. KIPALILI, MUN. OF SAN ISIDRO, DAVAO DEL NORTE, I.D NO. PRDP – SU – IB – RO11 – DDN – 003 – 000 – 000 – 2023 – FMB.**

Partial payment based on **progress billing** shall be the mode of payment. However, advance payment may be allowed upon formal request and approval of the other party in an amount not exceeding fifteen percent (15%) of the total contract price. But no release of final payment can be made unless and until the project has been completed, inspected and accepted by the Procuring Entity to its full satisfaction.

## II-DURATION

The intended work duration is **FOUR HUNDRED SIXTY-FIVE (465) CALENDAR DAYS INCLUSIVE OF EIGHTY (80) SUNDAYS AND HOLIDAYS** from the time the Notice to Proceed was issued by the Procuring Entity and received/acknowledged by the Contractor.

## III-CONTRACT PRICE

The **Estimated Project Cost (EPC)** for this project is Estimated Project Cost (EPC) of **TWO HUNDRED EIGHT MILLION SEVEN HUNDRED SIXTY THOUSAND PESOS (PHP 208,760,000.00)**. The Contractor submitted a bid quotation of **ONE HUNDRED EIGHTY-THREE MILLION SEVEN HUNDRED NINE THOUSAND ONE HUNDRED EIGHTY-FOUR PESOS AND SEVENTY-FIVE CENTAVOS (PHP 183,709,184.75)**.

## IV-GENERAL TERMS AND CONDITIONS

1. In this contract, words and expressions shall have the same meanings as are respectively assigned to them in the General and Special Conditions of the Contract. Whatever conflicts as to the provisions of the contract, the Special Conditions of the Contract shall prevail;
2. The Project bidding documents (Annex as "A") shall be attached, deemed to form as integral part of this contract, and be read and construed substantially in the following order as stated below:
  - a. General and Special Conditions of Contract;
  - b. Drawings/Plans;
  - c. Specifications;
  - d. Invitation to Apply for Eligibility and to Bid;
  - e. Instructions to Bidders;
  - f. Bid Data Sheet;
  - g. Addenda and/or Supplemental/Bid Bulletins, if any;
  - h. Bid Form including all the documents/statements contained in the Bidder's bidding envelope, as Annexes;
  - i. Eligibility requirements, documents and/or statements;
  - j. Performance Security;
  - k. Credit line issued by a licensed bank, if any;
  - l. Notice of Award of Contract and the Bidder's conforme' thereto;
  - m. Other contract documents that may be required by existing laws and/or the Entity such as, 1.) Environmental Management Plan (EMP), 2.) Environmental Clearance Certificate (ECC)/Certificate of Non-Coverage (CNC).

3. In consideration of the payments to be made by the Procuring Entity to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Procuring Entity to execute and complete the works and remedy any defects therein in conformity with the provisions of this Contract in all any respects.
4. The Procuring Entity hereby covenants to pay the Contractor in consideration of the execution and completion of the works and the remedying of defects wherein, the Contract price or such other sum as may became payable under the provisions of this Contract at the times and in the manner prescribed by this contract.

**IN WITNESS WHEREOF**, the parties hereunto affix their signatures this \_\_\_\_ day of \_\_\_\_\_ 2024, in Tagum City, Davao del Norte, Philippines.

**PROVINCIAL GOVERNMENT OF  
DAVAO DEL NORTE**  
*Procuring Entity*

Represented by:

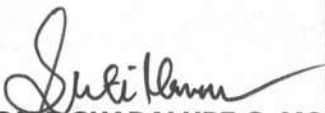
  
**EDWIN L. JUBAHIB**  
Governor


**RELY CONSTRUCTION  
& SUPPLY, INC.**  
*Contractor*

Represented by:

  
**RENATO R. CASTAÑEDA**  
Authorized Managing Officer

Signed in the presence of:

  
**MS. GALE GUADALUPE G. MORTILLERO**  
Assistant Provincial Administrator - Administration

and   
**ENGR. RUYARD P. CASTAÑEDA**

ACKNOWLEDGEMENT

Republic of the Philippines....)  
Province of Davao del Norte.)Sc.  
City of Tagum.....)  
X----- X

BEFORE ME, a Notary Public in the City of Tagum, Province of Davao del Norte, personally appeared:

Proofs of Identity	Date Issued	Place Issued
EDWIN I. JUBAHIB	GOV ID #9850	7/1/2019
		Mankilam, Tagum City
RENATO R. CASTAÑEDA	DRIVER'S LICENSE #L02-70-038543	01/03/2023
		DAVAO CITY

known to me to be the same persons who executed this Agreement and they acknowledged to me that the same is their free act and deed for and in behalf of the parties they represent.

This instrument consists of four (4) pages including this page wherein this acknowledgement is written and duly signed by the parties and their respective instrumental witnesses on the left portion of each and every page hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal this \_\_\_\_ day of \_\_\_\_\_, 2024 at \_\_\_\_\_ Philippines.

Doc. No. 491;  
Page No. 160;  
Book No. 41;  
Series of 2024.

ATTY. ANA MARIE L. VISTO  
Notary Public  
Until December 31, 2024  
Roll No. 87880  
IBP No. 391475/01-03-2024/Manila  
PTR No. 3522661/01-03-2024/Tagum  
TIN: 320-010-398  
MCLE Compliance: Admitted on 5-2-2023