

CONTRACT

(1 LOT CONTRACT PACKAGE: EQUIPMENT, LABOR AND MATERIALS FOR THE CONSTRUCTION OF WAREHOUSE PHASE 2, BRGY. CAPUNGAGAN, KAPALONG, DAVAO DEL NORTE)

KNOW ALL MEN BY THESE PRESENTS:

This Agreement is made and entered into this ____ day of AUG 01 2025, 2025 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-

TWO DEGREES CONSTRUCTION AND SUPPLY, a registered construction firm under the Department of Trade and Industry with Certificate No. 04803277, with business address at Lot 3 Blk 15 Pag-Ibig sa Buhangin Subd., Brgy. Cabantian, Buhangin District, Davao City, Davao del Sur, Region XI, duly represented by its General Manager, **KATTY M. LACABA** 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 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 through **20% DF CY 2025 – VARIOUS GOVERNMENT BUILDINGS AND FACILITIES DEVELOPMENT PROJECT – BUILDINGS (10704010)**, intends to apply the sum of **SIX MILLION PESOS (PHP 6,000,000.00)** being the Approved Budget for the Contract (ABC) for the **1 LOT CONTRACT PACKAGE: EQUIPMENT, LABOR AND MATERIALS FOR THE CONSTRUCTION OF WAREHOUSE PHASE 2, BRGY. CAPUNGAGAN, KAPALONG, DAVAO DEL NORTE** by virtue of the **Purchase Request No. 2024126924** the bidding was conducted for the purpose through Infrastructure Project Agreement governed by Republic Act 9184 otherwise known as "The Government Procurement Reform Act";

WHEREAS, upon the opening of competitive bidding and after proper evaluation of the criteria and standards set forth by law, the Bids and Awards Committee (BAC) through **BAC Resolution No. 17, series of 2025**, resolved to declare the Contractor as the **Lowest Calculated and Responsive Bidder** to undertake the afore-cited Infrastructure Project;

WHEREAS, the Contractor has been in the business of conducting construction, rehabilitation, improvements of buildings, bridges and other infrastructure projects in different areas of the country particularly in Mindanao area including rural construction facilities;

WHEREAS, the Contractor is willing to undertake and implement the project in the manner provided under this contract, existing laws and/or upon the request by the Procuring Entity.

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 agreement is an infrastructure project between the **PROVINCIAL GOVERNMENT OF DAVAO DEL NORTE** and **TWO DEGREES CONSTRUCTION AND SUPPLY** with approved project pursuant to **Purchase Request No. 2024126924** hereinafter called the "Infrastructure Project".

The project consists of the **1 LOT CONTRACT PACKAGE: EQUIPMENT, LABOR AND MATERIALS FOR THE CONSTRUCTION OF WAREHOUSE PHASE 2, BRGY. CAPUNGAGAN, KAPALONG, DAVAO DEL NORTE.**

Payment shall be made **through progress billing**. 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 **TWO HUNDRED (200) CALENDAR DAYS**, from the time the Notice to Proceed was issued by the Procuring Entity and received/acknowledged by the Contractor.

III-CONTRACT PRICE

The Provincial Government of Davao del Norte has an Approved Budget of the Contract (ABC) of **SIX MILLION PESOS (PHP 6,000,000.00)**. The Contractor submitted a bid quotation of **FIVE MILLION NINE HUNDRED NINETY-FIVE THOUSAND THIRTY PESOS AND ONE CENTAVO (PHP 5,995,030.01)**

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:

- I. Invitation Bid;
- II. Instruction to Bidders;
- III. Bid Data Sheet;
- IV. General Conditions of Contract;
- V. Special Conditions of Contract;
- VI. Specifications;
- VII. Drawings;
- VIII. Bill of Quantities;
- IX. Bidding Forms;
- X. Sample Forms;
- XI. Checklist of Eligibility and Technical Requirements;
- XII. Sealing and Marking of Bids

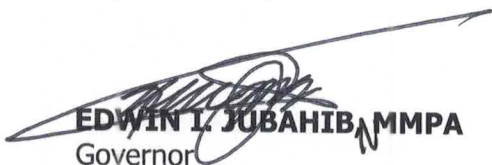
3. In consideration of the payments to be made by the Procuring Entity to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Procuring Entity to execute and complete the above-described Infrastructure Project and remedy any defects therein in conformity with the provisions of this contract in all respects;
4. The contractor shall assume full responsibility for the contract work from the time project construction commenced up to a reasonable period taking into consideration the scale and coverage of the project from its final acceptance by the Procuring Entity. Provided further, that the contractor shall undertake the repair works, at his own expense, of any defect or damage to the infrastructure projects on account of the use of materials of inferior quality within ninety (90) days from the time the Procuring Entity has issued an order to undertake repair. In case of failure or refusal to comply with this mandate, the government shall undertake such repair works and shall be entitled to full reimbursement of expenses incurred therein upon demand. (*Section 62- Warranty of Republic Act 9184 as further defined in the Revised Implementing Rules and Regulations*).
5. The 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 become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.
6. Any cause of action arising from this Contract shall be mediated first before the Arbiter which is the Construction Industry Arbitration Commission located at 4th Floor, Jupiter Building, No. 56 Jupiter St., Bel-Air, Makati City. Should arbitration fail, the cause of action shall be exclusively filed with the appropriate court in Tagum City, Davao del Norte.

IN WITNESS WHEREOF, the parties hereunto affix their signatures this day of AUG 01 2025 2025, in Tagum City, Davao del Norte, Philippines.

**PROVINCIAL GOVERNMENT OF
DAVAO DEL NORTE**

Procuring Entity

Represented by:


EDWIN L. JUBAHIB, MMPA
Governor

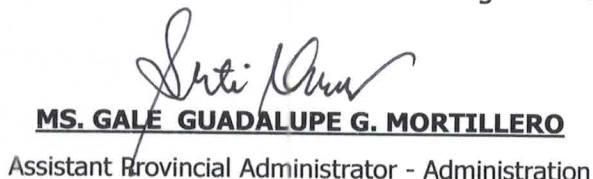
**TWO DEGREES CONSTRUCTION AND
SUPPLY**

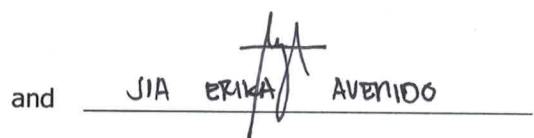
Contractor

Represented by:


KATTY M. LACABA
General Manager

Signed in the presence of:


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

and 
JIA ERIKA AVENIDO

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, MMPA	GOV ID #9850	7/1/2019	Mankilam, Tagum City
KATTY M. LACABA	<u>2411466A</u>	<u>01/10/2025</u>	<u>DAVAO CITY</u>

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 AUG 06 2025, 2025 at _____, Philippines.

Doc. No. 413;
Page No. 84;
Book No. 2;
Series of 2025.

ATTY. JAN-LAWRENCE P. OLACO
Notary Public for Davao City
Commission Serial No. 2024-281-2025
Valid until December 31, 2025
Roll of Attorneys No. 86726
BP No: 489402 - 12/30/2024 (for 2025)
PTR No: 0748245D - 01/03/2025
MCLE Compliance No. VIII-0016023

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