



Contract No2023043

CONTRACT AGREEMENT

This Agreement, made this 2nd day of **June, 2023** between the **MUNICIPAL GOVERNMENT OF SANTOL, LA UNION, PHILIPPINES** (hereinafter called as "THE OWNER") and **RAPHAEL CONSTRUCTION** (herein after called as "THE CONTRACTOR");

Whereas, the Entity invited Bids for certain civil works and ancillary services, viz., **IMPROVEMENT OF AMBAGAT FARM TO MARKET ROAD (IBAY SECTION - CORRO-OY)** and has accepted a Bid by the Contractor for the supply of those civil works and services in the sum of **Four million nine hundred seventy seven thousand five hundred twelve pesos and 05/100 (Php 4,977,512.05)**.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.

2. The following documents shall be attached, deemed to form, and be read and construed as part of this Agreement, to wit:

- a. General and Special Conditions of Contract;
- b. Drawings/Plans;
- c. The Technical Specifications;
- d. Invitation to Bid;
- e. Instruction to Bidders;
- f. Bid Data Sheet;
- g. Addenda and/or Supplemental/Bid Bulletins, if any;
- h. Bid From, including all documents/statements contained in the Bidders bidding envelopes, as annexes, and all other documents submitted (e.g., Bidders response to request for clarifications on the bid), including corrections to the bid, if any, resulting from the Procuring Entity's bid Evaluation;
- i. Eligibility requirements, documents and/or statements;
- j. Performance Security;
- k. Notice of Award of Contract and the Bidder's conforme thereto;
- l. Other contract documents that may be required by existing laws and/or the Entity.

3. In consideration of the payments to be made by the Entity to the Contractor as hereinafter mentioned, the CONTRACTOR hereby covenants with the OWNER to execute and complete the CIVIL WORKS and remedy any defects herein in conformity with the provisions of this Contract in all respects.

4. In consideration of the payments to be made by the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the OWNER to execute and complete the WORKS within **108 Calendar days** and if the CONTRACTOR fails to satisfactorily complete the work under the contract within the specified work schedule, as provided in the RA9184 IRR Section 42.4. The contract Termination Guidelines as provided in Annex "I" of this IRR. III Grounds for Termination of Contracts – 2-The Procuring Entity shall terminate a contract for default when any of the following conditions attend its implementation: a-c (IRR).

5. The OWNER 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.



IN WITNESS whereof, the parties thereto have caused this Agreement to be executed in accordance with the laws of the Republic of the Philippines on the day and year first before written.

RAPHAEL CONSTRUCTION
Contractor

NELSON O. LIBAO
Owner/Manager
(Party of the 2nd Part)
Res. Cert. No. 02619444
Issued on January 6, 2023
Issued at: Bangar, La Union

MUNICIPAL GOVERNMENT OF
SANTOL, LA UNION

ENGR. MAGNO A. WAILAN
Municipal Mayor
(Party of the 1st Part)
Res. Cert. No. 02625601
Issued on January 5, 2023
Issued at Santol, La Union

ENGR. LORNA M. OMINGA
BAC Chairman

SIGNED IN THE PRESENCE OF

LORETA W. MILLARES
BAC Vice-Chairman

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES]
PROVINCE OF LA UNION] SS
CITY/MUNICIPALITY SANTOL]

Before me, a Notary Public, for and in the Province of La Union this **2nd day of June, 2023** personally appeared the above parties, with their Community Tax Certificate Numbers indicated below their signature, known to me and to me known to be the same person who executed the foregoing instrument and the acknowledged to me that the same is their free act and voluntary deed.

WITNESS MY HAND AND NOTARIAL SEAL.

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ATTY. ROSEMARIE M. WAILAN
NOTARY PUBLIC
ANG No. 2022-01N / FOR LA UNION UNTIL DEC. 31, 2025
ROLL No. 68827 / TIN No. 928-040-948
NBP LIFETIME ID. 01580/5/10/17/PASIG CITY
MCLE COMPLIANCE No. VIII-0001797



Republic of the Philippines
Province of La Union
MUNICIPALITY OF SANTOL
OFFICE OF THE MUNICIPAL MAYOR
Bids and Awards Committee



NOTICE TO PROCEED

June 6, 2023

RAPHAEL CONSTRUCTION
Quintarong, Bangar
La Union

Dear Sir:


The attached Contract Agreement, having been approved, Notice is hereby given to proceed with the contract, **IMPROVEMENT OF AMBAGAT FARM TO MARKET ROAD (IBAY SECTION - CORRO-OY), CORRO-OY, SANTOL, LA UNION** for the Municipality of Santol, La Union, with contract price of **FOUR MILLION NINE HUNDRED SEVENTY SEVEN THOUSAND FIVE HUNDRED TWELVE PESOS AND 05/100 (Php 4,977,512.05)**, effective upon receipt of this Notice.

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt of this notice by accomplishing/signing the blank spaces provided herein below.

Very truly yours,


ENGR. MAGNO A. WAILAN
Municipal Mayor

I acknowledge receipt of this Notice on June 6, 2023
Name of Representative of Bidder _____
Authorized Signature  _____



Republic of the Philippines
Province of La Union
MUNICIPALITY OF SANTOL
OFFICE OF THE MUNICIPAL MAYOR
Bids and Awards Committee



NOTICE OF AWARD

June 1, 2023

RAPHAEL CONSTRUCTION
#31 Quintarong, Bangar
La Union

Dear MR LIBAO:

We are happy to notify you that the **IMPROVEMENT OF AMBAGAT FARM TO MARKET ROAD 9IBAY SECTION – CORRO-OY** is hereby awarded to you as the Bidder with the Lowest Calculated Responsive Bid at a Contract price equivalent **Four million nine hundred seventy seven thousand five hundred twelve pesos and 05/100 (Php 4,977,512.05).**

You are therefore required, within then (10) day from the receipt of this Notice of Award, to formally enter into contract with us, and to submit the Performance Security in the form and the amount stipulated in the Instructions to Bidders.

FORM OF PERFORMANCE SECURITY	AMOUNT OF BID SECURITY (Equal to percentage of Total Contract Price)
a.) Cash or cashiers/managers check issued by a universal or commercial bank.	Ten Percent (10%) Which is P 467,751.20
b.) Bank draft/ guarantee or irrevocable letter of credit issued by a universal or commercial bank: Provided, however, that is shall be confirmed or authenticated by a universal or commercial bank, if issued by a foreign bank.	
c.) Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security; and/or	Thirty Percent (30%) Which is P 1,493,253.61
d.) Any combination of the foregoing	Proportion to share of form with respect to total amount of security.

Failure to enter into the said contract or award the Performance Security shall constitute a sufficient ground for cancellation of this award and forfeiture of your Bid Security.

Very truly yours,


ENGR. MAGNO A. WILAN
Municipal Mayor

Conformed:


NELSON O. LIBAO
Name of Representative

RAPHAEL CONSTRUCTION
Date: June 1, 2023