REPUBLIC OF THE PHILIPPINES
Department of Science and Technology
PHILIPPINE ATMOSPHERIC, GEOPHYSICAL and ASTRONOMICAL SERVICES ADMINISTRATION (PAGASA)
Science Garden, BIR Road, Diliman, Quezon City 1101
www.pagasa.dost.com.ph / pagasa_bac@yahoo.com
Tel./Fax No. 4342579 / 4349039

NOTICE OF AWARD

CPR Construction and Supply Inc.
Manzanilla Street, Basud, Polangui, Albay
Telefax: 052 486 2351
E-mail Add: cprconstsupply@yahoo.com.ph

Thru: **MR. JOSE V. MAGAT**
Authorized Managing Officer

Sir/Madame:

We are pleased to notify you that the PAGASA Management has approved the award to your firm the contract for the "**Construction of New PAGASA Building, Powerhouse, Observer's Quarter and Perimeter Fence in Camiguin (PR No. 2018-02-0152 / IB No. 2018-016INF**) in the total calculated amount of **FOUR MILLION FOUR HUNDRED THIRTY THOUSAND FOUR HUNDRED FOURTEEN and 18/100 PESOS (Php4,430,414.18) ONLY.**

You are therefore requested to accept and conform to this award by affixing your signature hereunder and provide within **ten (10) calendar days**, from receipt hereof, the requisite performance security in any of the following forms:

Form of Performance Security	AMOUNT (Equal to Percentage of the Total Contract Price)	
• Cash or Cashier's/Manager's check, Bank Draft/Guarantee confirmed by a Universal or Commercial Bank.	**5%**	**Php221,520.71**
• Irrevocable letter of credit issued by a Universal or Commercial Bank.		
• Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	**30%**	**Php1,329,124.25**

Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Very truly yours,

VICENTE B. MALANO, Ph.D.
Administrator

Conforme:

Date: JAN. 18, 2019

REPUBLIC OF THE PHILIPPINES
Department of Science and Technology
PHILIPPINE ATMOSPHERIC, GEOPHYSICAL and
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Science Garden, Agham Road, Diliman, Quezon City 1101
www.pagasa.dost.com.ph / pagasa_bac@yahoo.com
Tel./Fax No. 4342661 / 4343817

Bids and Awards Committee (BAC) Resolution Declaring Single Calculated and Responsive Bid (SCRB) and Recommending Award and Approval

Resolution No. 2018-062

WHEREAS, the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), through the PAGASA Bids and Awards Committee, advertised the Invitation to Bid (IB) at a nationwide newspaper, the PAGASA website, the G-EPS and PAGASA Bulletin board continuously for 7 days from **15 to 22 October 2018,** the procurement of the following goods/items described hereunder, with its corresponding Approved Budget for Contract (ABC), under **PR#2018-02-0152 and ITB 2018-016inf**, to wit:

PARTICULARS	ABC	Contract Duration
Construction of New PAGASA Synoptic Building, Powerhouse , Observer's Quarter and Perimeter Fence in Camiguin	**Php4,439,951.32**	**150 c.d.**

WHEREAS, the provision of R.A. 9184 and its Revised Implementing Rules and Regulations (IRR), other pertinent guidelines and procedures relative to government procurement system are hereby observed and strictly implemented for the whole duration of this bidding activity;

WHEREAS, in response to the said invitation, **only one prospective bidder, CPR Construction and Supply, Inc.,** expressed its intention to participate in the bidding of the aforesaid Project, purchased the requisite bidding documents and attended the **Pre-Bid Conference** conducted by the PAGASA-BAC on **05 November 2018**;

WHEREAS, on **16 November 2018,** the **schedule for submission and opening** of Envelope I (Eligibility and Technical Components) and Envelope II (Financial Component), **CPR Construction and Supply Inc.** timely submitted its bid tender and passed the preliminary examination of bids;

WHEREAS, the lone bidder's financial proposal has been accepted for not exceeding the ABC. Its bid tender, "as Read", is as follows:

Name of Bidder	Bid Amount (As Read)	RANK
CPR Construction and Supply, Inc.	**Php4,436,814.18**	**1**

WHEREAS, the report on the detailed evaluation of bids conducted by the TWG resulted in the following:

Name of Bidder	Bid Amount (As Calculated)	RANK
CPR Construction and Supply, Inc.	**Php4,430,414.18**	**1**

WHEREAS, upon careful examination, validation and verification of **CPR Construction and Supply, Inc.**, tender documents, including the evaluation report submitted by the TWG, the PAGASA-BAC determined that, **the lone bidder** has complied accordingly on all the criteria for post-qualification and was responsive on all requirements and conditions specified in the Bidding Documents. Hence, it was moved and duly seconded that CPR Construction and Supply, Inc. be declared as the **Single Calculated and Responsive Bidder (SCRB)** for the Project.

NOW, THEREFORE, We, the Members of the Bids and Awards Committee, hereby **RESOLVE** as it is hereby **RESOLVED**:

a) to **DECLARE**, CPR Construction and Supply, Inc., as the Bidder with the Single Calculated and Responsive Bid (SCRB) for the Project entitled, Construction of New PAGASA Synoptic Building, Powerhouse , Observer's Quarter and Perimeter Fence in Camiguin, in the **total amount of FOUR MILLION FOUR HUNDRED THIRTY THOUSAND FOUR HUNDRED FOURTEEN PESOS AND 18/100 (Php4,430,414.18);**

b) to **RECOMMEND**, further, to the Administrator, PAGASA, the award of the contract to the latter; and,

c) to **RECOMMEND**, finally the **APPROVAL** of the foregoing findings and recommendations.

RESOLVED this 16TH DAY OF NOVEMBER 2018 at the Amihan Conference Room, 2nd Floor, PAGASA Main Building, Science Garden Complex, BIR Road, Diliman, Quezon City.

EDWIN F. MANRESA
Interim Member/End-user

JOEL C. RIVERA
Member

(On Leave)
CESAR A. RAMOS
Member

EDNA L. JUANILLO
1st Vice-Chairperson

Engr. JESSIE B. ARCE
2nd Vice-Chairperson

Engr. CATALINO L. DAVIS
Chairperson

APPROVED/DISAPPROVED:

VICENTE B. MALANO, Ph.D.
Administrator

Approved on _____

REPUBLIC OF THE PHILIPPINES
Department of Science and Technology
Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA)
Science Garden, BIR Road, Diliman, Quezon City 1100
Tel. No. (02) 434-25-79; Fax. (02) 434-90-39
pagasa_bac@yahoo.com

NOTICE TO PROCEED

CPR CONSTRUCION AND SUPPLY, INC>
Manzanilla Street, Basud, Polangui, Albay
Tel# / Fax# (052) 486-2351
E-mail Add: cprconstsupply@yahoo.com.ph

Thru: **Mr. JOSE V. MAGAT**
Authorized Managing Officer

Sir / Madam:

The attached **CONTRACT** (Contract ID No. CI 2019-004 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 New PAGASA Building, Powerhouse, Observer's Quarter and Perimeter Fence in Camiguin (PR No. 2018-02-0152 / IB No. 2018-016INF**), 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,

VICENTE B. MALANO, Ph.D.
Administrator

I hereby acknowledge receipt of this Notice on FEB. 19, 2019
(date of receipt)

Name of Representative of the Bidder: JOSIE D. SANTIAGO

Authorized Signature: _____

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www.pagasa.dost.com.ph / pagasa_bac@yahoo.com
Tel./Fax No. 4342579 / 4349039

Contract ID No. : CI 2019-004
Contract Name : **Construction of New PAGASA Synoptic Building Power house, Observer's Quarter and Perimeter Fence**

Location of the Project : **Camiguin**

INFRASTRUCTURE CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

This Agreement is made and entered into at Quezon City, Philippines, this FEB 19 2019 day of _____ 2019, 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 **CPR CONSTRUCTION AND SUPPLY INC.,** a sole corporation duly organized and existing under and by virtue of the laws of the Philippines, with office and postal address located at Manzanilla Street, Basud, Polangui, Albay, represented herein by its Authorized Managing Officer, **ENGR. JOSE V. MAGAT.**, and hereinafter referred to as the "**CONTRACTOR**".

WITNESSETH:

WHEREAS, PAGASA is desirous that certain works be undertaken, *viz.*: Construction of New PAGASA Synoptic Building, Power House, Observer's Quarter's and Perimeter Fence in Camiguin *(Reference: **PR#2018-02-0152 / ITB No. 2018-016INF**)*, hereinafter referred to as the "**PROJECT";**

WHEREAS, by virtue of **PAGASA-BAC Resolution No. 2018-062**, *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 Bid (SCRB)** in its total calculated bid offer of **FOUR MILLION FOUR HUNDRED THIRTY THOUSAND FOUR HUNDRED FOURTEEN AND 18/100 (Php4,430,414.18) 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:

Attachment	a)	Notice to Proceed;
Attachment	b)	Performance Security;
Attachment	c)	Notice of Award and the Bidder's conforme thereto;
Attachment	d)	PAGASA-BAC Resolution No. 2018-062;
Attachment	e)	Abstract of Bids, "as Read" and "as Calculated";
Attachment	f)	Addendum and/or Supplemental/Bid Bulletins (SBB);
Attachment	g)	Detailed Evaluation Report submitted by the TWG;
Attachment	h)	Minutes of the Meeting;
Attachment	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;
Attachment	j)	Invitation to Bid (ITB) / Notice to Bidders;
Attachment	k)	IPP, Purchase Request including the Terms of Reference (TOR) and necessary permits issued by various government authorities;
Attachment	l)	Bid Data Sheet (BDS);
Attachment	m)	Instructions to Bidders;
Attachment	n)	General and Special Conditions of the Contract

Attachment 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:

Synoptic Station Building, Observer's Quarters and Powerhouse

1. **Mobilization and Demobilization**
2. **Permits and Other Fees**
3. **Temporary Facilities for PAGASA Monitoring Engineer**
4. **Occupational Health and Safety Program**.
   - Basic P.P.E. for workers at site good for 90 C.D.
5. **Construction Survey**
   - Conduct necessary field survey and investigation which may include topographic survey and other surveys shall be carried out in

accordance with the design guidelines, criteria and standards adopted by the agency.

6. **Project Billboard/Signage**
7. **Earthworks**
   - Clearing, grubbing cutting of trees etc.
   - Stripping
   - Foundation Excavation, Common, Rock
   - Backfilling
8. **Soil Poisoning**
9. **Concrete Works**
   - All structural members, footings, beams, columns, slabs, stairs, porch, ramps and concrete perimeter path walk, path walk from main entrance to main gate, path walk for weather instruments.
     - Concrete shall be 3000 psi.
     - Steel shall have fy =414MPa (main bars), fy = 276MPa (ties)
     - Tie wire shall be #16 G.I.
     - Gravel shall be ¾" in size and sand shall be free from unsuitable materials.
     - Water shall be clean and potable.
10. **Masonry Works, Mortar and Plastering Works**
    - All CHB walls shall be 700psi. Exterior 150mm., Interior 100mm.
    - Mortar and plaster shall be Class A mix.

11. **Roofing Works and Trusses**
    - The roof shall be long span pre-painted rib type and has gauge 24, thickness = 0.6mm.
    - Ridge roll shall be gauge 24 (0.6mm.).
    - Trusses shall be composed of angle bars, purlins, flat bars, round bars and turn buckles.
    - Gutter shall be stainless to avoid corrosion. (for quarters and powerhouse)
    - Flashing shall be galvanized gauge 24.
    - Hipped roll shall be galvanized gauge 24.
    - All steel works shall be primed with red oxide.
12. **Ceiling Works**
    - The ceiling shall be made of fiber cement board t = 6mm., on good lumber framing or metal furring.
13. **Kitchen and Counter Cabinets**
    - Shall be made of aluminum for the counter cabinet and ¾" thick marine plywood for the overhead cabinet.
14. **Doors and Windows**

Doors

Location	Specifications
Main Entrance Door	2-sets, Tanguile panel door (0.90 m x 2.10m) including door jamb *complete with lockset and other door accessories.*
Rear Exit Door	1-set, Tanguile panel door (0.80 m x 2.10m) including door jamb *complete with lockset and other*

	door accessories.
Radio Room Door	1-set, Tanguile panel door w/ 3 mm thick glass pane upper portion and lumber at lower portion (0.70m x 2.10 m) and yakal door jamb *complete with lockset and other door accessories*
Comfort Room Door	2-sets, plastic door (0.65m x 2.10m) *complete with lockset and other door accessories.*
Observer's Quarter Door	2-sets, Flush door (0.80 m x 2.10m) including door jamb *complete with lockset and other door accessories.*

Windows

Location	Specifications
Steel Casement Window	2-sets, Steel casement window w/3mm thick clear glass cover w/12mm sq. bar protective grills (2.10m x 1.30m) *complete with lockset and other window accessories with steel grille square bar*
Steel Casement Window	4-sets, Steel casement window w/3mm thick clear glass cover w/12mm sq. bar protective grills (1.40m x 1.30m) *complete with lockset and other window accessories with steel grille square bar*
Steel Casement Window	2-sets, Steel casement window w/3mm thick clear glass cover w/12mm sq. bar protective grills (0.70m x 1.30m) *complete with lockset and other window accessories with steel grille square bar*
Steel Casement Window	1-set, Steel casement window w/3mm thick clear glass cover w/12mm sq. bar protective grills

	(0.70m x 0.50m) *complete with lockset and other window accessories with steel grille square bar*
Steel Casement Window (Quarters)	2-sets, Steel casement window w/3mm thick clear glass cover w/12mm sq. bar protective grills (0.80m x 1.10m) *complete with lockset and other window accessories with steel grille square bar*
Steel Casement Window (Quarters)	2-sets, Steel casement window w/3mm thick clear glass cover w/12mm sq. bar protective grills (0.80m x 0.70m) *complete with lockset and other window accessories with steel grille square bar*

15. Electrical Works

- Panel Board.
- Wires, Electrical and Wiring devices.
- Lighting fixtures and lamps including Perimeter Fence Lighting.
- Pipes, Fittings, and boxes
- Concrete service entrance post and other miscellaneous materials.
  - Concrete shall be 3000 psi.
  - Steel shall have fy =414MPa (main bars), fy = 276MPa (ties)
  - Tie wire shall be #16 G.I.
  - Gravel shall be ¾" in size and sand shall be free from unsuitable materials.
  - Water shall be clean and potable.

Note: Coordinate with the Electrical/Mechanical Unit of PAGASA

16. Sanitary and Plumbing works

- Waste, Downspout and vent line piping system.
  - All waste and vent pipes shall be uPVC Series 1000.
- Cold water line piping system.
  - Shall be uPVC Pipe Series 8 and shall conform with PNS 65:1993 Specification for uPVC Pipes for Potable Water Supply.
- Plumbing Fixtures.
  - All plumbing fixtures shall be made of vitreous china complete with fittings.
- Catch Basin, drain pipes and concrete canal.
  - Concrete shall be 3000 psi.
  - Steel shall have fy =414MPa (main bars), fy = 276MPa (ties)
  - Tie wire shall be #16 G.I.
  - Gravel shall be ¾" in size and sand shall be free from unsuitable materials.
  - Water shall be clean and potable.

- Septic Tank.
  - The septic tank shall requirements shall conform with the requirements of the Revised National Plumbing Code of the Philippines and Sanitary Code of the Philippines.
- Bathroom and toilet accessories
  - Shower head and fitting shall be movable and shall be stainless steel of type.
  - Grab bars shall be made of stainless steel pipe and mounting flange.
  - Floor Drains shall be made of stainless steel beehive type, measuring 100mm. x 100mm. and provide with detachable stainless strainer, expanded metal lath type.

17. Painting works

- 3 coats for all painting works steel, wood and concrete.

18. Tile Works and other floor finishes

- Floor Tiles (Office and Quarters) – shall be 600mm. x 600mm., vitrified floor tiles, porcelain or natural clay with cushioned edges.
- Floor Tiles (Office C.R. and Quarters C.R.) – shall be 600mm. x 600mm., (non-skid) vitrified floor tiles, porcelain or natural clay with cushioned edges.
- Wall Tile (Office C.R. and Quarters C.R.) – shall be 600mm. x 600mm., vitrified floor tiles, porcelain or natural clay with cushioned edges.
- Kitchen Counter shall be made of granite slab.
- Powerhouse (Genset house) shall be cement floor finish

19. Waterproofing of Concrete Gutter and entrance canopy

- Cement-base waterproofing powder mix shall be cement-base, aggregate type, heavy duty, water-proof coating reinforced concrete surface and masonry exposed to water.
- Water shall be clean, clear and potable.

20. Flagpole

- Pole
  - the pole shall be stainless steel 304 (frosted) with a minimum height of 20'.
  - The base plate shall be anchored using galvanized steel.
  - Anchor bolts will be secured in foundation utilizing 3000psi concrete.
- Flag
  - The flag specifications shall conform with R.A. No. 8491 *An Act Prescribing the code of the National Flag, Anthem, Motto, Coat-Of-Arms and other heraldic items and devices of the Philippines.*

21. Construction of Plant Box, Perimeter path walk, path walk from main entrance to main gate, path walk to weather instruments and PWD ramp.

- Plant box
  - shall be made of 6" thick CHB plastered smooth cement finish.
  - 3 coats painted with elastomeric paint.
  - Plants shall also be provided.
- Perimeter path walk, path walk from main entrance to main gate, path walk to weather instruments.
  - shall be smooth cement finish with a thickness of 100mm. from natural grade line.
  - Concrete shall be class b mix.
- PWD ramp
  - Ramp shall conform with the Batas Pambansa Bilang 344.
  - Railings for ramps shall be stainless steel (SS304-frosted).

- Ramp shall consist of 20mm. thick groove to provide grip on the wheel chair of PWD.

22. Perimeter Fence

- Refer to conceptual drawing provided by PAGASA.

23. Observer's Quarters and Powerhouse

- Refer to conceptual drawing provided by PAGASA
- Powerhouse
  - Main Door of Powerhouse shall be made of steel with steel louver.
  - For ventilation the Powerhouse shall be ventilated with steel louver.
  - Powerhouse roof shall be concrete slab, and shall be able to support a 1200 Liters of stainless steel tank.
  - The Stainless Steel shall be SS304.

24. Water Connection, and Water Supply System

- Water connection, processing fee and shall be bore by the winning bidder if the site has local water utilities provider.
- If local water utilities provider is not present at the location, deep well shall be consider or other water system that is applicable to the site.

25. Formworks fabrication and Installation

- Formworks and false works shall be durable and can withstand the loads of concrete.

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 the 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 **One Hundred Fifty (150) 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 **FOUR MILLION FOUR HUNDRED THIRTY THOUSAND FOUR HUNDRED FOURTEEN & 18/100 PESOS (Php4,430,414.18) 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 Vetarans 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 **CONRACTOR** 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)	**CPR CONSTRUCTION and SUPPLY, INC.**
By:	By:
VICENTE B. MALANO, Ph.D. Administrator	**JOSE V MAGAT.** Authorized Managing Officer

Signed in the Presence of:

ENGR. EDWIN F. MANRESA Chief, ETSD	JOSIE D. SANTIAGO Witness for the **Contractor**

Funds Available:

BERNARD LOUISE C. DATUIN
OIC, Accounting Section

ORS# 2018-12-7353
1060401000
4,430,444.18

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
JOSE V. MAGAT	PIC # 34099	PRC	MANILA

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.

SIGNED AND SEALED on FEB 19 2019 2019 at Quezon City.

Doc. No. 437;
Page No. 88;
Book No. XIII;
Series of 2019.

ATTY. FLORIMOND G. ROUS
Notary Public for Quezon City
Until December 31, 2019
PTR No. 5521227 / 01-3-19/ Q.C.
IBP LIFETIME NO. 00315
ROLL NO. 25769 / TIN. 142-154-935
MCLE 5 Comp.00001549; 1-22-214
Adm. Matter No.162 / RTC-QC / 2018-2019