

# CONTRACT AND AGREEMENT

FOR THE

## Improvement of CSU Milk Processing Facility (Phase 1) and Completion of Goat Facility

**KNOW ALL MEN BY THESE PRESENTS:**

JUL 01 2022

This Contract and Agreement made and entered into this 1<sup>st</sup> day of June, 2022 at Butuan City, Philippines,

by and between:

The **CARAGA STATE UNIVERSITY**, an educational institution organized and existing under Republic Act # 9854, An Act ESTABLISHING THE CARAGA STATE UNIVERSITY IN THE CARAGA REGION BY INTEGRATING THE NORTHERN MINDANAO STATE INSTITUTE OF SCIENCE AND TECHNOLOGY (NORMISIST) IN AMPAYON, BUTUAN CITY AND THE NORTHERN MINDANAO COLLEGE OF ARTS, SCIENCE AND TECHNOLOGY (NMCAST) IN CABADBARAN, AGUSAN DEL NORTE AND APPROPRIATING FUNDS THEREFOR, with principal office address at Ampayon, Butuan City, represented herein by its University President, **ANTHONY M. PENASO, Ph.D.**, as the PARTY OF THE FIRST PART hereinafter referred as the **OWNER**;

and

**TWO J.E CONSTRUCTION AND SUPPLY** a construction duly organized and existing by virtue of the laws of the Philippines with office address at Purok 1 Ambago, Butuan City Agusan del Norte Philippines 8600, represented by **ABRAHAM O. EDNILAN**, Proprietor/Manager, as the PARTY OF THE SECOND PART, hereinafter referred to as the **CONTRACTOR** who has been duly authorized for this purpose;

### "WITNESSETH"

**WHEREAS**, in accordance with the advertisement of the OWNER published/posted in accordance with the Revised Implementing Rules & Regulation of R.A. 9184, the CONTRACTOR and other contractor/bidders submitted bids to contract and completed the project with Project Reference Number **8630692: Improvement of CSU Milk Processing Facility (Phase 1) and Completion of Goat Facility** in accordance with the plans & specifications & requirements thereof;

**WHEREAS**, the above-mentioned project has been undertaken through Competitive Public Bidding;

**WHEREAS**, the result of the Post Qualification of Bids as Calculated conducted on **May 27, 2022** the bid price of the CONTRACTOR was found to be the Lowest Calculated and Responsive Bid;

**WHEREAS**, the Bids and Award Committee, under Resolution **No. 34, s. 2022**, dated **May 27, 2022** recommended to the CSU Board of Regents, to award the above-mentioned Bid to the CONTRACTOR in the amount of **One Million Nine Hundred Ninety-nine Thousand Eight Hundred Twenty-nine and Thirty-seven Cents (Php. 1,999,829.37)** Philippine Currency.

  
**JONNY M. EDNILAN**  
Project Manager

  
**ABRAHAM O. EDNILAN**  
Proprietor/Manager

  
**TOMAS M. AUSTRAL JR.**  
End-User

  
**ARMIE LEILA M. MORDENO, DPA, CSEE**  
Vice President for Administration and Finance

  
**ANTHONY M. PENASO, Ph.D.**  
University President

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### NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. That in this Contract and Agreement, words and expressions shall have same meanings as are respectively assigned to them in the Conditions of Contract which likewise form an integral part of this Contract and Agreement;
2. That the following documents shall be deemed to form and be read and construed as part of this Agreement, viz:
  - a. Contract and Agreement;
  - b. Conditions of Contract;
  - c. Drawings/Plan;
  - d. Technical Specifications;
  - e. Invitation to Bid;
  - f. Bid Form including all the documents contained in the winning bidder's two bidding envelopes, as ANNEXES;
    - i. Bid Security as to form, amount and validity period;
    - ii. Construction Schedule and S-curve;
    - iii. Manpower Schedule;
    - iv. Construction Methods;
    - v. Organizational Chart for the Contract to be Bid;
    - vi. List of Contractor's personnel (viz., Project Manager, Project Engineer, Materials Engineer and Foreman), to be assigned to the contact to be bid, with their complete qualifications and experiences data;
    - vii. List of Contractor's equipment units, which are owned, leased, and/or under purchase agreements, supported by duly executed contracts therefore, and intended for use exclusively in the contract to be bid;
    - viii. Equipment Utilization Schedule;
    - ix. Affidavit of Site Inspection;
    - x. Construction Safety and Health Program of the contractor;
    - xi. Pert/CPM or other acceptable tools of project scheduling;
    - xii. Omnibus Sworn Statement;
    - xiii. Bid Prices in the Bill of Quantities in the prescribed Bid Form;
    - xiv. Detailed Estimates including a summary sheet indicating the unit rentals used in coming up with the bid; and
    - xv. Cash Flow by the Quarter and Payments Schedule;
  - g. Eligibility requirements, documents and/or statements;
  - h. Performance Security;
  - i. NFCC
  - j. Notice of Award of Contract and Contractor's "Conforme " thereto; and

  
**JONNY M. EDNILAN**  
Project Manager

  
**ABRAHAM O. EDNILAN**  
Proprietor/Manager

  
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## **Improvement of CSU Milk Processing Facility (Phase 1) and Completion of Goat Facility**

3. That in consideration of the Payments to be made by the OWNER to the CONTRACTOR as hereinafter mentioned, the CONTRACTOR hereby covenants with the OWNER to execute and complete the WORKS and remedy any defects therein in conformity, in all respects, with the provisions of this CONTRACT;
4. That the CONTRACTOR willfully & faithfully furnished all required materials and labor and will complete the said project with Project Reference Number **8630572: Improvement of CSU Milk Processing Facility (Phase 1) and Completion of Goat Facility** and hereby agrees to complete the contract within **105 calendar days** from the date the contractor receives the formal "Notice to Proceed".
5. That the OWNER hereby covenants to pay the CONTRACTOR in consideration of the execute on and completion of the WORKS at the unit prices agreed in the PROPOSAL, at the time and in the manner prescribed by the CONTRACT and specified in the BID. It is understood that the quantities listed in the PROPOSAL do not govern final payment, hence, payment to the CONTRACTOR will be made only for actual quantities of contract items performed in accordance with the plans and specification and accepted by the OWNER;

The following items and quantities comprise in the scope of works as provided in the Technical Specifications:

Item No.	Description	Quantity	Unit	Unit Price	Amount
<b>Dairy Milk Processing Building</b>					
SPL-1	Project Billboard	1.00	l.s.	13,335.84	13,335.84
SPL-2	Construction Safety and Health	1.00	l.s.	90,820.80	90,820.80
SPL-4	Permits and Licenses (Includes Signed and Sealed Electrical, Electronic, Mechanical, and Plumbing Plans)	1.00	l.s.	36,792.00	36,792.00
404	Deformed Steel Bars	1969.34	kgs.	56.76	111,779.85
405	Reinforced Concrete Class "A"	39.67	cu.m.	4,595.08	182,286.72
704	Masonry & Plastering	283.00	sq.m.	868.91	245,901.60
712	Structural Metal	283.00	length	747.49	211,538.88
800	Clearing and Grubbing	249.80	sq.m.	58.51	14,616.00
803	Structural Excavation	114.93	cu.m.	239.44	27,518.40
804	Structural Embankment	30.93	cu.m.	1,368.77	42,336.00
1008	1/4" Thk Reflected Glass Window in Aluminum Framing (Analok Finish)	2.00	sets	5,544.00	11,088.00
1010	Doors	6.00	sets	4,536.00	27,216.00

  
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1013	Roofing Works	305.00	sq.m.	493.75	150,595.20
<b>Goat Facility</b>					
SPL-6	Installation of Metal Roofing (Existing Structure)	130.00	sq.m.	615.66	80,035.20
SPL-7	Metal Works (Milking Area and Feeders)	90.00	length	1,718.64	154,677.60
SPL-8	Stainless Steel Railings	111.00	l.m.	770.08	85,478.40
SPL-13	Septic Tank	1.00	l.s.	48,061.44	48,061.44
1003B	Ceiling Works	200.37	sq.m.	1,085.25	217,450.80
1008B	1/4" Thk Reflected Glass Window in Aluminum Framing (Analok Finish)	13.00	sets	5,544.00	72,072.00
1010B	Doors	8.00	sets	3,528.00	28,224.00
1032B	Painting	696.00	sq.m.	131.81	91,738.08
1102B	Panel Board	1.00	sets	56,266.56	56,266.56
<b>TOTAL</b>					<b>1,999,829.37</b>

6. That this CONTRACT shall not take effect until the CONTRACTOR has furnished and delivered to the OWNER a "Performance Security" that is fully acceptable to the OWNER in the form and amount as required in the instruction to Bidders;
7. In case the CONTRACTOR refuses or fails to satisfactorily complete the work/s within the specified contract time, plus any time extension duly granted and is hereby in default under the CONTRACT, the CONTRACTOR shall pay the OWNER for LIQUIDATED DAMAGE, and not by way of penalty, an amount to be determined and, computed as follows:

TLD = VUUP x (1+OCC) -1 x k

VUUP = TCP – VCUP

where: TLD = Total Liquidated Damages, in Pesos

VUUP = Value of the uncompleted and unusable portions of the contract work, as of the expiry date of the contract, in pesos

TCP = Total Contract Price, In Pesos

VCUP = Value of the completed and usable portion of the contract work, as of the expiry date of the contract, in pesos

  
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OCC = Prevailing opportunity cost of capital for government projects set by NEDA, which is currently pegged at 15%

n = Total number of years that the contract work, is delayed after the expiry date of the contract

k = Adjustment factor to cover additional losses  
=  $1 + C + (i \times n)$

where: C = Cost of construction supervision as a percentage, not exceeding 10% of construction cost

i = Annual inflation rate

8. 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 as per Ministry Order No. 9, series of 1981, DOLE Department Order No. 13, and other relevant and applicable provision of P.D. 442, as amended, otherwise known as the Labor Code of the Philippines;
9. Any breach or violation by either party of the obligations and covenants under this Contract and Agreement shall entitle the aggrieved party to rescind or cancel this Contract and Agreement after thirty (30) days' notice to that effect. In addition, any party that breached or violated this Contract and Agreement agrees and obligates itself to pay for the actual damage incurred by the other party;
10. Any failure of the OWNER to enforce her rights and privileges under this Contract and Agreement shall not be construed as a waiver or renunciation of such rights and privileges;
11. It is hereby agreed that any disputes arising out of or in connection with this Contract and Agreement shall be submitted to the Construction Industry Arbitration Commission (CIAC) for arbitration;
12. The CONTRACTOR agrees to abide with the List of Due and Demandable Accounts Payable-Advise to Debit Account (LDDAP-ADA) rulings and shall abide with the said payment scheme;
13. This Contract and Agreement shall be binding upon respective assigns and successors-in-interest of the parties hereto.

  
**JONNY M. EDNILAN**  
Project Manager

  
**ABRAHAM O. EDNILAN**  
Proprietor/Manager

  
**TOMAS M. AUSTRAL JR.**  
End-User

  
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Vice President for Administration and Finance

  
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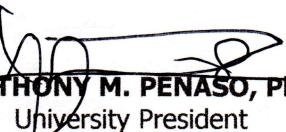
**IN WITNESS WHEREOF**, the parties hereto affixed their respective signatures on the \_\_ day of \_\_\_\_\_, 2022 at the Caraga State University, Ampayon, Butuan City.

JUL 01 2022

**CARAGA STATE UNIVERSITY**  
(Party of the First Part)

**TWO J.E CONSTRUCTION AND SUPPLY**  
(Party of the Second Part)

BY:

  
**ANTHONY M. PENASO, Ph.D.**  
University President

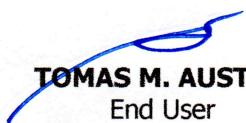
BY:

  
**ABRAHAM O. EDNILAN**  
Proprietor/Manager

WITNESSES:

  
**ARMIE LEILA M. MORDENO, DPA, CSEE**  
Vice President for Administration and Finance

  
**JONNY M. EDNILAN**  
Project Manager

  
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### ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
CITY OF BUTUAN ..... SS.  
X-----.)

Before Me, a Notary Public for and in Butuan City, this JUL 01 2022 day of July, 2022 personally appeared:

Competent Evidence of Identity (CEI)

**ANTHONY M. PENASO, Ph.D.**  
University President, CSU

**EC 2046341**

  
**ABRAHAM O. EDNILAN**  
Proprietor/Manager  
TWO J.E CONSTRUCTION AND SUPPLY

, who

\_\_\_\_\_ is/are personally known to me  
\_\_\_\_\_ exhibited (a) competent evidence/s of identity/ies as stated above

and known to me to be the same person/s who executed the foregoing instruments which consist of seven (7) pages including the pages on which the acknowledgments are written, and signed at the left/right margin of each and every page by the parties executing this instrument and their witnesses, and sealed with my notarial seal and she/he/they acknowledged to me that his/her/their signature on the instrument was/were freely and voluntarily affixed by him/her/them for purposes stated therein.

They further declared that he/she/they has/have the authority to sign in behalf of the principal that he/she/they represent(s).

WITNESS MY HAND AND SEAL on the date and on the place first above mentioned.

DOC. NO. 152  
PAGE NO. 52  
BOOK NO. 44  
SERIES OF 2022

**ATTY. NELBERT T. POCULAN**  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2022  
RM. 403, CMC BLDG.,  
J. G. AGUINO AVENUE, BUTUAN CITY  
ROLL NO. 81274  
NOTARIAL NO. 75-01-2022  
IDP NO. 158307-02-05-2022 BUTUAN CITY  
PTL NO. 2130001-01-01-01 BUTUAN CITY  
VIN NO. 144-451-745  
MCLE COMPLIANCE NO. VI-0007794  
ISSUED ON MARCH 12, 2018, AT PASIG CITY

  
**JONNY M. EDNILAN**  
Project Manager

  
**ABRAHAM O. EDNILAN**  
Proprietor/Manager

  
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