

# CONTRACT AGREEMENT

FOR THE LABOR AND MATERIALS FOR THE CONSTRUCTION OF SMALLWATER  
IMPOUNDING SYSTEM LOCATED AT SITIO PIRADA, BRGY. DEL PILAR, CABADBARAN  
CITY

Contract Agreement No. 2023- 03  
Series of 2023

## KNOW ALL MEN BY THESE PRESENTS:

This contract MADE AND ENTERED INTO THIS 30 JAN 2023 at DENR,  
PENRO, Agusan del Norte located at Tiniwisan, Butuan City, Caraga Region, Philippines.

By and between

**Department of Environment and Natural Resources, DENR-PENRO Agusan del Norte** represented by **ACHILLES ANTHONY C. EBRON** in his capacity as the PENR Officer with Office address at D.O. Plaza Regional Center, Tiniwisan, Butuan City, Philippines, as the "ENTITY"; and

**TESAR BUILDERS**, a sole proprietorship existing under the laws of the Republic of the Philippines with business address at Malaig, Balindong, Lanao del Sur represented by **MR. BENJAMIN B. GAMPONG**, hereinafter to as the "CONTRACTOR".

Witnesseth:

WHEREAS, in accordance with provisions under R.A. 9184 and its revised IRR, the ENTITY, posted at the Philgeps for the **LABOR AND MATERIALS FOR THE CONSTRUCTION OF SMALLWATER IMPOUNDING SYSTEM (Intake Box and Concrete Water Tank) LOCATED AT SITIO PIRADA, BRGY. DEL PILAR, CABADBARAN**, above-mentioned CONTRACTOR submitted the best proposal to undertake the instant project stated above in accordance with the program of works, specifications and requirements thereof;

WHEREAS, after opening of the bid quotations on December 26, 2022, the price offered by the CONTRACTOR in the total amount of **ONE MILLION SIX HUNDRED THREE THOUSAND SEVEN HUNDRED THIRTY SEVEN PESOS AND 49/100 CENTAVOS ONLY (P1,603,737.49)** is found to be complying and satisfactorily awarded the above-mentioned bid to the Contractor, **TESAR BUILDERS.**;

NOW THEREFORE, for an in consideration of the foregoing premises and the payment by the ENTITY of the sum of **ONE MILLION SIX HUNDRED THREE THOUSAND SEVEN HUNDRED THIRTY SEVEN PESOS AND 49/100 CENTAVOS ONLY (P1,603,737.49)** in Philippine Currency, in form and manner hereinafter specified the parties hereto have agreed and contracted as they hereby do agree and contract as follows:

1. That the NOTICE OF AWARD of Contract by the ENTITY, Proposal of the CONTRACTOR, PhilGeps Posting, Technical Specifications, Contract Drawings, letter request for mobilization (optional) and requirements embodied in the proposal of the CONTRACTOR are hereto attached and are hereby made part of the CONTRACT;
2. That the CONTRACTOR will fully and faithfully construct the said works and hereby agrees to complete the contract within NINETY (90) calendar days from the date the CONTRACTOR received the formal NOTICE TO PROCEED;
3. That the CONTRACTOR shall do all work and furnish all the materials, tools and equipment and everything necessary or proper for performing and completing the

work required by this Contract, in the manner and within the time hereafter specified. The CONTRACTOR shall complete the entire work to the satisfaction of the ENTITY in accordance with the specifications and drawing herein mentioned, and at the prices herein agreed upon. All the work, labor and materials shall be done and furnished strictly and pursuant to and in conformity with the specifications of the ENTITY or his duly authorized representative as may be given from time to time during the progress of the work under the terms of the contract;

4. The inspection of the work shall not relieve the CONTRACTOR of any obligations to fulfill his contract as herein prescribed and defective work shall be made good and unsuitable materials shall be rejected, notwithstanding that such work and materials have been over-looked by ENTITY and accepted or estimated for payment. If the work or any part thereof shall be found defective at anytime before the final acceptance of the whole work, the CONTRACTOR shall forthwith make good such defect in the manner satisfactory to the ENTITY, if any material brought upon the ground for use in the work, or selected the same, is condemned by the ENTITY is unsuitable or not in conformity with the specifications, the CONTRACTOR shall forthwith remove such materials from the vicinity of the work and replaced at the expense of the CONTRACTOR.
5. Nothing in this Contract shall be construed as vesting in the CONTRACTOR, any right of property in the materials used after they have been attached or affixed to the work or the soil, but materials shall, upon being so attached or affixed, before the property of the ENTITY;
6. That CONTRACTOR can avail for advance payment/15% mobilization under sub-par. 4.1) of par. 4, Annex E of the IRR of RA 9184 subject to 4.2) such as the submission to and acceptance by the procuring entity of an irrevocable standby Letter of Credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand and sub par. 4.3.) requirements thereof, in addition, the CONTRACTOR shall pay punctually the workmen employed on the work and the persons furnishing materials therefore, and deliver the work free from all claims, and if required, he shall furnish the ENTITY with a statement sworn to before an officer duly authorized that materials under contract have been fully paid; and in case such evidence be not furnished as foresaid, such amount as the ENTITY may consider necessary to meet the lawful claims of the persons aforesaid shall be deducted from the money due said CONTRACTOR and retained until the liabilities aforesaid shall have been fully discharged and the evidence thereof furnished the ENTITY or until their lack of equity has been established. If such written evidence is not furnished before the final payment under this contract falls due, the entity may keep the money which would otherwise payable; may apply or retain the same or so much as may be necessary thereof, until all claims and/or liabilities are settled by the CONTRACTOR;
7. Within a month, the contractor may submit a Statement of Work Accomplished (SWA) billing and corresponding request for payment for work accomplished. The SWA should the amount which the contractor considers itself to be entitled to up to the end of the month, to cover (a) the cumulative value of the work it executed to date, based on the items in the Bill of Quantities. The procuring entity's representative/project engineer shall check the contractor's SWA and certify the amount to be paid to the contractor;

The CONTRACTOR agrees that in the event he will not be able to complete the above stated scope of work in accordance with the plans and specifications as called for in this contract within the period specified therein, he shall pay to the ENTITY, liquidated damages and the ENTITY may deduct from any sum due the CONTRACTOR is delayed in the performance or completion of the work by any changes ordered in the work, fires, unavoidable casualties, or other cause beyond the control of the CONTRACTOR then the time of performance or completion of



said work shall be extended or a period equal to the time lost by reason of any such cause;

- 8 That CONTRACTOR shall upon completion of all the works submit a written request of acceptance of the project and the ENTITY 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 other, the remaining works, work deficiencies for necessary corrections and the specific duration/time to fully complete the project considering the approved remaining contract time.


The CONTRACTOR hereby warrants that he has not given nor has promised to give any money or gifts to any official or employee to secure this contract and that any violation of said warrant shall be sufficient ground for the ENTITY to revoke or cancel this Contract.

IN WITNESS WHEREOF, the ENTITY and the CONTRACTOR hereunto affixed their signatures on this instrument on \_\_\_\_\_ of 30 JAN 2023 2023 PENRO, Agusan del Norte, Tiniwisan, Butuan City, Caraga Region, Philippines.

DENR, PENRO Agusan del Norte  
By:

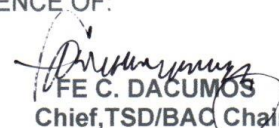
  
ACHILLES ANTHONY C. EBON  
PENR Officer  
ENTITY

TESAR BUILDERS  
By:

  
BENJAMIN B. GAMPONG  
Authorizing Managing Officer  
CONTRACTOR

  
NELSON B. CARANZO  
OIC, CENRO-Tubay/End User

SIGNED IN THE PRESENCE OF:

  
FE C. DACUMOS  
Chief, TSD/BAC Chair

FUNDS AVAILAIBLE:

  
REYNALDO R. PLAZA  
Accountant-III

CG-AM0107-20-01-0198  
NRMS - SNB  
1,600,737.49  
30 JAN 2023

**ACKNOWLEDGEMENT**

REPUBLIC OF THE PHILIPPINES)  
CITY OF BUTUAN :

BEFORE ME, a Notary Public in and for the City of Butuan, this 31 JAN 2023 of January 2023 personally appeared **PENRO ACHILLES ANTHONY C. EBRO**n with Government ID No. \_\_\_\_\_ (with picture) and **MR. BENJAMIN B. GAMPONG** (Contractor), with Residence Certificate No. \_\_\_\_\_ both are personally known to me to have executed the foregoing contract and acknowledged before me as their own free and voluntary act and deed.

WITNESS MY HAND this \_\_\_\_\_ day of 31 JAN 2023, 2023 in the City of Butuan, Philippines.

Doc. No. 298  
Page No. 8  
Book No. 11  
Series of 2023

ATTY. **ALBERT T. ROCULAN**  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2023  
RM. 105, 850 BLDG.  
J.C. MOORE AVE BUTUAN CITY  
BULACAN 2704  
SERIAL NO. 22-07-2022  
ISPN 00000001-01-04-23-BC  
PTR NO. 2244173-01-04-23-BC  
TIN NO. 144-461-745  
MCLE COMPLIANCE NO VII-0018223  
VALID UNTIL APRIL 14, 2025