

BAC

# CONTRACT AGREEMENT

No. 03-2023-10

This AGREEMENT made this 14<sup>TH</sup> day of March 2023 between the Local Government Unit of Tangub City (hereinafter called the "Entity") of the one part and **RIC CONSTRUCTION** of Brgy. III, Tangub City (hereinafter called the "Contractor") of the other part:

WHEREAS, the entity is desirous that the Contractor execute the **IMPROVEMENT OF WATER SYSTEM OF SICOT-PAITON-BINTANA-LORENZO TAN** (hereinafter called "the Works") and the Entity has accepted the Bid for **NINE MILLION NINE HUNDRED NINETY-FOUR THOUSAND FIVE HUNDRED EIGHTY-FIVE PESOS & 61/100 ONLY (Php 9,994,585.61)** by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

Now this AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expressions shall have the same meaning as are respectively assigned to them in the conditions of the contract referred to.

2. The following documents shall be 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.) Specifications;
- (d.) Invitation to Apply for Eligibility and to Bid;
- (e.) Instructions to Bidders;
- (f.) Bid Data Sheet;
- (g.) Addenda and/or Supplemental/Bid Bulletins, if any;
- (h.) Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes;
- (i.) Eligibility requirements, documents and/or statements;
- (j.) Performance Security;
- (k.) Credit line issued by a licensed bank, if any;
- (l.) Notice of Award of Contract and the Bidder's conformed thereto;
- (m.) Other contract documents that may be required by existing laws and/or the Entity.

3. In consideration of the payment to be made by the Entity to the Contractor as hereinafter mentioned, the Contractor covenants with the Entity to execute and complete the works and to remedy defects therein in conformity in all respects with the provisions of the Contract Agreement.

4. If the Contractor fails to satisfactorily execute and complete the works within the specified maturity schedule, the CONTRACTOR shall be liable for damages for the delay, and shall pay the ENTITY, LGU-Tangub City liquidated damages, not by way of penalty, an amount equal to one-tenth (1/10) of the one percent (1%) of the cost of the delayed until such contracts are finally completed and accepted by the ENTITY.

SABUNIANO S. CARRAMA  
City Mayor/ HOPE

JOANNE CAROL FILOMENA R. CHITONG  
Proprietor

ANNA RITCHIE M. OLEGARIO  
City Accountant

DIANA MAE O. NUÑEZ  
Acting City Treasurer

5. The ENTITY need not prove that it has incurred actual damages to be entitled to liquidated damages. Such amount shall be deducted from any money due or which may become due to the CONTRACTOR or collected from Bid Security posted by the CONTRACTOR, whichever is convenient.
6. In no case shall the total sum of liquidated damages exceed fifteen percent (15%) of the total contract price, in which event the ENTITY shall automatically terminate the contract and impose appropriate sanctions over and above the liquidated damages to be paid.
7. The ENTITY hereby covenants to pay the CONTRACTOR in consideration of the executions and completion of the works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS WHEREOF the parties hereto have caused this AGREEMENT to be executed in accordance with their respective laws the day and year first above written.

For the Entity:

  
**SABINIANO S. CANAMA**  
City Mayor  
Head of the Procuring Entity

For the Supplier:

  
**JOANNE CAROL FILOMENA R. CHIONG**  
Proprietor  
RIC CONSTRUCTION

WITNESSES:

  
**ANNA RUTCHEL M. OLEGARIO**  
City Accountant

  
**DIANA MAE O. NUÑEZ**  
City Treasurer



REPUBLIC OF THE PHILIPPINES)  
City of \_\_\_\_\_ ) S.S.  
\_\_\_\_\_ )

### ACKNOWLEDGEMENT

BEFORE ME, as the Notary Public for and within the City of Tangub, personally appeared SABINIANO S. CANAMA, City Mayor, Head of the Procuring Agency, representing the Local Government Unit of Tangub City, Republic of the Philippines, with Residence Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_, 2023 at Tangub City, and JOANNE CAROL FILOMENA R. CHIONG, representing RIC CONSTRUCTION, with Residence Certificate No. \_\_\_\_\_ issued on \_\_\_\_\_ at Tangub City, known to me to be the same persons who executed the foregoing CONTRACT and AGREEMENT and they acknowledged to me that the same is their true act and deed for and in behalf of the parties they presented.

This instrument consist of three (3) pages, including this page, on which this acknowledgement is written duly signed by the contracting parties and their witnesses below the Agreement of the other pages.

IN WITNESS WHEREOF, I have hereunto affixed my Signature and Official Seal this \_\_\_\_\_ day of 1 MAR 2023, 2023.

2023  
06  
14  
2023

NOTARY PUBLIC  
SABINIANO S. CANAMA  
City Mayor, Head of the Procuring Agency  
Local Government Unit of Tangub City, Republic of the Philippines  
Residence Certificate No. \_\_\_\_\_  
Issued on \_\_\_\_\_, 2023 at Tangub City