

CONTRACT AGREEMENT

No. 01-2024-01

This AGREEMENT made this 19th day of January 2024 between the Local Government Unit of Tangub City (hereinafter called the "Entity") of the one part and **SGM CONSTRUCTION** of Brgy. III, Tangub City (hereinafter called the "Contractor") of the other part:

WHEREAS, the entity is desirous that the Contractor execute the **CONSTRUCTION OF 10 UNITS FLOATING COTTAGE & GAKIT** (hereinafter called "the Works") and the Entity has accepted the Bid for **TWO MILLION FIVE HUNDRED NINETEEN THOUSAND PESOS ONLY (Php2,519,000.00)** 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 sum of Php2,519,000.00 or such other sums as may be ascertained, the Contractor covenants with the Entity to execute and complete the works within 60 calendar days in accordance with its Bid 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.

SABENIANO S. CANAMA
City Mayor/ HOPE

KIM HOWELL R. SECLOT
Proprietor

MARGISSA T. AMEN
Private Secretary I

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:


KIM HOWELL R. SECLOT
Proprietor
SGM Construction

WITNESSES:

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MARGISSA T. AMEN
Private Secretary I


DIANA MAE O. NUÑEZ
City Treasurer

