

CONTRACT AND AGREEMENT

for the

**SUPPLY AND DELIVERY OF FILLING MATERIALS INCLUDING
SPREADING AND LEVELING (GOODS-16-04)****KNOW ALL MEN BY THESE PRESENTS:**

This contract made and entered by and between:

The **VISAYAS STATE UNIVERSITY (VSU)**, an institution of higher learning established under Pres. Decree No. 470 as amended by Pres. Decree No. 700 and converted into a state university by virtue of R.A. 9158 and 9437, with principal office at Baybay City, duly represented by the President, **DR. EDGARDO E. TULIN**, hereinafter referred to as the **OWNER**;

-and-

KAUIE BUILDERS AND CONSTRUCTION SUPPLIES with business address at National Highway Cor. Imelda Lane, Brgy. Imelda, Tolosa, Leyte duly represented by its Proprietress, **ENGR. KAREN P. TAN**, hereinafter referred to as the **CONTRACTOR**;

WITNESSETH:

WHEREAS, a public bidding was conducted on March 28, 2016 at the VSU – Tolosa Campus, Brgy. Tanghas, Tolosa, Leyte for the Supply and Delivery of Filling Materials including Spreading and Leveling;

WHEREAS, the Bids and Awards Committee recommended to the University President that the project shall be awarded to **KAUIE BUILDERS AND CONSTRUCTION SUPPLIES**, its offer being the most advantageous to the Philippine Government;

WHEREAS, time is the essence of this contract;

NOW THEREFORE, for and in consideration of the foregoing premises and other covenants hereinafter named, the parties agree as follows:

ARTICLE I- CONTRACT DOCUMENTS

The following documents shall be deemed to form and be interpreted and construed as part of this Agreement:

- a. General and Special Conditions of Contract
- b. Invitation to Bid
- c. Bidding Documents
- d. Addenda and/or Supplemental/Bid Bulletins, if any

LOURDES B. CANO
Dean, VSU-Tolosa Campus

MARIO LILIO P. VALENZONA
Director, GSD

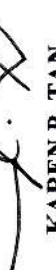
EDGARDO E. TULIN
University President

KAREN P. TAN
Proprietress, Kaui Builders & Construction Supplies


LOURDES B. CANO
Dean, VSU-Tolosa Campus


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University President


KAREN P. TAN
Proprietress, Kaue Builders & Construction Supplies

- e. Bid Form including all the documents/statements contained in the winning bidder's two bidding envelopes
- f. Eligibility requirements, documents and/or statements
- g. Performance Security
- h. Credit Line issued by a licensed bank or NFCC duly notarized
- i. Notice of Award of Contract and winning bidder's "Conforme" thereto;
- j. Duly approved Program of Works or Delivery Schedule and Cost Estimates.
- k. Certificate of Availability of Funds (C.A.F.)
- l. Abstract of Bids
- m. Resolution of the BAC recommending award of project of winning bidder
- n. Approval of Award by appropriate government approving authority.

ARTICLE II- SCOPE OF WORK

THAT the CONTRACTOR shall in accordance with the provisions of and subject to the conditions contained in the documents referred to in Article I hereof, with a provision that this project belongs to KAUE BUILDERS AND CONSTRUCTION SUPPLIES, and in consideration of the sum of money hereinafter stated shall fully and faithfully perform all labor, furnish the needed materials and equipment and perform labor and services necessary to complete the SUPPLY AND DELIVERY OF 8,600 CU.M. OF FILLING MATERIALS INCLUDING SPREADING AND LEVELING located at VSU-TOLOSA CAMPUS, BRGY. TANGHAS, TOLOSA, LEYTE as per specifications of the OWNER.

Total Cost - 4,934,931.75

ARTICLE III- TIME OF COMPLETION

The work to be performed by the CONTRACTOR under this contract shall commence after receipt and acceptance of the Notice to Proceed from VSU by the CONTRACTOR. The SUPPLY AND DELIVERY OF FILLING MATERIALS INCLUDING SPREADING AND LEVELING shall be completed within **THIRTY (30) DAYS** including Saturdays, Sundays and Holidays. Should the CONTRACTOR refuse or otherwise fail to complete the work stipulated herein, the CONTRACTOR agrees to pay the VISAYAS STATE UNIVERSITY a liquidated damages an amount equal to One-Tenth of One Percent (0.1%) of the total contract sum for each calendar day of delay until the work is completed and accepted by the VSU or when the VSU takes over the project by administration or relets it to other Contractor until such time as the VSU may reasonably secure the completion of the works. 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 performance Bond of the Contractor or Contractor's Surety whichever is convenient to the OWNER, VSU.

ARTICLE IV- THE CONTRACT SUM

The OWNER for and in consideration of the faithful and satisfactory fulfillment of the contract by the CONTRACTOR in accordance with the terms and conditions of all contract documents and subject to the deduction herein provided, shall pay to the CONTRACTOR in Philippine Currency the sum of **FOUR MILLION NINE HUNDRED THIRTY FOUR THOUSAND NINE HUNDRED THIRTY ONE AND 75/100 PESOS (Php 4,934,931.75) ONLY** for the delivery of 8,600 cu.m. of filling materials including spreading and leveling.

Payment shall be in accordance with the following conditions:

- a. Payment shall be based upon the work satisfactorily completed as certified by the CONTRACTOR, concurred in by the CAMPUS INSPECTORS and supported by a

certification of VSU Project Engineer. The application for payments, certification of payments, etc. shall be in accordance with the terms and conditions contained in the General Conditions appended thereto and made integral part hereof. Final payment shall be made upon completion of the work and upon submission by the Contractor of his sworn statement that all taxes due him and all obligations for materials used and labor employed in accordance with this contract have been duly paid.

- b. The CONTRACTOR shall, under his name and at his own expense, obtain and maintain, for the duration of this Contract, the following insurance coverage: (1) Contractor's All Risk Insurance; (2) Transportation to the project Site of Equipment, Machinery, and Supplies owned by the Contractor; (3) Personal injury or death of Contractor's employees; and (4) Comprehensive insurance for third party liability to Contractor's direct or indirect act or omission causing damage to third persons.
- c. That the insurance premium shall be the account of the CONTRACTOR.

ARTICLE V- GUARANTEE

The CONTRACTOR hereby guarantee the works stipulated in this contract and all the materials it will apply and use in the project as well as workmanship of all its work under this contract and shall make good of its own account and/or its own expenses.

ARTICLE VI- PERFORMANCE BOND

In accordance with the Instruction to Bidders and General Conditions of the contract, the CONTRACTOR shall furnish and file per acceptance to the OWNER a Performance Bond in accordance with Section 39 of the Revised Implementing Rules and Regulations of RA 9184 to guaranty the full and faithful performance of this Agreement to answer for any liability that maybe suffered by the OWNER resulting from the violation of the CONTRACTOR of labor laws and other laws. PROVIDED, that in the event of the recession or termination of this contract for breach thereof, the bond, at the option of the OWNER shall be automatically forfeited in favor of the OWNER and becomes immediately payable and collectible by the OWNER, otherwise, the bond shall remain and continue in full force until the aforementioned obligations as to the completion and faithful compliance of the contract, liquidated damages and cost of labor and materials shall have been duly satisfied, discharged, settled and paid by the CONTRACTOR.

ARTICLE VII- SAFEGUARDS AND WARRANTS


The CONTRACTOR shall provide and do everything necessary to perform its obligations under this contract according to the true intent and meaning of the other contract documents taken together particularly the specifications provided that the same shall be inferred therefrom. Should the CONTRACTOR find any discrepancy in the specifications, he shall immediately refer the same to the OWNER through its Project Engineer and/or the OWNER whose decision shall be followed.


The OWNER reserves the right for an additional or increase in the number of laborers or workers assigned to the construction site in the opinion of the OWNER the exigencies of the same require.

The CONTRACTOR shall be considered as an independent CONTRACTOR and as such, he assumes all obligations and liabilities arising out of the Employee's Liability Act and any other laws existing and those enacted thereafter that may affect the rights of the employees or laborers employed in the performance of this contract. Should the OWNER be made liable for any of the Contractor's violation of any labor laws, the CONTRACTOR shall reimburse


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OWNER for whatever amount the latter is required to pay to said laborers and the Performance Bond is also answerable for this contingency.

Notwithstanding any provisions of this contract, the OWNER has the right and/or power to terminate the contract without necessity of judicial action by giving written notice to the CONTRACTOR upon his failure to comply strictly with any of the terms of this contract.

The contract hereby warrants that it has not given or promised to give money or gifts to any official or employee of the OWNER and/or any other office, agency or instrumentality of the government to secure this contract and any violation of this warranty shall be sufficient ground for the OWNER to revoke or cancel the same.

The CONTRACTOR is likewise mandated to implement the construction safety and health program as indicated in the technical proposal (Attachment) which includes, among others, requiring its employees to have Identification Cards which should be available anytime when inspected by security personnel of the university or any authorized representative of the OWNER.

ARTICLE VIII- VENUE OF COURT ACTION


Should any court action be instituted by the VSU or CONTRACTOR arising from this contract, the parties hereby agree that the venue thereof shall be the proper court in the Province of Leyte.


IN WITNESS WHEREOF, the parties have hereunto set their hands this day of May 2016 at Baybay City, Leyte, Philippines.

VISAYAS STATE UNIVERSITY
Baybay City

**KAUIE BUILDERS AND CONSTRUCTION
SUPPLIES**
Tolosa, Leyte

By:



EDGARDO E. TULIN
President


ENGR. KAREN P. TAN
Proprietress, Kaui Builders and Construction
Supplies

(OWNER)

(CONTRACTOR)

Signed in the presence of:


1. MARIO LILIO P. VALENZONA


2. LOURDES B. CANO


LOURDES B. CANO
Dean, VSU-Tolosa Campus

REPUBLIC OF THE PHILIPPINES)
PROVINCE OF LEYTE) S.S.
CITY OF BAYBAY)

BEFORE ME, this _____ day of _____ 2016 at Baybay City, Leyte,
personally appeared:

Name	Comm. Tax Cert	Date/Place Issued
Dr. Edgardo E. Tulin	01073391	1/13/2016 at Baybay City
Engr. Karen P. Tan	26935969	1/13/16 Tolosa, Leyte

known to me to be the same persons who executed the foregoing instrument and they
acknowledged to me that the same is their voluntary act and deed.

This instrument consisting of five (5) pages including this acknowledgement has been
signed on each page by the parties and their witnesses and sealed with my notarial seal.

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


ATTY. VIRGINIA A. BRAZIL
NOTARY PUBLIC
NOT. COM. # 2015-01-23
UNTIL DECEMBER 31, 2017
PTR NO. 7435927 01/04/2016
IBP O.R. NO. 0989534 01/04/2016
TACLOBAN CITY

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EDGARDO E. TULIN
University President


KAREN P. TAN
Proprietress, Kaie Builders & Construction Supplies