



Republic of the Philippines
Mountain Province State Polytechnic College
OFFICE OF THE COLLEGE PRESIDENT
Bontoc, Mountain Province
mpspc_op@yahoo.com

NOTICE TO PROCEED

July 8, 2019

MR. ELMER A. CHEG-AO

General Manager

IYAMAN GENERAL MERCHANDISE

Poblacion, Bontoc, Mountain Province

SIR:

Greetings!

The attached Contract Award having been approved, notice is hereby given so that the project may commence to undertake the work for the project; **"SUPPLY AND DELIVERY OF FURNITURES/FIXTURES"** located at Bontoc Campus, effective upon receipt of this notice.

You are responsible for performing the works under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the spaces provided below.

Very truly yours,

REXTON F. CHAKAS
College President

19 JUL 2019

I acknowledge receipt of this Notice on
Name of the Representative of the Bidder:
Authorized Signature:

VISION:

A preferred university of developmental culture and inclusive growth.



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Bontoc, Mountain Province

MPSPC DEVELOPMENT

**PROJECT: SUPPLY AND DELIVERY OF
FURNITURES/FIXTURES**

SUBJECT: OWNER – CONTRACTOR AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This contract made and entered into this 19 JUL 2019 day of July, 2019 at Bontoc, Mountain Province by and between:

MOUNTAIN PROVINCE STATE POLYTECHNIC COLLEGE, a government educational institution with office address at Bontoc, Mountain Province, and hereinafter represented by its College President, **DR. REXTON F. CHAKAS**, referred to as the **COLLEGE**;

-AND-

IYAMAN GENERAL MERCHANDISE, a duly established business firm in accordance with Philippine laws, with office address at Poblacion, Bontoc, Mountain Province by its General Manager, **MR. ELMER A. CHEG-AO** hereinafter referred to as the **SUPPLIER**.

WITNESSETH:

WHEREAS, the COLLEGE intends to undertake the **SUPPLY AND DELIVERY OF FURNITURES/FIXTURES** located at Bontoc, Mountain Province, and hereinafter referred to as the **PROJECT**;

WHEREAS, the project was advertised and posted for Public Bidding in the PhilGEPS, College website, and at the same time posted in conspicuous places at the premises of the College's Campuses on April 26-May 3, 2019;

WHEREAS, in response to the said advertisement, two (2) bidders, **GnF GENERAL MERCHANDISE** and **IYAMAN GENERAL MERCHANDISE** submitted their sealed bid proposals during the deadline for submission on May 30, 2019;

WHEREAS, during the scheduled opening of bid proposals, the bid proposal of GnF GENERAL MERCHANDISE was disqualified due to non-compliance of ITB Clause 20.3 of the Bid Data Sheet of the Bidding documents;

WHEREAS, during the bid evaluation, **IYAMAN GENERAL MERCHANDISE** was found only to have been responsive with the calculated bid in the amount of **One Million One Hundred Forty-Eight Thousand Six Hundred Five Pesos and Seventy Centavos (P1, 148,605.70)** as against the Approved Budget for the Contract (ABC) in the amount of **One Million One Hundred Forty-Nine Hundred Thousand Pesos only (P1, 149,000.00)**

WHEREAS, upon post-qualification involving the careful examination, validation and verification of the eligibility, technical and financial requirements submitted by the bidder, **IYAMAN GENERAL MERCHANDISE** successfully passed the post qualification and, therefore the Bids and Awards Committee (BAC) declared the bid of **One Million One Hundred Forty Eight Thousand Six Hundred Five Pesos and Seventy Centavos (P1, 148,605.70)** as the Single Calculated Responsive Bid (SCRB);

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants and undertakings herein provided, the parties have agreed as follows:



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ARTICLE I. THE CONTRACT PROJECT AND CONTRACT DOCUMENTS

The Supplier shall perform and accomplish the project in accordance with the described technical specifications of the items mentioned in the lists, furnished by the College to the supplier and in his bid documents submitted and others mentioned in his bid documents.

The contract documents are hereto incorporated and made integral parts marked as Annexes shall, expect as modified by mutual agreement of the parties, included but not limited to the following:

- ANNEX A – Evidence of Publication of Invitation to Bid/Request for Expression of Interest
- ANNEX B – Proposal of the Supplier and Unit Bid Cost
- ANNEX C – Bid and Abstract of Bids for Bid Project
- ANNEX D – Approved Budget for the Contract (ABC)
- ANNEX E – Duly Approved Purchase Request and Cost Estimates
- ANNEX F – Detailed Cost Breakdown of the Project by the Supplier
- ANNEX G – Recommendation of the Committee on Bids and Awards
- ANNEX H – Letter of Award by the Supplier
- ANNEX I – Letter of Acceptance by the Supplier
- ANNEXJ – Performance Bond of the Supplier
- ANNEX K – Notice to the Supplier to Proceed

Documents which are hereinafter mutually agreed upon and signed by the parties herein, whether said documents were prepared before or after the date hereof, shall also form part of the contract documents and of the contract.

ARTICLE II. SCOPE OF WORK

The supplier shall faithfully do and deliver to the satisfaction of the College all the necessary items of work and perform all the works stipulated in his bid for the project for the College.

ITEMS OF WORK FOR THE CONTRACT

NO.	ITEMS/DESCRIPTION	QTY	UNIT COST	TOTAL AMOUNT
1	Library chairs	154	Php5,352.05	Php824,215.70
2	Library tables, 1800mm(L)x600mm(W)	33	9,830.00	324,390.00
GRAND TOTAL				Php1,148,605.70

ARTICLE III. CONTRACT PRICE

The College shall pay the supplier in consideration of the full and faithful performance and accomplishment of all the obligations specified in Article I and II above which the supplier agreed to undertake, perform, and accomplish under this contract, the total contract price of **One Million One Hundred Forty Eight Thousand Six Hundred Five Pesos and Seventy Centavos (P1, 148,605.70)** in Philippine Currency, subject to the work actually performed, and the usual accounting and auditing requirements of the College, and the general conditions of this contract and in accordance with the pertinent provisions of the revised R.A. No. 9184, and its implementing rules and regulations.

ARTICLE IV. WORK COMPLETION TIME

The supplier shall complete the contract within **THIRTY (30) CALENDAR DAYS** effective upon receipt of the Notice to Proceed; however, said time for completion may be subject to



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extensions as maybe authorized under the provisions of the revised R.A No. 9184, and its implementing rules and regulations.

That the supplier shall secure and pay all permits and licenses required in connection with the work covered by its contract by Municipal and Provincial Ordinances, laws and regulations and other pertinent national and local laws.

ARTICLE V. WARRANTY

As provided in the Revised R.A No. 9184, and its implementing rules and regulations, a warranty security shall be required from the supplier for a minimum period of one (1) year, after acceptance by the College of the delivered system.

The obligation for the warranty shall be covered by either retention money in an amount equivalent to at least one percent (1%) of every progress payment, or a special bank guarantee equivalent to at least one percent (1%) of the total contract price. The said amounts shall only be released after the lapse of the warranty period or, in the case of Expendable Supplies, after consumption thereof: Provided, however, that the supplies delivered are free from patent and latent defects and all the conditions imposed under the contract have been fully met.

ARTICLE VI. PROGRESS PAYMENT

The College shall pay the supplier the contract price based on the percentage of actual delivery of items as specified in the Purchase Order and in accordance with the general conditions of the contract. Such request for payment shall be verified and certified by the inspection group.

ARTICLE VII. RETENTION MONEY

Payment of the project is subject to retention of one percent (1%) referred to as "**RETENTION MONEY**". The total "**RETENTION MONEY**" shall be due for release upon final acceptance of the project.

ARTICLE VIII. LIQUIDATED DAMAGES

It is understood and agreed that time is of the essence of this contract, and in the event that the supplier refuses to or fails to complete the work within the time herein above specified within the validity of extension that maybe granted by the owner, if any, the supplier shall pay to the owner the liquidated damages herein set forth, in which case, the supplier and his sureties shall jointly and severally be liable to the owner for said liquidated damages for each calendar day of delay in the completion of the work. The owner is hereby authorized to deduct the amount of liquidated damages from any amount due or which may hereinafter become due to the supplier as his fee under this contract, or to collect or charge thereafter such liquidated damages from the performance bond filed by the supplier under this contract and their performance bond filed by the supplier whichever is more convenient and expeditious to the owner, provided, however that no liquidated or any excess cost shall be charged when the delay in completion of the work is due to enforceable causes beyond control and without the fault or negligence of the owner, or force majeure.

In case the supplier refuses or fails to satisfactorily complete the work within the specified contract time, plus any time extension duly granted and is hereby in default under the contract, the supplier shall pay the owner for liquidated damages, and not by way of penalty, an amount shall be equal to one-tenth of one percent (0.1%) of the cost of the unperformed portion for every day of delay until the work is completed and accepted or taken over by the College.



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ARTICLE IX. OPTION TO COMPLETE OR TERMINATE CONTRACT

In case the supplier, at any time during the progress of the work should fail, refuse or neglect to supply the needed items of work or should abandon the contract, the owner may terminate the contract after giving ten (10) days written notice. Without prejudice to the institution of appropriate legal process to protect the interest of the College.

Either party may terminate this contract after ten (10) days written notice to the other, if it is found that causes beyond the control of either the College or the supplier make it impossible for either to continue.

It is the agreement of the parties that there will be no escalation of payment clause in the life of the contract, but if the circumstances warrant it, the rights of either party under the law may be invoked in this regard.

The exercise by the College of its rights under this Article shall not prejudice, impair, or diminish whatsoever rights or remedies the College may have against the contractor under this contract or existing laws.

ARTICLE X. PERFORMANCE BOND OF THE SUPPLIER

The supplier upon receipt of the Notice of Award shall furnish the College a performance bond in the form of cash, manager's check, cashier's irrevocable letter of credit, surety bond, or a combination thereof to be issued by the bank acceptable to the owner, based on the Implementing Rules and regulations for government infrastructure projects pursuant to the revised R.A No. 9184, for the faithful performance of its work.

The performance bond shall only be released by the owner upon final completion of the contract, provided, that the supplier has submitted to the owner the guarantee bond. The performance bond shall be increased by supplementary bonds for the cost of additional / extra work should any be authorized by the College.

ARTICLE XI. SUPPLIER'S LIABILITY

The supplier shall bear all losses and damages arising out or in connection with any accident which may happen to any person or persons by or on account of the prosecution of the works covered by this contract, which responsibility shall continue until the final acceptance of the project by the owner.

ARTICLE XII. COMPLIANCE WITH LAWS, ORDINANCES, ETC.

The supplier shall comply with laws, ordinances and regulations of both national and local government applicable to or binding upon the parties hereto, the work covered by the contract, shall be liable for all damages either to the owner or to the government, national or local, for non-observance of such laws, ordinances and regulations.

ARTICLE XIII. SUPPLEMENTARY USE OF CONTRACT DOCUMENTS

The contract documents shall be supplementary to this contract, any and all deficiencies in the provisions of this contract intended to be covered hereby or otherwise connected with or related to the project covered hereby, but not expressly covered by the provisions of this contract shall be supplied by the contract documents.

ARTICLE XIV. VALIDITY CLAUSE

If any term or condition of this contract is held invalid or contrary to law, the validity of the other terms and conditions hereof shall not be affected thereby.



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ARTICLE XVI. CONTRACT TERMINATION AND JURISDICTION

This contract may be terminated by any of the parties herein by reason of non-obeyance of any of its articles. The parties hereto agree that any question relating to the contract referable to a court shall be submitted solely to the venue and jurisdiction of the court of Mountain Province or any other court at the option of the owner.

ARTICLE XVII. APPROVAL

This CONTRACT is subject to the confirmation of the Board of Trustees of Mountain Province State Polytechnic College.

IN WITNESS WHEREOF, the parties hereto have signed this instrument this 19 JUL 2019 day of July, 2019 at MPSPC, Bontoc, Mountain Province, Philippines.

This Agreement becomes binding and valid upon the approval by the proper authorities.

**MOUNTAIN PROVINCE STATE
POLYTECHNIC COLLEGE**
(Owner)

BY :

REXTON F. CHAKAS

College President

ID No.: _____

Date Issued: _____

Issued at: _____

**IYAMAN
GENERAL MERCHANDISE**
(Supplier)

BY:

MR. ELMER A. CHEG-AO

Manager/Supplier

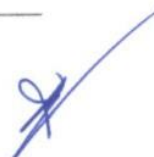
ID No.: _____

Date Issued: _____

Issued at: _____

SIGNED IN THE PRESENCE OF:







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ACKNOWLEDGEMENT

BEFORE ME, a Notary Public for and in Bontoc, Mountain Province, this _____ personally appeared the parties:


NAME	GOVERNMENT ISSUE ID
ELMER A. CHEG-AO	
REXTON F. CHAKAS	

All known to me and identified by me through competent evidence of identity to be the same persons who executed the foregoing instrument and they acknowledge to me that the same is their free and voluntary act and deed.

This instrument refers to a **CONTRACT AND AGREEMENT** and consisting of six (6) pages, including this page where this is written, and signed by the parties and their instrumental witnesses on each other and every page hereof.

WITNESS MY HAND AND SEAL.

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Series of 2018 7


JOSE N. CO
NOTARY PUBLIC
UNTIL DECEMBER 31, 20 19
PTR NO. 724 722 1-4-19
TIN 183-340-362