

## CONTRACT AGREEMENT

*For the Formulation of a Master Plan for the Sustainable Urban Infrastructure Development  
in Calapan City*

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**THIS AGREEMENT** made this 07<sup>th</sup> day of January 2019 in Pasig City, Philippines,  
by and between:

The **NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY (NEDA)** with address at NEDA-sa-Pasig Bldg., No. 12 Saint Josemaria Escriva Drive, Ortigas Center, Pasig City, herein represented by its Undersecretary, **JOSE MIGUEL R. DE LA ROSA**, and hereinafter referred to as the **"Procuring Entity"**;

- and -

The **Joint Venture of PHILKOEI INTERNATIONAL, INC. (PKII) and T.A.M. PLANNERS CO. (TAM)** represented by **Philkoei International, Inc.**, with address at Unit 1701m 17<sup>th</sup> Floor, The Orient Square Building, F. Ortigas Jr. Road, Ortigas Center, Pasig City, herein represented by its President, **PETER S. SAMOZA**, and hereinafter referred to as the **"Consultant"**;

**WHEREAS**, upon the invitation of the **Procuring Entity**, the **Consultant** submitted proposal/bid for the Procurement of Consulting Services for the Formulation of a Master Plan for the Sustainable Urban Infrastructure Development in Calapan City in the sum of **Forty-Six Million, Nine Hundred Thousand Pesos & 00/100 (PhP46,900,000.00)**, inclusive of all applicable government taxes and charges, professional fees, and other incidental and administrative costs, hereinafter referred to as the **"Contract Price"**;

**WHEREAS**, the **Procuring Entity** subsequently accepted the proposal/bid of the **Consultant** pursuant to the NEDA Bids and Awards Committee for Consulting Services (NBAC-CS) Resolution No. 223-2018 approved on 22 November 2018.

**NOW THEREFORE**, the **Procuring Entity** and the **Consultant** have agreed on the following terms and conditions:

1. In this Contract, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be attached, deemed to form, and be read and construed as part of this Contract, to wit:
  - (a) Bidding Documents, consisting of:
    - i. Request for Expression of Interest;
    - ii. Instructions to Proponents/Bidders;
    - iii. Proposal/Bid Data Sheet;
    - iv. General and Special Conditions of Contract; and
    - v. Terms of Reference;
  - (b) Proposal/Bid forms, including all the documents/statements contained in the Proponent's/Bidder's proposal/bidding envelopes, as annexes, and all other documents/ statements submitted (e.g., proponent's/bidder's response

to request for clarifications on the proposal/bid), including corrections to the proposal/bid, if any, resulting from the Procuring Entity's proposal/bid evaluation;

- (c) Bid Bulletin Nos. 1, 2, 3, and 4 issued on 14 September 2018, 17 September 2018, 12 October 2018, and 24 October 2018, respectively;
- (d) Eligibility requirements, documents and/or statements;
- (e) Performance Security *MICO BOND No. B0029087*
- (f) NBAC-CS Resolution Nos. 223-2018; 182-2018; 132-2018, 123-2018, and 118-2018;
- (g) Highlights of the Negotiation Meeting held on 28 November 2018;
- (h) Abstract of Bids/Quotation;
- (i) Notice of Award with the Consultant's *conforme* thereto;
- (j) Notice to Proceed;
- (k) Addendum and/or Supplement to the Contract, if any; and
- (l) Other contract documents that may be required by existing laws and/or the Procuring Entity.

3. The **Consultant** shall deliver to the **Procuring Entity** the following outputs in the form and number as well as within the timeline indicated herein.

A *detailed Work and Financial Plan* (WFP) shall be submitted by the **Consultant** to NEDA MIMAROPA for review (copy furnished NEDA Infrastructure Staff for monitoring purposes and payment processing) within **one (1) month** from the date of commencement as indicated in the NTP.

The **Consultant** shall simultaneously submit four (4) hard copies, three (3) copies to the NEDA Infrastructure Staff (IS) and one (1) copy to the NEDA MIMAROPA, of the quality deliverables (see table below) for review and monitoring purposes as well as payment processing. Electronic/soft copies of the deliverable documents shall also be submitted to NEDA.

Output/Deliverable	Timeline
Draft Inception Report including WFP	One (1) month from receipt of NTP
Final Inception Report	15 calendar days after receiving comments from NEDA MIMAROPA and NEDA
Monthly Progress Reports	Monthly until the end of the tenth (10th) month (excluding the 6 <sup>th</sup> , and 12 <sup>th</sup> months) within seven (7) calendar days from the end of agreed month-period
Situational Analysis Report	Three and a half (3.5) months from receipt of NTP
Midterm Report	Six (6) months from receipt of NTP
Preliminary Business Case/ Pre-FS Reports	Ten and a half (10.5) months from receipt of NTP
Draft Final Report (Master Plan and Pre-FS)	Third week of the 11 <sup>th</sup> month from receipt of NTP
INFRACOM/MIMAROPA RDC/ City Development Council Presentation	Within 2-3 weeks from submission of Draft Final Report
Final Report (Master Plan and Pre-FS)	Fifteen to twenty-one (15-21) calendar days after receipt from NEDA MIMAROPA and NEDA of the evaluation/comments but not more than twelve (12) months from receipt of NTP

Note: It is noted that while the commencement of activities is based on the receipt of NTP, a turnaround period on submission of deliverables is considered in the timeline.



4. In consideration of the payments to be made by the **Procuring Entity** to the **Consultant**, the **Consultant** hereby covenants to execute and complete the Consulting Services and remedy any defects therein in conformity with the provisions of this Contract in all respects.
5. The **Procuring Entity** hereby covenants to pay the **Consultant** in consideration of the execution and completion of the Consulting Services, the Contract Price or such other sum as may become payable under the provisions of this Contract at the time and in the manner prescribed by this Contract.
6. Billing for reimbursable items shall be on a monthly basis, based on the actual expenses incurred and supported by official receipts/documents or certification of actual expenditures made under oath, including the monthly progress reports.
7. Billing for *non-reimbursable items, including professional fees*, shall be in accordance with the following delivery schedule, *upon recommendation and endorsement of NEDA MIMAROPA as the Implementing Agency and NEDA*, subject to usual government accounting and auditing requirements:

Output/Deliverable	Payment Schedule
Upon review and acceptance of the Inception Report and WFP	15%
Upon acceptance of the Situational Analysis Report	15%
Upon acceptance of the Midterm Report	20%
Upon acceptance of the Preliminary Reports: Business Case/Pre-FS	15%
Upon submission of the Draft Final Report	15%
Upon acceptance of the Final Report	20%
<b>TOTAL</b>	<b>100%</b>

8. An advance payment shall be made to cover mobilization costs, but shall not exceed FIFTEEN PERCENT (15%) of the contract amount, subject to the posting of an irrevocable standby letter of credit issued by an entity acceptable to NEDA and of an equal amount to the advance payment. The advance payment shall be repaid by the **Consultant** by deducting from his subsequent billings/payments such sum as agreed upon during contract negotiations until fully liquidated within the duration of the contract.
9. All submitted outputs/reports/documents under this contract, including but not limited to tracings, as-built drawings, estimates, digital information, computer model and data, specifications, investigations, and studies completed or partially completed, inspection logs, and photographs, shall be the property of NEDA upon completion of the work / full payment of the contract or termination of the Agreement. Copyrights will be governed by existing laws, rules and regulations.
10. A retention payment of ten percent (10%) shall be withheld. It shall be based on the total amount due to the **Consultant** prior to any deduction and shall be retained from every progress payment until fifty percent (50%) of the value of the Study, as

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determined by NEDA, is completed. If, after fifty percent (50%) completion, the study is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed.

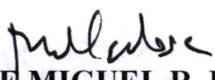
The total "retention money" shall be due for release upon approval of the Final Report. The **Consultant** may, however, request the substitution of the retention money for each progress billing with irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to NEDA, provided that the project is on schedule and is satisfactorily undertaken. Otherwise, the ten percent (10%) retention shall be made. Said irrevocable standby letters of credit, bank guarantees and/or surety bonds, to be posted in favor of NEDA shall be valid for the duration of the contract.


11. The Study shall be completed within a period of **10 months** spread over a period of 12 months commencing from the date of receipt of the **Consultant** of the NTP.
12. A monthly progress meeting shall be conducted between the NEDA and the **Consultant** to discuss any potential problems or issues that may cause delays in the completion of the project/study.
13. This Contract shall not create an employer-employee relationship between the **Procuring Entity** and the **Consultant** nor shall the services rendered herein be considered as government service. The **Consultant** shall not be entitled to benefits enjoyed by the regular personnel of the government.
14. Any amendment to this Contract shall be made in writing signed by the **Procuring Entity** and the **Consultant**.
15. Should any dispute related to this Contract and/or rights of the Parties arise, the same shall be submitted to mutual consultation, mediation and arbitration, in the order of application. The venue of the proceedings shall be in Pasig City.
16. In case of a court suit, the venue shall be the courts of competent jurisdiction in Pasig City, to the exclusion of all other courts.

**IN WITNESS WHEREOF**, the parties have caused this contract to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

Signed, sealed, and delivered by:

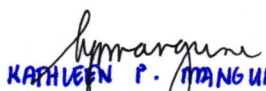
Signed, sealed, and delivered by:

  
**JOSE MIGUEL R. DE LA ROSA**  
Undersecretary  
NEDA Central Support Office  
NEDA-sa-Pasig Building  
No. 12 Saint Josemaria Escriva Drive  
Ortigas Center, Pasig City

  
**PETER S. SAMOZA**  
President  
Philkoei International, Inc.  
Unit 1701, 17<sup>th</sup> Floor, The Orient Square Bldg.  
F. Ortigas Jr. Road, Ortigas Center  
Pasig City



Signed in the presence of:

  
**KATHLEEN P. MANGUNE**  
(Signature Above Printed Name)

  
**MICHAEL V. TOMELDAN**

### ACKNOWLEDGEMENT

Republic of the Philippines)  
**MANDALUYONG CITY** ) S.S.

Before me this JAN 14 2019 day of JAN 14 2019 in MANDALUYONG CITY,  
personally appeared:

Name	Government Issued Identification Document	Date and Place Issued
<b>JOSE MIGUEL R. DE LA ROSA</b> In his capacity as Undersecretary NEDA Central Support Office NEDA-sa-Pasig Bldg. No. 12 Saint Josemaria Escriva Drive Ortigas Center, Pasig City	Passport No. S0012632A	Valid until November 01, 2022
<b>PETER S. SAMOZA</b> In his capacity as President Philkoei International, Inc. Unit 1701, 17 <sup>th</sup> Floor, The Orient Square Bldg. F. Ortigas Jr. Road, Ortigas Center Pasig City	Passport No. P8034491A	21 July 2018 / DFA NCR East

all known to me and to me known to be the same persons who executed the foregoing instrument consisting of five (5) pages including this page, together with the documents deemed and construed part of this Contract, on which this acknowledgment is written, duly signed by their instrumental witnesses, and they acknowledged to me that the same is their own free and voluntary act and deed as well as that of the entities which they represent.

**WITNESS MY HAND** on the date and place first hereinabove stated.

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Page No. 66  
Book No. J  
Series of 2019.

**ATTY. GLADYS KAYE L. CHUA**  
NOTARY PUBLIC FOR MANDALUYONG CITY  
APPT. NO. 0322-18 UNTIL DECEMBER 31, 2019  
ROLL OF ATTY NO. 66695  
PTR No. 2844070 JAN. 14, 2019- MANDALUYONG CITY  
LIFETIME IBP NO. 014907, JULY 29, 2016 - ZAMBASULTA CHAPTER  
MCLE COMPLIANCE VI; JUNE 04, 2018  
UNIT G1-32 ST. FRANCIS SQUARE BLDG., BANK DRIVE COR.,  
JULIA YARGAS ST., MANDALUYONG CITY