

DELTA CONSTRUCTION AND MARINE SERVICES  
(CONTRACTOR)

CONTRACT NO. LOG MSSP 2022-12-135-ALC

SUPPLY, DELIVERY, INSTALLATION AND TEST OF 2 X 35 KL FUEL STORAGE TANKS FOR PALUMBANES DPP AND CALAGUAS DPP INCLUDING CONSTRUCTION OF ASSOCIATED FACILITIES UNDER PACKAGE 3 (BICOL OPERATIONS DIVISION)  
PR No. HO-PIG22-026 / PB221107-JL00405

*[Signature]*  
NERY F. HUMIDING  
President/General Manager

BY:

KNOW ALL MEN BY THESE PRESENTS:

This Contract made and entered into in Quezon City, Philippines, by and between:

The **NATIONAL POWER CORPORATION**, a government-owned and controlled corporation duly organized and existing under and by virtue of Republic Act No. 6395, as amended, with its principal office address at NPC Building, BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines, represented herein by its Vice President, Power Engineering Services, **ATTY. ROGEL T. TEVES**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**;

- and -

**DELTA CONSTRUCTION AND MARINE SERVICES**, a sole proprietorship duly organized and existing under and by virtue of the laws of Republic of the Philippines with office address at Roman Super Hi-way, Barangay Camacho, Balanga City, Bataan, Philippines herein represented by its President/General Manager, **MS. NERY F. HUMIDING**, who is duly authorized to represent it in this transaction, hereinafter referred to as **CONTRACTOR**.

WITNESSETH: That -

WHEREAS, on 16 October 2022, NPC posted the Invitation to Bid for the Public Bidding for the Supply, Delivery, Installation and Test of 2 x 35 kl Fuel Storage Tanks for Palumbanes DPP and Calaguas DPP Including Construction of Associated Facilities under Package 3 (Bicol Operations Division);

WHEREAS, there were two (2) prospective bidders who secured the bidding documents and participated in the bidding conducted on 07 November 2022 on the aforesaid undertaking;

SIGNED IN THE PRESENCE OF:

*[Signature]*  
ROCEL ANN I. TIMBANAL  
(CONTRACTOR)

*[Signature]*  
SERGIO P. VILLAFUERTE  
Manager, Project Management  
Dept.  
(NPC)

NATIONAL POWER CORPORATION  
(NPC)

*[Signature]*  
ATTY. ROGEL T. TEVES  
Vice President, Power Engineering Services

BY:

Contract between NPC and Delta Construction and Marine Services  
Supply, Delivery, Installation and Test of 2 x 35 kl Fuel Storage Tanks for Palumbanes DPP and Calaguas DPP Contract No. LOG MSSP 2022-12-135-ALC

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WHEREAS, CONTRACTOR's bid offer was considered as the single calculated and responsive bid;

WHEREAS, NPC accepted the said bid of the CONTRACTOR;

NOW, THEREFORE, in view of the foregoing premises and for and in consideration of the mutual covenants and stipulations hereinafter provided, the parties hereto have agreed as follows:

**ARTICLE I  
DOCUMENTS COMPRISING THE CONTRACT**

The following documents are hereby incorporated and made part of this Contract as though fully written out and set forth herein insofar as they are not inconsistent with the terms hereof:

1. Bid Documents for the Supply, Delivery, Installation and Test Of 2 x 35 KL Fuel Storage Tanks for Palumbanes DPP and Calaguas DPP Including Construction of Associated Facilities under Package 3 (Bicol Operations Division), PR No. HO-PIG22-026/PB221107-JL00405;
2. All other drawings, work program and bidding forms including all the documents now existing on file and/or to be made and agreed upon by the parties during the contract period relative to the works;
3. Bid Opening Report dated 10 November 2022;
4. Post-qualification Report dated 23 November 2022;
5. CONTRACTOR's bid proposal dated 04 November 2022;
6. Notice of Award dated 22 December 2022;
7. Notice to Proceed; and
8. The Performance Security to be filed by CONTRACTOR in accordance with this Contract.

The documents mentioned above shall collectively be referred to as "Contract Documents".

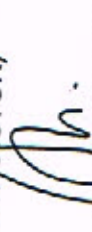
In the event that there is any discrepancy/inconsistency between the provisions of the Contract and the Contract Documents mentioned above, the latter shall govern. Should there be any inconsistency/discrepancy, among the Contract Documents, the document with the latest date shall prevail.


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BY:

BY:

  
**NERY F. HUMDING**  
President/General Manager

  
**NOTARY ANN T. TIMBANA**  
(CONTRACTOR)

  
**SERGIO P. VILLAFUERTE**  
Manager, Project Management  
Dept.  
(NPC)

  
**ATTY. ROGEL T. TEVES**  
Vice President, Power Engineering Services


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**ARTICLE II  
SCOPE OF WORK**


The works and services to be performed under this Contract shall essentially consist of, but not limited to the following:

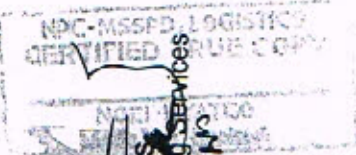
- a. Mobilization/establishment of Contractor's complete construction camp and other facilities;
- b. Site development/grading works, clearing/cutting of trees, disposal of excavated and excess material from backfill/fill in the areas to be designated by NPC;
- c. Supply, fabrication, erection/installation and test of 2 x 35 kL FOST with nominal diameter of 3.0 m and height of 5.4 m complete with valves, all tank appurtenances and accessories shown on the drawings and specified in relevant specifications including tank calibration, hydrostatic testing, sandblasting and painting;
- d. Supply, installation and test of one (1) set 10 m<sup>3</sup>/hr at 30m head Fuel Oil Transfer Pump, 240V, 1-phase, 60 hertz, gear type complete with piping, fittings, valves, strainers, flow meter, electrical amenities, control & instrumentation and other accessories described in the specification – **for Palumbanes DPP only**;
- e. Construction of fuel oil transfer pump house for Palumbanes DPP complete with electrical amenities and concrete foundation for fuel oil transfer;
- f. Construction of oil-water separator – for Palumbanes DPP;
- g. Construction of concrete foundation for the FOST, concrete slab in tank farm and its concrete containment walls and posts including drain pits and valve boxes;
- h. Supply, installation and test of one (1) lot fuel oil pipes/waste oil, pipe fittings, pipe supports, associated valves and accessories, required excavation and backfilling works, interconnection works with existing fuel piping system and drainage systems as shown on the drawings;
- i. Supply and installation of two (2) sets of Foam (AFFF) wheeled type fire extinguisher, complete with self-contained cylinder mounted on a frame with handle, floor stand and steel wheels, 125 L (33 gallons) capacity complete with associated valves, dial gauge indicator, nitrogen expellant tank for unit pressurization, appropriate size of discharge hose of 15 m long fitted with couplings and foam nozzle assembly;

BY:   
**NERY F. HUMDING**  
 President/General Manager

  
**SERGIO P. VILLAFUERTE**  
 Manager, Project Management  
 Dept. (NPC)

  
**ATTY. ROBERT T. TEVES**  
 Vice President, Power Engineering Services  
 Dept. (NPC)

BY:   
**ATTY. ROBERT T. TEVES**  
 Vice President, Power Engineering Services  
 Dept. (NPC)



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BY:

  
**NERY F. HUMIDING**  
President/General Manager

- j. Supply and installation of two (2) units of Portable Type Fire Extinguisher, Clean Agent (HCFC or Halotron I Type), 7.1 kg. (15.5 lbs), wall-hung type and UL/FM approved;
- k. Supply of two (2) units of 10 m long fuel oil sounding tape;
- l. Tagging and marking for all supplied equipment including tank, valves and piping in accordance with the requirements of the relevant technical specifications;
- m. Corrosion protection and painting;
- n. Demobilization including clearing of site /demolition of Contractor's camp facilities; and
- o. All other works and services required to complete the project.

**ARTICLE III  
COMMENCEMENT AND COMPLETION PERIOD**


The CONTRACTOR shall complete the works as herein specified within **(210) calendar days** from receipt of Notice to Proceed. The total contract period is inclusive of twenty (20) rainy/unworkable days, considered unfavorable for the execution of works at site.

SIGNED IN THE PRESENCE OF:

  
**NERY F. HUMIDING**  
(CONTRACTOR)

**ARTICLE IV  
PAYMENTS**


For and in consideration of the WORK to be undertaken by CONTRACTOR as specified in the preceding Article II hereof, NPC shall pay the CONTRACTOR in Philippine Currency and in accordance with the Contract Documents, the unit and lump sum prices hereof in the total amount of **PHILIPPINE PESOS EIGHT MILLION SIX HUNDRED FIFTY FIVE THOUSAND FOUR HUNDRED FIFTY NINE AND 99/100 PESOS (PHP 8,655,459.99)**.

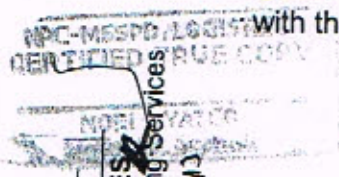
  
**SERGIO P. VILLAFUERTE**  
Dept. (NPC)  
Manager, Project Management

All forms of taxes, such as value added tax (VAT) including municipal licenses and permits, and others that may be imposed by the Philippine Government, or any of its agencies and political subdivisions in connection with the Contract shall be for the account of the CONTRACTOR.

DELTA CONSTRUCTION AND MARINE SERVICES  
(CONTRACTOR)

BY:

  
**ATTY. ROGEL T. TEVES**  
Vice President, Power Engineering Services  
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BY:

  
**NERY F. LUMDING**  
President/General Manager

**ARTICLE V**  
**EXTENSION OF CONTRACT**

No extension of contract time shall be granted to the CONTRACTOR due to (i) ordinary unfavorable weather conditions; (ii) inexcusable failure or negligence of CONTRACTOR to provide the required supplies, materials or equipment; and (iii) when the reason given for the extension was already considered in the determination of the original contract time during the conduct of detailed engineering and in the preparation of contract documents agreed upon by the parties before contract perfection.

NPC shall not be liable for any claim associated with the extension of contract time unless it has examined the facts as well as the extent of delay, and has agreed in writing that the CONTRACTOR is entitled for an extension of time.

**ARTICLE VI**  
**ENTIRE CONTRACT**

This is an entire contract for one whole complete work and that partial payments made by NPC, or the use of parts of the work, or its equivalent, shall not constitute as an acceptance of any part of the work before its entire completion and final acceptance in writing by NPC.

**ARTICLE VII**  
**CONTRACTOR'S LIABILITY**

The Parties hereby agree that the employees of the CONTRACTOR are not employees of NPC. NPC shall not in any way be liable or responsible for any personal injury or damages, including death sustained or caused by any of the employees of the CONTRACTOR, including its sub-contractor, agent or supplier, whether or not occurring during the performance of their duties. The CONTRACTOR agrees and binds itself to indemnify NPC for whatever injury or damages caused or occasioned by the failure, negligence or conduct of the CONTRACTOR and/or its employees, sub-contractors, agents, suppliers or consultants arising out of on in connection with or on the occasion of the performance of the Contract. The CONTRACTOR shall, at all times, stand solely liable and/or responsible for the enforcement of and compliance with all existing laws, rules and regulations; and binds itself to save and hold NPC free and harmless from any and all liability in respect thereof and/or arising there from and/or by reason of this Contract and its implementation.

SIGNED IN THE PRESENCE OF:

  
**ROXEL ANN I. TIGABANES**  
(CONTRACTOR)

  
**SERGIO P. VILLAFUERTE**  
Manager, Project Management  
Dept.  
(NPC)

  
**ATTY. ROGEL T. TEVES**  
Vice President, Power Engineering Services  
Dept.  
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**ARTICLE VIII  
RESPONSIBILITY OF THE CONTRACTOR**

The CONTRACTOR shall assume full responsibility for the entire contract work until its final acceptance by NPC and shall be held responsible for any damage or destruction of works until final acceptance.

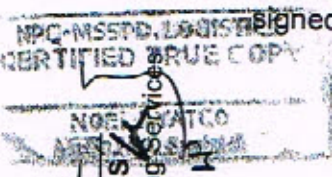
**ARTICLE IX  
NON-ASSIGNMENT AND NO SUBCONTRACT**

The CONTRACTOR shall not, without the written approval of NPC, assign, transfer, pledge, sub-contract, or make any other disposition of interest in this Contract. Any unapproved assignment, transfer, pledge, sub-contracting or any other disposition, shall be sufficient ground for NPC to terminate or cancel this Contract motu proprio without need of judicial action. Should NPC give its written approval, such consent shall not relieve the CONTRACTOR of its responsibilities under the Contract. The CONTRACTOR shall ensure that the terms and conditions of any subcontract shall comply and conform with the terms and conditions of this Contract. The CONTRACTOR shall be responsible for the observance by the sub-contractor of the terms and conditions of this Contract.

If any portion of the project sub-contracted is not performed faithfully in accordance with the contract, the sub-contractor shall be removed or replaced immediately upon the written request of NPC, provided, however, that any failure of NPC to make such request shall not relieve the CONTRACTOR of its obligations under the contract. NPC shall not be responsible for the delays or costs incurred by the CONTRACTOR because of the disapproval or removal of the sub-contractor, or because of the late submission of its approval.

**ARTICLE X  
AGREEMENT MODIFICATION**

No modification, alteration or waiver of any provision of this agreement shall be binding upon the Parties unless evidenced by a written amendment signed by the Parties.



BY:   
**NERY F. HUMIDING**  
President/General Manager  
(CONTRACTOR)

BY:   
**KYLE ABAIT-TIMBANGAN**  
(CONTRACTOR)

BY:   
**SERGIO P. VILLAFUERTE**  
Manager, Project Management  
Dept.  
(NPC)

BY:   
**ATTY. ROGEL T. TEVES**  
Vice President, Power Engineering Services  
(NPC)

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DELTA CONSTRUCTION AND MARINE SERVICES  
(CONTRACTOR)

BY:   
**NERY F. HUMIDING**  
President/General Manager

**ARTICLE XI**  
**SUSPENSION OF WORK**

NPC or its duly authorized representative shall have the authority to suspend the work, wholly or partly, by written order for period/s as may be deemed necessary due to force majeure, fortuitous event, failure on the part of the CONTRACTOR to correct bad working conditions which are unsafe for workers or third parties, failure to carry out valid orders given by NPC, failure to perform any provisions of this contract, and due to adjustment of plans to suit field conditions as found necessary by NPC during construction. The CONTRACTOR shall immediately comply with work suspension, either wholly or partly.

**ARTICLE XII**  
**PRETERMINATION**

Notwithstanding any provision to the contrary, NPC has the right to terminate, cancel and/or rescind this contract motu proprio, without need of judicial action, in case of breach thereof by the CONTRACTOR, by giving at least ten (10) day written notice, which shall be final and binding on all parties. Upon receipt of NPC's notice, the CONTRACTOR cannot remove, withdraw or pull-out any equipment, machinery, tool, material and supply brought to the project site without the written approval of NPC.

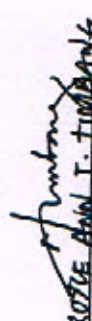
Any misrepresentation made by the CONTRACTOR in the submission of documents, or suppression of material facts, which if known could have disqualified the contractor gives NPC the immediate right or recourse to motu proprio, without need of judicial action, rescind, abrogate or otherwise terminate the Contract.

Within thirty (30) days after termination, cancellation or rescission of this Contract, the Parties shall settle their respective accountabilities as of the date of termination, cancellation, or rescission, including the refund of any and all advances made, plus legal interest from the date of receipt of the amount or amount advanced.


**ARTICLE XIII**  
**REMEDY AND RELIEF**

Should there be any dispute or controversy in connection with this Contract, the Parties, as far as practicable, shall settle it amicably. In the event that such dispute or disagreement be not resolved to the parties' satisfaction, the matter shall be submitted to arbitration in the Philippines according to the provisions of Republic Act No. 876, otherwise known as the "Arbitration Law". Provided, however, that disputes within the competence of the Construction Industry Arbitration Commission shall be submitted thereto, Arbitration proceedings shall be without prejudice to the right of the NPC to rescind or terminate this Contract.

SIGNED IN THE PRESENCE OF:

  
**ROGIE ANN T. TRILLANES**  
(CONTRACTOR)

  
**SERGIO P. VILLAFUERTE**  
Manager, Project Management  
Dept.  
(NPC)

  
**ATTY. ROGEL T. TEVES**  
Vice President, Power Engineering Services

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