


JBB BUILDERS AND SUPPLY
(CONTRACTOR)

DOMELYN E. VILLAR
Authorized Managing Officer

BY:


JOSE P. JAPON
(CONTRACTOR)

SIGNED IN THE PRESENCE OF:

ALEXANDER P. JAPON
VP, Administration &
Finance

NATIONAL POWER CORPORATION
(NPC)

BY:

LARRY I. SABELLINA
Vice President, SPUG

CONTRACT NO. LOG MSSP 2023-04-035-NIY

**RENOVATION OF POWERHOUSE AND FACILITIES IMPROVEMENT
FOR BATAN DIESEL POWER PLANT
PR NO. S1-BAT23-001 / PB230201-JL00013 (PB2)**

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 Office Building Complex, BIR Road corner Quezon Avenue, Diliman, Quezon City, Philippines herein represented by its Vice-President for SPUG, **MR. LARRY I. SABELLINA**, who is duly authorized to represent it in this transaction, hereinafter referred to as **NPC**;

- and -

JBB BUILDERS AND SUPPLY, a sole proprietorship duly organized and existing under and by virtue of the laws of Republic of the Philippines with office address at Unit 12 3rd Floor Sifelan Building, Corner Gov. Locsin and Rosario Street, Old Albay, Legaspi City, Albay, Philippines herein represented by its Authorized Managing Officer, **MS. DOMELYN E. VILLAR** who is duly authorized to represent it in this transaction, hereinafter referred to as **CONTRACTOR**.

WITNESSETH: That -

WHEREAS, on 13 February 2023, NPC posted the Invitation to Bid for the 2nd Public Bidding for the Renovation of Powerhouse and Facilities Improvement for Batan Diesel Power Plant in Brgy. Batan, Rapu-Rapu, Albay;

WHEREAS, only one (1) prospective bidder secured the bidding documents and participated in the 2nd public bidding conducted on 06 March 2023 on the aforesaid undertaking;

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:

Contract between NPC and JBB Builders & Supply
Renovation of Powerhouse and Facilities Improvement for Batan DPP
Contract No. LOG MSSP 2023-04-035-NIY

BY:

DOMELYN E. VILLAR
Authorized Managing Officer

JOSE DE JESUS P. S. (CONTRACTOR)

ALEXANDER P. JAPON
VP, Administration & Finance

LARRY J. SABELLINA
Vice President, SPUG

BY:

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 Renovation of Powerhouse and Facilities Improvement for Batan Diesel Power Plant in Brgy. Batan, Rapu-Rapu, Albay;
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 07 March 2023;
4. Post-qualification Report dated 27 March 2023;
5. CONTRACTOR's bid proposal dated 06 March 2023;
6. Notice of Award dated 17 April 2023;
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.

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:

1. Architectural Works

- a) Concrete and Masonry Works;
- b) Replacement of ceiling for Control Room and Comfort Room;
- c) Fenestration works;
- d) Expansion of Control Room including installation of vinyl quartz tiles;
- e) Supply and installation of pre-painted corrugated roofing sheets;

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- f) Construction of CHB Wall to the existing doors and window to be closed;
- g) All other works and services required to complete the project.

2. Civil Works

- a) Moving-in including furnishing, supervision, construction, operation and maintenance of general construction facilities and moving-out thereof after completion and acceptance;
- b) Fabrication and installation of steel trusses, rafters, strut beam and others;
- c) Construction of roof beam and column extension for the additional height of the engine area;
- d) All other works and services required to complete the project.
- e) Demobilization and removal/clearing the Contractor's equipment and construction camp/facilities

3. Electrical Works

- a) Supply, Installation and Test of Lighting and Power System of the Powerhouse and Containerized Bunker house for Batan DPP;
- b) Supply, Installation and Test of Kilowatt-hour Demand Meter and its accessories;
- c) Dismantling of the existing circuit breakers inside the containerized bunker house and existing lighting fixtures & convenience outlets inside the powerhouse including electrical wires, switches, and other appurtenances and stocking to the designated stockyard to be provided by the end-user; and
- d) All other works and services including those not specifically detailed herein but are required to complete the project.

4. Mechanical Works

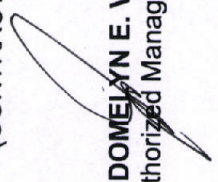
The Supplier shall supply PS/ICC and/or BFP approved Portable Type Fire Extinguisher complete and ready for operation and shall be installed at their corresponding place of use as specified below and shown on the drawing.

- a) Three (3) units of Portable Type Fire Extinguisher, Clean Agent (HCFC or Halotron I Type), 7.1 kg. (15.5 lbs), non-expiry, multi-shots, wall-hung type PS/ICC and/or BFP approved; and

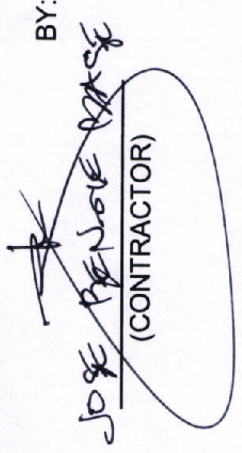
Fire extinguisher shall be Philippine Standard/International Certificate of Competence and/or

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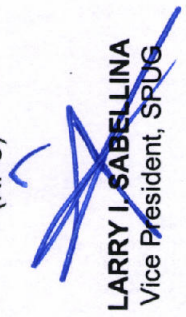
DOMELYN E. VILLAR
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BY:


JOSE PENABAZ
(CONTRACTOR)

ALEXANDER P. JAPON
VP, Administration &
Finance


LARRY I. SABELLINA
Vice President, SPDG

Bureau of Fire Protection Approved and of rechargeable cylinder with five (5) years guarantee against leak. The fire extinguisher cylinder shall be complete with release valve, dial gauge indicator, appropriate length of hose with nozzle and locking pin.

The 7.1 kg (15.5 lbs.) capacity wall-hung type fire extinguisher shall be complete with carrying handle and wall-mounting bracket.

Portable fire extinguisher shall be suitable for the protection against class ABC fires using Clean Agent (HydroChloroFluoroCarbon or Halotron I Type) that is environmentally safe and leaves no residue.

The fire extinguisher shall be check-weighed at interval of six (6) months from the date of delivery for a period of one (1) year and if found to be undercharged (unless used by an NPC personnel) shall be filled and recharged by the Supplier at no expense to NPC.

MINIMUM REQUIRED PERSONNEL

For the duration of the contract, the Contractor shall have the following minimum required personnel assigned to the project:

- a. One (1) Project Engineer

Registered Civil Engineer who had supervised at least a project similar in nature as to the type and cost of the proposed project within the last 10 years. Must have at least 3 years professional experience as Civil Engineer on similar project.

- b. One (1) Safety Officer 2

Construction Safety Officer who has completed at least forty (40) hours of Construction Safety and Health Training (COSH) from Occupational Safety and Health Center (OSHC) or Safety Training Organizations (STOs) accredited by the Department of Labor and Employment (DOLE).

Valid Professional Regulations Commission (PRC) license for professional personnel. Construction Safety and Health Training Certificate from OSHC/STOs accredited by DOLE for the Safety Officer, certificate of accreditation including ID card issued by DPWH for Materials Engineer, shall be submitted and included as an attachment in the Standard Form NPCSF-INFR-09 List of Key Personnel Proposed to be Assign to the Contract.

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The above key personnel must either be employed by the Bidder or contracted by the Bidder to be employed for the contract to be bid.

MINIMUM REQUIRED CONSTRUCTION EQUIPMENT

The list of construction equipment (owned or leased) shall include the following:

- a. Welding Machine (300 Amp) - 1 unit
- b. Concrete Mixer (1-bagger) - 1 unit
- c. Oxy-acetylene gas cutter - 1 unit
- d. Bar cutter (25 mm Φ capable) - 1 unit
- e. Concrete Vibrator (3.5 hp) - 1 unit

BUILDING/OCCUPANCY PERMIT AND OTHER LICENSES AND PERMITS IMPOSED FOR THE CONTRACT

All forms of taxes, such as value added tax (VAT) including Local Government Unit (LGU) licenses and permits, and others that may be imposed by the Philippine Government or any of its agencies and political subdivisions in connection with Contract shall be for the account of the Contractor. NPC shall provide assistance to the Contractor in securing the needed documents for the permits/licenses or approvals.

Whenever Building/Occupancy Permit is required at the place where the subject building/structure is located or to be erected, the Contractor shall apply, process, submit and bear all costs and charges to the corresponding fees/incidental services of the required documents in securing a building permit.

For Building/Occupancy Permit purposes, the assigned Project Manager or designated representative of NPC shall be the signatory for the Owner's Representative/Procuring Entity and Full-time Inspector and Supervisor for the Construction Works. The Manager of the DDD or designated representative of NPC shall be the signatory of the Project Specifications and the drawings and design analysis/computation of Architectural, Structural, Electrical, Mechanical & Plumbing. While the Contractor will be the signatory for the Bill of Quantities/Cost Estimates. NPC may opt to require the contractor to provide the professional/eligible personnel to sign the permits especially but not limited to project with construct and design contract. The Contractor at his own expense shall bear all the costs and charges needed to comply with the said documents. The Contractor shall not be relieved on its responsibility with regards to the reliability and integrity of the project concern.

SIGNED IN THE PRESENCE OF:

ALEXANDER P. JAPON
VP, Administration & Finance

BY:

JOSE MARINO RASO
(CONTRACTOR)

LARRY I. SABELLINA
Vice President, SPUG

BY:

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**ARTICLE III
COMMENCEMENT AND COMPLETION PERIOD**

The CONTRACTOR shall complete the works as specified within **one hundred twenty (120) calendar days**. The total contract period is inclusive of seven (7) unworkable days considered unfavorable for the execution of the works. The total contract duration shall be reckoned from the date of contract effectivity as specified in the Notice to Proceed.

**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 and not exceeding **PHILIPPINE PESOS TWO MILLION TWO HUNDRED NINETY FIVE THOUSAND NINE HUNDRED FOUR PESOS & 30/100 (PHP 2,295,904.30)**.

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.

**ARTICLE V
EXTENSION OF CONTRACT TIME**


No extension of contract time shall be granted 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**

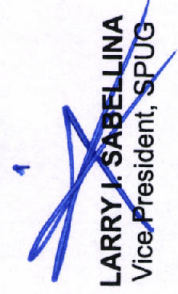
This is an entire contract for one whole complete work and that partial payments made by NPC, or the use of parts of the work, or its

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BY:

JOSE RENCIO
(CONTRACTOR)

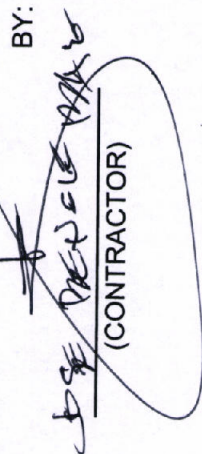
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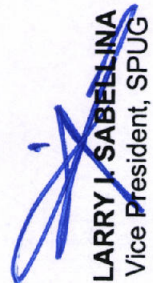
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BY:

LARRY J. SABELLINA
Vice President, SPUG

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 therefrom and/or by reason of this Contract and its implementation.

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 sub-contract 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


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(NPC)

DOMELYN E. VILLAR
Authorized Managing Officer

BY:

(CONTRACTOR)

ALEXANDER P. JAPON
VP, Administration &
Finance

LARRY I. SABELLINA
Vice President, SPUG

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.

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.

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**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.

Should NPC be constrained to resort to court action to enforce or safeguard its rights and interests under this Contract, the CONTRACTOR shall be liable to NPC for attorney's fees in the amount equivalent to twenty percent (20%) of the sum total claimed in the complaint, exclusive of other damages and the expenses of litigation.

In case of dispute or disagreement arises between NPC and the CONTRACTOR regarding the manner by which the latter is performing works, the CONTRACTOR shall follow the instruction of NPC relative thereto, otherwise, the CONTRACTOR shall have no right to ask for arbitration or go to court for relief.


**ARTICLE XIV
PERFORMANCE SECURITY**

To guarantee the faithful performance of the SUPPLIER's obligation under this Contract, the SUPPLIER shall post a performance security which shall remain valid and effective during the contract duration.

- a. Cash, Manager's/Cashier's Check, Bank Draft/Guarantee issued by a Universal or Commercial Bank or Irrevocable Letter of Credit issued by a Universal or Commercial Bank. Provided however, that it shall be confirmed or authenticated by a reputable local Universal or Commercial Bank if issued by a Foreign Bank which shall be Ten Percent (10%) of the total contract price.
- b. Surety Bond callable upon demand and penal in nature issued by a Surety or Insurance Company duly accredited by the Insurance Commission as authorized to issue such security which shall be Thirty Percent (30%) of the total contract price.
- c. Performance Securing Declaration.

The Insurance Company that will issue Performance Security must be accredited by the Insurance Commission and acceptable to the National Power Corporation.

SIGNED IN THE PRESENCE OF:

BY:

JOSE P. NOLASCO
(CONTRACTOR)

ALEXANDER P. JAPON
VP, Administration & Finance

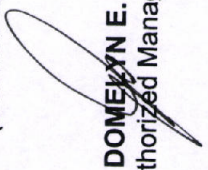
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BY:  Jace 

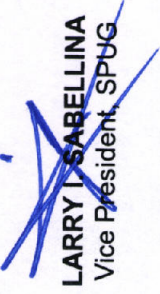
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The performance security shall be valid for the duration of the contract and shall remain valid and effective until after sixty (60) days from NPC's final acceptance of the project, unless the contract duration is extended, in which case the validity of the performance security shall accordingly be extended.

This performance security shall also be answerable for any damages or penalties or any expenses that NPC may suffer as a result of the failure of the CONTRACTOR to perform its obligation under this Contract including the defects liability period of one year. The Performance Security shall be entirely confiscated by NPC upon default of CONTRACTOR.

In case of surety bond, any extension of the contract time granted to the CONTRACTOR, shall be considered as given, and any modification of the contract shall be considered as authorized, as if with the expressed consent of the surety, provided that such extension or modifications falls within the effective period of the said surety bond. However, in the event that the extension of the contract time would be beyond the effective period of the surety bond first posted, it shall be the sole obligation of the CONTRACTOR to post an acceptable Performance Security within ten (10) calendar days after the contract time extension has been granted by NPC.

The performance security shall be discharged by NPC and return to the CONTRACTOR only after the required warranty security/guarantee bond shall have been posted by the CONTRACTOR.

**ARTICLE XV
GUARANTEE BOND**

To assure that any structural defects in the WORK shall be corrected by the CONTRACTOR, and to cover third party liabilities, the CONTRACTOR shall post a Guarantee Bond after the final acceptance of the Work. This is also a pre-requisite to the discharge and release to the CONTRACTOR of the retention money. The Guarantee Bond shall remain valid and effective for the period of one (1) year. The Guarantee Bond shall be posted before the release of the ten percent (10%) retention money provided for in the Bidding Documents. This shall be either in the form of Cash, Letter of Credit issued by a Universal or Commercial Bank equivalent to five percent (5%) of the total contract price, or Bank guarantee confirmed by Universal or Commercial bank equivalent to 10% of the total contract price or Surety Bond penal in nature and callable upon demand issued by any surety or insurance company duly certified by the Insurance Commission as authorized to issue such security, equivalent to thirty percent (30%) of the total contract price. The CONTRACTOR shall be held responsible for Structural Defects for the number of years mentioned in the Bidding Documents.

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ARTICLE XVI
LIQUIDATED DAMAGES

Should CONTRACTOR fail to satisfactorily complete the WORK within the stipulated contract time, plus any time extension duly granted and is hereby in default under this Contract, CONTRACTOR shall pay liquidated damages to NPC for each day that the Completion Date is later than the intended Completion Date. The applicable liquidated damages is at least one-tenth (1/10) of one percent (1%) of the cost of the unperformed portion for every day of delay. NPC shall deduct liquidated damages from payments due to CONTRACTOR. Payment of liquidated damages shall not affect the CONTRACTOR's liabilities. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of this Contract, NPC may rescind or terminate this Contract without prejudice to other course of action and remedies available under circumstances.

ARTICLE XVII
WARRANTY CLAUSE

CONTRACTOR hereby warrants that he or his representative has not offered or paid, directly or indirectly, any government officer and NPC official or employee any consideration or commission for the Contract nor has he or his representative exerted or utilized any corrupt or unlawful influence to secure or solicit this Contract for any consideration or commission; that the CONTRACTOR will not subcontract any portion or portions of the scope of work of the Contract awarded to him to any official or employee of the NPC and to the relatives within the 3rd degree of consanguinity or affinity of NPC's officials who are directly and indirectly involved in Contract awards or project execution; and that if any commission is being paid to a private person; he shall disclose the name of said person and the amount being paid; and that any violation of this Warranty shall constitute sufficient ground for the rescission or cancellation of this Contract; or the reduction from the Contract Price of the consideration or commission paid without prejudice to the filing of any action for the violation of RA No. 3019 as amended (otherwise known as the Anti-Graft and Corrupt Practices Act) and/or other applicable laws against the CONTRACTOR and/or his representative and/or the erring NPC official(s) and employee(s).

ARTICLE XVIII
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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