

## CONTRACT

### FOR THE OPERATION AND PREVENTIVE MAINTENANCE OF SEWAGE TREATMENT PLANT (MULTI-YEAR)

This Contract is made and executed on this 14 day of DEC 2017 at Pasay City, Philippines, by and between:

The **GOVERNMENT SERVICE INSURANCE SYSTEM**, a social insurance institution, created under Commonwealth Act No. 186, as amended, and operating under its present Charter, Republic Act No. 8291, otherwise known as the GSIS Act of 1997, with principal office address at the **GSIS** Headquarters Building, Financial Center Area, Pasay City, represented herein by **FLORMIN O. CONCEPCION**, Vice President, General Services Office, hereinafter referred to as the "**GSIS**";

and

The **I.M. BONGAR & CO. INC.**, a corporation duly organized and operating under the laws of the Philippines, with its principal place of business at 310 Pilar Road, Almanza I, Las Piñas City, represented herein by **ISAIAS P. BONGAR, JR.**, Executive Vice President, duly authorized for this purpose, hereinafter referred to as the "**SERVICE PROVIDER**".

### RECITALS

#### WHEREAS:

1. The **GSIS** invited Bids for the Operation and Preventive Maintenance of Sewage Treatment Plant (the **Services**).
2. The **SERVICE PROVIDER** submitted the Lowest Calculated and Responsive Bid (LCRB), representing that it has the resources and the capability to meet the requirements as defined under the Official Bid Documents, and the **GSIS** has accepted said Bid.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the parties have agreed and stipulated as follows:

1. The following Official Bid Documents shall be deemed integral parts of this Contract:
  - 1.1 Bid Data Sheet;
  - 1.2 Terms of Reference;
  - 1.3 Scope of Work;
  - 1.4 Plans/Drawings and/or Technical Specifications;
  - 1.5 General Conditions of Contract;
  - 1.6 Special Conditions of Contract;
  - 1.7 Price Schedule submitted by the **SERVICE PROVIDER**;
  - 1.8 Schedule of Requirements;
  - 1.9 Supplemental Bid, if any; and
  - 1.10 Notice of Award.

The Official Bid Documents and this Contract contain all the agreements of the parties and replace and supersede any understanding, communications and representations, whether verbal or written, between the parties.



2. The words, terms and phrases stated in this Contract shall have the same meanings as are respectively assigned to them under the Official Bid Documents.
3. In consideration of the Contract Price of **One Million Seven Hundred Thousand Pesos (Php1,700,000.00)** to be paid by the **GSIS**, the **SERVICE PROVIDER** hereby covenants with the **GSIS** to provide the **Services** in conformity with the Official Bid Documents and this Contract.
4. The **GSIS** shall pay the Contract Price at the time and in the manner prescribed by the Official Bid Documents and this Contract. It is understood that all applicable taxes, including Documentary Stamp Tax (DST), if any, shall be borne by the **SERVICE PROVIDER**. For this purpose, the **SERVICE PROVIDER** acknowledges that the **GSIS** is not a withholding agent for DST and hereby undertakes and commits itself to make direct payments to the BIR of any DST that may be imposed in the execution and/or performance of this Contract. The **SERVICE PROVIDER** shall furnish the **GSIS** with proof of such payment.
5. Any damage to the systems, facilities and equipment of the **GSIS** due to the negligence, theft or pilferage, directly or indirectly, caused by the **SERVICE PROVIDER's** personnel shall be immediately repaired, restored or replaced by the **SERVICE PROVIDER** for its own account. If the **SERVICE PROVIDER** fails to carry out such repair, restoration or replacement within ten (10) days from the request of the **GSIS**, the latter may initiate and complete such repair, restoration or replacement. Expenses therefor shall be for the account of the **SERVICE PROVIDER** and shall be deducted from the Contract Price.
6. During the effectivity of this Contract, the **SERVICE PROVIDER** shall not assign or transfer the covered **Services** without the prior written consent of the **GSIS**. Any act in violation of this provision shall be sufficient ground for the termination of this Contract.
7. The parties are independent entities and no agency, partnership, joint venture, employment or formal business arrangement of any kind is created by this Contract. Neither shall the personnel or employees of the **SERVICE PROVIDER** be deemed employees of the **GSIS**. The **SERVICE PROVIDER** agrees that the **GSIS** shall not in any way be liable or responsible for any personal injuries or damages, including death, sustained or caused by any of the employees of the **SERVICE PROVIDER** and undertakes to indemnify and hold the **GSIS** free and harmless from any liability that may imposed upon the **GSIS** therefor.
8. In the event that the **SERVICE PROVIDER** fails to perform its contractual obligations within the agreed period as specified in this Contract, the **GSIS** shall deduct from the Contract Price, as liquidated damages, a sum equivalent to at least one-tenth of one percent (0.1%) of the cost of the unperformed portion of the contract per day of delay but not to exceed ten percent (10%) of the Contract Price. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the Contract Price, the **GSIS** may rescind the contract, without necessity of judicial intervention and without prejudice to other course of action and remedies available to it under the law and equity. The damages herein provided are fixed and the **GSIS** shall not be required to adduce proof thereof.



9. Should the **GSIS** be constrained to file a suit to obtain relief against the **SERVICE PROVIDER**, the latter shall be liable to pay an amount equivalent to twenty percent (20%) of that amount claimed in the complaint as attorney's fees, aside from the costs of litigation and other expenses which the **GSIS** is entitled to recover from the **SERVICE PROVIDER**; provided, however, that in an action brought by the **SERVICE PROVIDER** for whatever cause arising under this Contract, should it be adjudged not to be entitled to the relief sought, the **GSIS** as the prevailing party shall be entitled to such reasonable attorney's fees, costs of litigation and other costs it may have incurred by reason of such action.
10. The **SERVICE PROVIDER** shall defend, indemnify and hold harmless the **GSIS**, the members of its Board of Trustees, its officials, agents and employees, against all claims, losses, liabilities and damages, and to pay all claims, judgments, awards, costs and expenses arising out of or in connection with the **SERVICE PROVIDER's** acts or omissions, unless such claims are due solely to the negligence of the **GSIS**. Costs inclusive of expert witness fees and other legal expenses shall be charged against the account of the **SERVICE PROVIDER**.
11. If any term, condition or any part of the provisions of the Official Bid Documents and this Contract is determined to be invalid, void or unenforceable to any extent, such term, condition or provision shall be severed from the remaining provisions which shall continue to be valid and enforceable to the fullest extent permitted by law.
12. Any action arising from arbitration or other modes of dispute settlement under the Official Bid Documents and this Contract shall be brought by the aggrieved party exclusively before the proper court in the City of Pasay.
13. This Contract and the Official Bid Documents shall be subject to the pertinent provisions of R.A. No. 9184, otherwise known as the Government Procurement Reform Act, its Revised Implementing Rules and Regulations, and other related laws, rules and regulations.

**IN WITNESS WHEREOF**, the parties have duly executed this Contract on the date and at the place first above written.

**GOVERNMENT SERVICE  
INSURANCE SYSTEM**

**I.M. BONGAR & CO. INC.**

By:

By: \_\_\_\_\_

*(original signed)*

*(original signed)*


**FLORMIN O. CONCEPCION**  
Vice President, General Services Office

**ISAIAS P. BONGAR, JR.**  
Executive Vice President

**SIGNED IN THE PRESENCE OF:**

*(original signed)*

**MARIA LOURDES B. REQUINALA**  
Officer IV, BMD

  
**JEFFREY S. ABALOS**  
PROJ. ENGR.

Certified Funds Available:  
2017 - Php84,615.38  
2018 - Php1,615,384.62

Certified Included in the GSIS  
2017 Annual Procurement Plan

(original signed)

MANUEL P. ANG  
Vice President, FISMOASO

(original signed)

ROMEO G. DE LUNA, JR. ✓  
Head, GBAC Secretariat  
2017-GSIS-PB-023

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
PASAY CITY ) S.S.

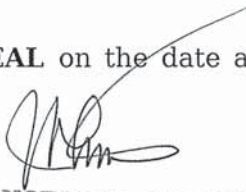
BEFORE ME, a Notary Public for and in the City of \_\_\_\_\_, this 14 DEC 2017  
day of \_\_\_\_\_, personally appeared:

<u>Name</u>	<u>Valid IDs</u>	<u>Date/Place of Issuance</u>
FLORMIN O. CONCEPCION	GSIS ID No. 3707	_____
ISAIAS P. BONGAR, JR.	PRC No.73892	01/29/2016 / Manila

known to me and to me known to be the same persons, **FLORMIN O. CONCEPCION**, in representation of the **GSIS** as a juridical person, and **ISAIAS P. BONGAR, JR.**, in representation of **I.M. BONGAR & CO. INC.**, as a juridical person, who executed the foregoing **Contract** consisting of four (4) pages including the page on which this Acknowledgment is written, signed by the parties and their witnesses on each and every page thereof, and acknowledged to me that the same is their free and voluntary act and deed, and of the entities they represent.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at the place above written.

Doc. No. 163  
Page No. 34  
Book No. XXIV  
Series of 2017

  
**ATTY. NORMITA C. RECIO-HONORICA**  
Notary Public for Pasay City  
Until December 31, 2018  
PTR NO. 0866347; 1/3/17  
Commission No. 17-03; 1/19/2017  
Roll No. 41263 IBP Lifetime Member 06093  
MCLE Compliance No. V-0006067 02/04/2015