



Republic of the Philippines  
CIVIL AVIATION AUTHORITY OF THE PHILIPPINES

**CONTRACT AGREEMENT**

**FOR THE PROJECT**

**REPAIR AND MAINTENANCE OF BAGGAGE HANDLING SYSTEM AT ILOILO  
INTERNATIONAL AIRPORT**

Contract ID No. C.I.O. 2023-002

**KNOW ALL MEN BY THESE PRESENTS:**

This Contract is made and entered into this 5 JUL 2023 at Iloilo,  
Philippines

by and between

The Government Republic of the Philippines, through the **CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**, Iloilo International Airport represented herein by MANUELA LUISA F. PALMA, in his capacity as Airport Manager I, Iloilo International Airport, duly authorized for this purpose, with office address at Iloilo International Airport, Brgy Gaub, Cabatuan, Iloilo, hereinafter referred to as the "PROCURING ENTITY",

-and-

**ALJON INTERNATIONAL CORPORATION** a Company, duly organized and existing by virtue of Laws of the Republic of the Philippines with office address at #226 Samson Road, Caloocan City, represented by **CEFERINO M. SORIANO JR.**, Authorized Representative as **PARTY OF THE SECOND PARTY**, hereinafter referred to as the "CONTRACTOR" Who has been duly authorized for its purpose.

**WITNESSETH:**

WHEREAS, in accordance with the advertisement of the PROCURING ENTITY published/posted in accordance with the Revised Implementing Rules and Regulations of RA 9184, the CONTRACTOR & other contractors/bidders submitted bids to the **REPAIR AND MAINTENANCE OF BAGGAGE HANDLING SYSTEM AT ILOILO INTERNATIONAL AIRPORT**, in accordance with the plans & specifications & requirements thereof.

WHEREAS, the above-mentioned project, by the recommendation of the Bids and Awards Committee (BAC) and stated on the approved Annual Procurement Plan for 2023, which was approved by the Head of the Procuring Entity, has been considered thru Public/Competitive Bidding.

WHEREAS, after the opening of bids on last May 29, 2023, the bid price of the CONTRACTOR was found to be the **Lowest Calculated Responsive Bid**.

WHEREAS, under Resolution No. C.I.O. 2023-002-02 dated June 14, 2023, the BAC recommends the award to the **ALJON INTERNATIONAL CORPORATION** as the winning Bidder in the amount of **Six Hundred Ninety One Thousand Five Hundred Twenty Four Pesos & 77/100 (P 691,524.77)**.

 CIVIL AVIATION AUTHORITY OF THE PHILIPPINES  
BIDS AND AWARDS COMMITTEE  
ILOILO INTERNATIONAL AIRPORT

**RECEIVED**

By:  Date: 7/6/23

1. That PROCURING ENTITY and CONTRACTOR shall abide by the provisions and specifications stated on the following documents, which shall be included in this Contract (whichever is applicable)

- a. Invitation to Bid or Request For Quotation, if any;
- b. Drawing/Plans
- c. Specifications
- d. Eligibility Requirements:
  - d.1. Registration Certificate from SEC, DTI for Sole proprietorship, CDA for cooperatives
  - d.2. Mayor's Permit/Business Permit
  - d.3. Statement of all On-going & Completed Government & Private Contracts.
  - d.4. Latest Audited Financial Statements Stamped Received by BIR
  - d.5. Annual Income Tax Return
  - d.6. Omnibus Sworn Statement in accordance with Section 25.2 (b.) (iv) of the Revised IRR of R.A. 9184
- e. Bid Bulletin, if any;
- f. Notice of Award of Contract and Contractor's "Conforme" thereto;
- g. Purchase Order or Notice to Proceed, whichever is applicable;
- h. Other contract documents that may be required by existing laws and / or the agency concerned.

2. The PROCURING ENTITY and the CONTRACTOR hereby agrees that the SCOPE OF WORK shall be the REPAIR AND MAINTENANCE OF BAGGAGE HANDLING SYSTEM AT ILOILO INTERNATIONAL AIRPORT;

3. That PROCURING ENTITY shall pay the CONTRACTOR upon the former's satisfaction in the total amount of Six Hundred Ninety One Thousand Five Hundred Twenty Four Pesos & 77/100 (P 691,524.77) in Philippine Currency. However, the CONTRACTOR may opt to collect at least fifty (50%) percent of the fee provided that they have accomplished at least fifty (50%) percent of the project per evaluation and satisfaction of the PROCURING ENTITY;

4. That in consideration of the payments to be made by the PROCURING ENTITY to the CONTRACTOR, the CONTRACTOR hereby covenants with the PROCURING ENTITY to execute and complete the WORKS and remedy any defects therein in conformity with the provision of this CONTRACT AGREEMENT in all respects;

5. That the CONTRACTOR will fully & faithfully furnish all required materials and/or labor and will complete the said contract for the REPAIR AND MAINTENANCE OF BAGGAGE HANDLING SYSTEM AT ILOILO INTERNATIONAL AIRPORT and hereby agrees to complete the Contract within ONE HUNDRED TWENTY (120) CALENDAR DAYS which shall commence on the date received by the Contractor of the Purchase Order or seven (7) days after upon the receipt of Notice to Proceed, whichever is applicable;

6. The CONTRACTOR shall, at its proper cost and expense, fully and faithfully deliver the goods enumerated below:



ITEM NO.	QTY	UNIT	ARTICLE AND DESCRIPTION	BIDDER'S PRICES OFFERED	
				A.	B.
1	2	Lot	Preventive Maintenance Service (Semi- annual servicing)	177,142.86	NO BRAND
2	2	Set	Load Cell Replacement for Baggage Weighing Scale	265,160.72	ATRAX
			Each set is compose of:		
			1 unit LC550 Junction Box		
			1 pc 5 meters load cell cable		
			4 units 500kg load cell w/model # 563YH-500		
3	3	Unit	Photo Cell Sensor WL140-2P430	46,021.71	SICK
4	3	Set	Photo Cell connecting cable with connector	26,056.62	SICK
5	2	Unit	Serius Motor Soft Starter	177,142.86	SIEMENS
			3RW4024-1BB04		
			440VAC, 60Hz, 3Phase		
			<b>TOTAL</b>	<b><u>P691,524.77</u></b>	

The CONTRACTOR shall furnish all the equipment, material and labor necessary for the aforementioned project to be completed in accordance with the provisions of the Revised IRR of RA 9184 and other related documents which are hereby made and incorporated in this contract;

7. The CONTRACTOR shall comply with, and strictly observe, all laws regarding workmen's health and safety, workmen's welfare, compensation for injuries, minimum wages, hours of labor and other labor laws, the other relevant and applicable provisions of the Labor Code of the Philippines included herein the submission of the names and profile of their manpower assigned to perform the task for credibility check to implement the project and to secure safety in the airport grounds;

8. No extension of time shall be granted to the CONTRACTOR due to ordinary unfavorable weather condition, non-availability of materials or equipment to be furnished or used by it, labor problems and such causes for which the PROCURING ENTITY is not directly responsible, or when time-affected activities do not fall within the critical path of the network. Extension of time shall be granted only for the equivalent period of delay due to major natural calamities such as earthquake, typhoon, and the likes, which will cause unworkable conditions as well as stoppage of work on orders of the PROCURING ENTITY;

9. The CONTRACTOR warrants that he has not given nor promised to give any money or gifts to any employee/official of the PROCURING ENTITY (or any Philippine Government Instrumentality/ies) to secure this CONTRACT;

10. The CONTRACTOR shall not assign, transfer, pledge, sub-contract or make such any other dispositions of the Contract or any part or interest therein except upon written notice to and prior approval of the PROCURING ENTITY. The approval of the sub-contract shall not relieve the CONTRACTOR from any liability or obligation under this Contract Agreement.

11. As a Warranty, within the period of One (1) year after the completion and final acceptance, the CONTRACTOR shall remain liable for any damages and defects discovered in the work due to faulty installation or the use of inferior materials. The PROCURING ENTITY shall retain the amount equivalent to one (1%) percent of the total project cost as Guarantee Bond or Warranty Deposit and shall be retained for the duration of its warranty.

The PROCURING ENTITY shall promptly notify the CONTRACTOR in writing of any claims arising under this warranty. Upon receipt of such notice, the CONTRACTOR shall, within the period specified in the SCC and with all reasonable speed, repair or replace the defective Goods or parts thereof, without cost to the PROCURING ENTITY.

That any violation of this Warranty shall constitute a sufficient ground for the rescission or cancellation of this Contract or the reduction of the Contract Price or the consideration paid without prejudice to the filing of civil criminal action under the Anti-Graft Law and other applicable laws against the CONTRACTOR and/or his representatives.

The CONTRACTOR shall render the PROCURING ENTITY free and harmless from any and/or all claim(s) or action(s) which may now hereafter be filed by any third person by reason of the foregoing;

12. The provisions of R.A. 9184 and its Implementing Rules and Regulations Part A, as amended, on liquidated damages which shall be payable by the CONTRACTOR in case of breach thereof. The amount of liquidated damages shall be at least equal to one-tenth of one percent (0.1%) of the cost of the unperformed portion for everyday of delay. Once the cumulative amount of liquidated damages reaches ten percent (10%) of the amount of the contract, the PROCURING ENTITY shall rescind the contract, without prejudice to other courses of action and remedies open to it;

13. The PROCURING ENTITY reserve the right to unilaterally rescind/terminate/voke this Contract even before its expiration whenever determined that the CONTRACTOR's accomplishment/performance is unsatisfactory, based on specifications and accomplishment report duly submitted/prepared by the PROCURING ENTITY's duly authorized representatives;

14. The parties hereby mutually agree that in case of court sui/litigation arising from this Contract, the same shall be filed with the court of appropriate jurisdiction within Iloilo City;

15. This contract/agreement becomes binding and valid upon the parties and shall remain effective upon approval hereof until the final completion and acceptance of the project.

IN WITNESS WHEREOF, the parties hereto affixed their respective signatures on \_\_\_\_\_ at Province of Iloilo.

10 5 JUL 2023



Government of the Republic of  
the Philippines

**CIVIL AVIATION AUTHORITY OF  
THE PHILIPPINES**

(Procuring Entity)

BY:

  
MANUELA LUISA F. PALMA  
Airport Manager I  
Iloilo International Airport

**ALJON INTERNATIONAL  
CORPORATION**


(Contractor)

BY:

  
CEFERINO M. SORIANO JR.  
Authorized Representative

WITNESSES:

  
P. PAREDANO

  
Witness

**ACKNOWLEDGEMENT**

BEFORE ME, as the Notary Public for and within the \_\_\_\_\_, personally appeared MANUELA LUISA F. PALMA, Airport Manager I, Iloilo International Airport, Area Center VI, representing the REPUBLIC OF THE PHILIPPINES (Civil Aviation Authority of the Philippines), with GIID CAAP No. 3073 and CEFERINO M. SORIANO JR., ALJON INTERNATIONAL CORPORATION, with Tax Identification Number (TIN) \_\_\_\_\_, known to me to be the same persons who executed the foregoing CONTRACT and AGREEMENT and the acknowledged to me that the same is their true act and deed for and in behalf of the parties the represented.

This instrument consisting of Five (5) pages, including this page, on which the acknowledgement is written duly signed by the contracting parties and their witnesses on the left margin of the other pages.

IN WITNESS WHEREOF, I have hereunto affixed my Signature and Official Seal this \_\_\_\_\_ day of \_\_\_\_\_, 2023 at QUEZON CITY

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Page No. 58  
Book No. V  
Series of 2023.

ATTY. DAVID S. ENAYO J.  
NOTARY PUBLIC  
UNTIL DECEMBER 31, 2023  
Pir No. 4097229D / JANUARY 11, 2023 Q.C.  
IBP NO. 500285 / 2-16-03 Q.C.  
ROLL NO. 33613  
MCLE NO. VI-0016834 / 2022