



Republic of the Philippines  
Quezon City  
**OFFICE OF THE MAYOR**

3/F Bulwagang Amoranto,  
High Rise Building,  
Quezon City Hall Compound,  
Diliman, Quezon City  
Trunkline 988-4242

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**NOTICE TO TERMINATE**

**MR. NESTOR T. VELASQUEZ**  
President  
626 CONSTRUCTION & TRADING, INC.  
121E AAJ Bldg., Molave St., Project 3,  
Quezon City

**Dear Mr. Velasquez,**

Pursuant to Item IV of Annex "I" of the 2016 Revised Implementing Rules and Regulation (RIRR) of Republic Act (RA) 9184 otherwise known as the Government Procurement Reform Act, the Quezon City Government has verified that there are grounds to terminate your contract you have entered into with the City on February 12, 2018 with the following details:

Project Name	: Construction of Housing Units at Bistekville 30, Brgy. Sta. Lucia
Project No.	: 17-28005
Contract Price	: PHP 8,572,710.16
Contract Period	: February 29, 2018 to August 17, 2018

**I. Grounds for Termination**

**Termination for Default**

Item III of Annex "I" of the 2016 RIRR of RA 9184, provides for grounds for the termination of contracts. Item III.B specifically provides that:

*"The Procuring Entity may terminate the contract, in whole or in part, at any time for its convenience. The Head of the Procuring Entity may terminate a contract for the convenience of the Government if he has determined the existence of conditions that make Project Implementation economically, financially or technically impractical and/or unnecessary, such as, but not limited to, fortuitous event (s) or changes in law and national government policies"*

## **II. Extent of Termination**

### **Termination in Whole**

Since the subject of the project was not delivered and implemented as intended, this notice hereby informs you of the termination of all work that has not been completed and accepted under the Project's Terms of Reference.


A copy of the Verified Report together with the corresponding documentary proof are attached hereto for your reference.

### **III. Show Cause**

In accordance with Item IV.3 of Annex "I" of the R IRR of R.A. 9184, you are hereby directed to submit, within a period of seven (7) calendar days from receipt of this Notice to Terminate, a Verified Position Paper stating why the contract should not be terminated. Failure to do so, either by inaction or by default, shall constrain the City to issue an Order terminating the contract.

For your guidance.

Truly yours,

  
**MA. JOSEFINA G. BELMONTE**  
City Mayor  
Quezon City Government



REPUBLIC OF THE PHILIPPINES  
CONTRACT TERMINATION REVIEW COMMITTEE  
Quezon City Hall, Diliman, Quezon City



CONTRACT TERMINATION REVIEW COMMITTEE

RESOLUTION NO. 20-035

Series of 2020

RESOLUTION RECOMMENDING FOR THE APPROVAL OF THE CITY MAYOR  
THE TERMINATION OF CONTRACT FOR THE CONSTRUCTION OF HOUSING  
UNITS AT BISTEKVILLE 30 UNDER PROJECT NO. 17-28005

WHEREAS, the Bids and Awards Committee ("BAC") on Infrastructure conducted a competitive bidding for the Construction of Housing Units at Bistekville 30 with Project No. 17-28005 (the "Project");

WHEREAS, the BAC - Infrastructure issued a Notice of Award to 626 CONSTRUCTION AND TRADING, INC. ("CONTRACTOR") with a Contract Price of Eight Million Five Hundred Seventy Two Thousand Seven Hundred Ten and 16/100 (Php8,572,710.16);

WHEREAS, the CITY has entered into an Agreement with the CONTRACTOR which was effective for one hundred eighty (180) calendar days commencing on 19 February 2018 and terminating on 17 August 2018;

WHEREAS, there were informal settler families and existing structures at the site. The Housing, Community Development and Resettlement Department has issued a Certification dated 23 January 2020 that a new scheme for the housing construction in order to maximize the use of the city owned properties. As a result, the Project had been suspended since 01 March 2018;

WHEREAS, Annex "I", Item IV, par. 6 of the revised IRR of RA 9184 authorizes the HoPE to create a committee to assist her in the discharge of her functions as Head of the Procuring Entity ("HoPE") in relation to the Guidelines on Termination of Contracts;

WHEREAS, pursuant to Executive Order No. 16 issued by the City Mayor, the Contract Termination Review Committee ("CTRC") was created to assist the HoPE on matters concerning termination of contracts of infrastructure projects;

WHEREAS, on 15 September 2020, the CTRC convened to discuss infrastructure project contracts that have become economically, financially or technically impractical, unnecessary and disadvantageous to the CITY to be terminated for convenience. The same being in accordance with Annex "I", III., B., of the revised IRR of RA 9184;

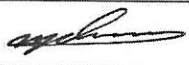
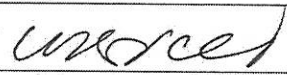
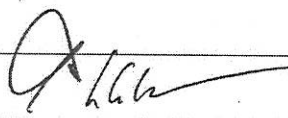
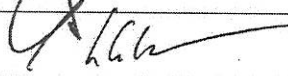
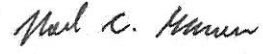
WHEREAS, the CTRC, upon consultation with the City Architect Department, was informed that since the effectivity of the Project on 01 July 2019, there had been no progress on the implementation of the Project;

WHEREAS, the CTRC, upon inquiry with City Accounting Department, was able to verify that no payment was made since the commencement of the Project;


WHEREAS, pursuant to the Verified Report and all relevant evidence submitted by the City Architect Department to the CTRC hereto attached, the project is considered no longer economically and technically viable to pursue on the basis that the development of the property does not achieve its highest and best use;

NOW THEREFORE, for and in consideration of the foregoing premises, the Contract Termination Review Committee is hereby resolved, to recommend to and for the approval of the City Mayor the termination of the contract for the Construction of Housing Units at Bistekville 30 with Project No. 19-28005;

Signed by the members of the Contract Termination Review Committee this \_\_\_\_\_, at Quezon City.

MEMBERS	SIGNATURE
MR. MICHAEL VICTOR N. ALIMURUNG	
ATTY. ORLANDO PAOLO F. CASIMIRO	
ENGR. ISAGANI R. VERZOSA JR.	
ATTY. LORD A. VILLANUEVA	
ATTY. NOEL EMMANUEL C. GASCON	

APPROVED BY:

  
HON. MA. JOSEFINA G. BELMONTE  
City Mayor



Republika ng Pilipinas  
Lungsod Quezon  
**CITY ARCHITECT DEPARTMENT**  
5<sup>th</sup> Floor, Civic Center Building D  
Quezon City Hall Compound, Diliman Quezon City  
Telephone Nos. 9884242 Local 1501 and 1509



## ***MEMORANDUM***

**FOR :** HON. MA. JOSEFINA G. BELMONTE  
City Mayor

**THRU :** ATTY. NOEL EMMANUEL C. GASCON  
Head, Internal Audit Service

**DATE :** 27 August 2020

**SUBJECT :** Proposed Termination of Contract Agreement for the  
Construction of Housing Units at Bistekville 30  
located at Brgy. Sta Lucia, District 5, Q.C.

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### **Backgrounder:**

- 1.0 626 Construction and Trading, Inc. has been awarded the following contract with the following details:

Project No.	: 17-28005
Project Title	: <b>CONSTRUCTION OF HOUSING UNITS AT BISTEKVILLE 30</b>
Location	: Brgy. Sta Lucia, District 5, Q.C.
Contract Amount	: Php 8,572,710.16
Contract Duration	: 180 Calendar Days
Date of Start	: February 19, 2018
Date of End	: August 17, 2018

### **Status Report:**

- 1.0 The project has not been started and has been suspended due to the presence of the informal settlers at the site.
- 2.0 No payment has been made for this project.
- 3.0 The Housing Community Development and Resettlement Department (HCDRD) has issued a certification dated January 23, 2020, adopting a new scheme for the housing construction in order to maximize the use of the city owned properties.

**Recommendation:**

In view of the above circumstances, the project is considered no longer economically and technically viable to pursue on the basis that the development of the property does not achieve its highest and best use. Therefore, the project is recommended for Termination in accordance with ANNEX "I" of the Revised Implementing Rules & Regulations of Republic Act No. 9184, Part III. B, which allows the termination of contracts on the grounds "Convenience" stating that:

"The Head of the Procuring Agency may terminate a contract for the convenience of the Government if it has determined the existence of conditions that make the Project Implementation economically, financially or technically impractical and or unnecessary ..."

For the Honorable Mayor's consideration and approval.

  
ARCH. LUCILLE H. CHUA, fuap, piep  
City Architect

Approved by:

HON. MA. JOSEFINA G. BELMONTE  
City Mayor



Republic of the Philippines

QUEZON CITY

HOUSING, COMMUNITY DEVELOPMENT  
and RESETTLEMENT DEPARTMENT (HCDRD)  
*Formerly Urban Poor Affairs Office (UPAO)*



## CERTIFICATION

This is to certify that this Department is recommending for the cancellation and/or termination of the contracts of the following Housing Projects to conform to the new scheme of the housing construction and to maximize the use of the city owned properties, to wit:

NO.	PROJECT NO.	LOCATION	PROJECT TILE	PROJECT COST (Php)	CONTRACTOR
1	17-28005	Sta. Lucia	Construction of Housing Units at Bistekville 30	8,527,701.16	626 Construction and Trading, Inc.
2	17-28007	Sta. Lucia	Land Development of Bistekville 30	2,922,587.71	626 Construction and Trading, Inc.

Issued this 23<sup>rd</sup> day of January, 2020.

  
**RAMON T. ASPRER**  
Department Head



Republika ng Pilipinas  
Lungsod ng Quezon

**TASK FORCE ON SOCIALIZED HOUSING  
AND DEVELOPMENT OF BLIGHTED AREAS**

2nd Floor Civic Center C, Quezon City Hall  
Telephone Nos. 988-42-42 Local 8311



**MEMORANDUM**

**FOR : TADEO M. PALMA**  
Secretary to the Mayor  
Head – Task Force on Socialized Housing  
and Development of Blighted Areas

**DATE : 01 March 2018**

**SUBJECT : Request for Time Suspension Order No.1 for the  
CONSTRUCTION OF HOUSING UNITS AT BISTEKVILLE  
30, BARANGAY STA. LUCIA, QUEZON CITY.**

This is in reference to the request letter dated 01 March 2018 of Mr. Nestor T. Velasquez, President/General Manager of **626 CONSTRUCTION & TRADING INC.**, for Time Suspension No. 1 on the **CONSTRUCTION OF HOUSING UNITS AT BISTEKVILLE 30**, located at **BARANGAY STA. LUCIA**, this City.

The demolition of existing structures at the project site was not yet started due to the informal settler families that were waiting to be screened and relocated if found not qualified beneficiaries of the project

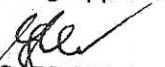
In view thereof, it is recommended that **Time Suspension No. 1** be issued to the said project.

For your information and approval.

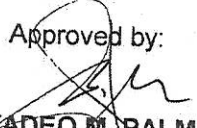
Prepared by:

  
**MARK ANTHONY H. BALADJAY**  
Architect IV

Recommending Approval:

  
**VIRGILIO S. REGALA, JR.**  
City Architect

Approved by:

  
**TADEO M. PALMA**  
Secretary to the Mayor  
Head – Task Force on Socialized  
Housing and Development of  
Blighted Areas





Republika ng Pilipinas  
Lungsod ng Quezon  
**TASK FORCE ON SOCIALIZED HOUSING  
AND DEVELOPMENT OF BLIGHTED AREAS**  
2nd Floor Civic Center C, Quezon City Hall  
Telephone Nos. 988-42-42 Local 8311



01 March 2018

SUBJECT : TIME SUSPENSION ORDER NO. 1  
NAME OF PROJECT : CONSTRUCTION OF HOUSING UNITS AT BISTEKVILLE 30  
LOCATION : BARANGAY STA. LUCIA, QUEZON CITY  
CONTRACTOR : 626 CONSTRUCTION & TRADING INC.

**I. JUSTIFICATION(S) FOR THIS TIME SUSPENSION:**

The demolition of existing structures at the project site was not yet started due to the informal settler families that were waiting to be screened and relocated if found not qualified beneficiaries of the project

**II. STATEMENT OF TIME ELAPSED:**

ORIGINAL CONTRACT TIME	180 Calendar Days
DATE OF START OF PROJECT	19 February 2018
ORIGINAL EXPIRATION OF CONTRACT	17 August 2018
DATE SUSPENDED No. 1	01 March 2018
REVISED EXPIRATION OF CONTRACT DUE TO TIME SUSPENSION NO. 1	Indefinite
REVISED EXPIRATION OF CONTRACT	Indefinite
TOTAL CALENDAR DAYS ELAPSED TO DATE	10 Calendar Days


**PREPARED BY:**

  
MARK ANTHONY H. BALADJAY  
Architect IV

**CHECKED & SUBMITTED BY:**

  
VIRSILIO S. REGALA, JR.  
City Architect

**APPROVED:**

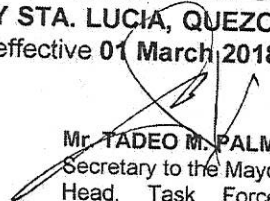
  
MR. TADEO M. PALMA  
Secretary to the Mayor,  
Head, Task Force on Socialized Housing  
and Development of Blighted Areas

**MEMORANDUM TO:**

Mr. Nestor T. Velasquez  
President/General Manager  
626 CONSTRUCTION & TRADING INC.

In connection with your contract for the "CONSTRUCTION OF HOUSING UNITS AT BISTEKVILLE 30" located at BARANGAY STA. LUCIA, QUEZON CITY, you are hereby directed to suspend all operations thereat effective 01 March 2018.

Compliance hereto is hereby enjoined.

  
MR. TADEO M. PALMA  
Secretary to the Mayor,  
Head, Task Force on Socialized  
Housing and Development of Blighted  
Areas

I HEREBY ACKNOWLEDGE RECEIPT OF THIS NOTICE:

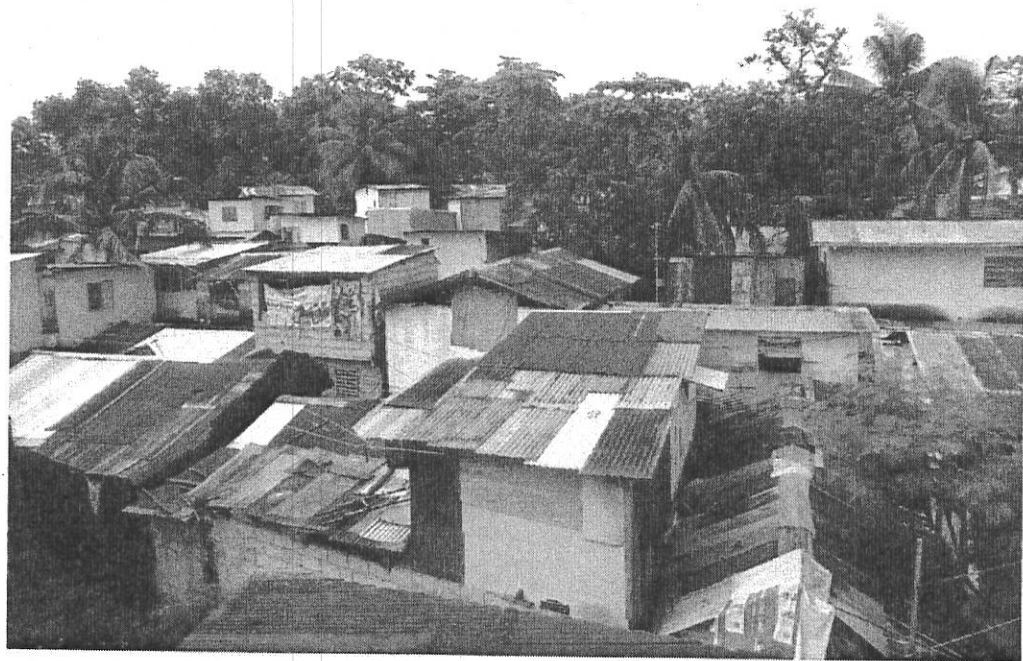
626 CONSTRUCTION & TRADING INC.  
CONTRACTOR

Project Title : **CONSTRUCTION OF HOUSING UNITS AT  
BISTEKVILLE 30**

Location : **BRGY. STA. LUCIA**

Project ID No. : **17-28005**

**SITE PICTURE**





Republika ng Pilipinas  
Lungsod ng Quezon

**TASK FORCE ON SOCIALIZED HOUSING  
AND DEVELOPMENT OF BLIGHTED AREAS**

3rd Floor, QC Hall Main Building  
Telephone Nos. 988-42-42 Local 6311



February 14, 2018

***NOTICE TO COMMENCE***

The CONTRACT, having been approved, NOTICE is given to:

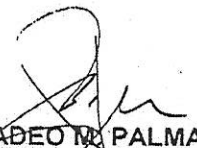
**626 CONSTRUCTION AND TRADING, INC**  
Contractor

**121E AAJ Bldg., Molave Street, Project 3, Quezon City**  
Address of Contractor

**CONSTRUCTION OF HOUSING UNITS AT BISTEKVILLE 30**  
**17-28005**  
Name of Project

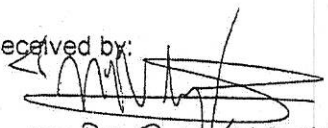
**BARANGAY STA. LUCIA**  
Location of Project

That the work on the project shall proceed and the number of days allowable under the contract is **ONE HUNDRED EIGHTY (180)** calendar days to take effect on **FEBRUARY 19, 2018** and to be completed on or before **AUGUST 17, 2018**. Guideline is attached for the proper implementation of the project.

  
**TADEO M. PALMA**

Secretary to the Mayor  
Chairman, Task Force on Socialized Housing  
and Development of Blighted Areas

Received by:

  
**Res. Dr. T. V. Lopez**  
Print Name & Signature

Date: February 27, 2018



Republic of the Philippines  
Quezon City  
Office of the Mayor



## CONTRACT AGREEMENT

This Contract made and entered in Quezon City, Metro Manila, this FEB 12 2018  
day of \_\_\_\_\_, 2018 by and between:

**QUEZON CITY**, a public corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at City Hall, Diliman, Quezon City, Metro Manila and herein represented by **HON. HERBERT M. BAUTISTA**, in his capacity as City Mayor, herein after referred to as the **QUEZON CITY GOVERNMENT**;

- and -

**626 CONSTRUCTION & TRADING, INC.** a domestic company duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal Office at *121E AAJ Bldg., Molave Street, Project 3, Quezon City* and herein represented by **NESTOR T. VELASQUEZ** in his capacity as **PRESIDENT** hereinafter referred to as the **CONTRACTOR**;

WHEREAS, the **QUEZON CITY GOVERNMENT** is desirous that the Contractor execute for the **CONSTRUCTION OF HOUSING UNITS AT BISTEKVILLE 30, BARANGAY STA. LUCIA & PROJECT NO. 17-28005** and the City has accepted the Bid for **EIGHT MILLION FIVE HUNDRED SEVENTY TWO THOUSAND SEVEN HUNDRED TEN PESOS & 16/100 CTVS.** (**₱ 8,572,710.16**) by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

### NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, 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 Agreement, to wit:
  - (a) General and Special Conditions of Contract;
  - (b) Drawings/Plans;
  - (c) Specifications;
  - (d) Invitation to Bid;
  - (e) Instructions to Bidders;
  - (f) Bid Data Sheet;
  - (g) Addenda and/or Supplemental/Bid Bulletins, if any;
  - (h) Bid form, including all the documents/statements contained in the Bidder's bidding envelopes, as annexes;
  - (i) Eligibility requirements, documents and/or statements;
  - (j) Performance Security;

- (k) Notice of Award of Contract and the Bidder's conforme thereto;  
(l) Other contract documents that may be required by existing laws and/or the Entity.

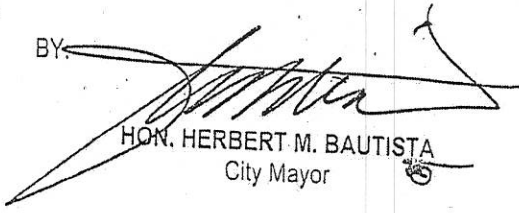
3. In consideration of the payments to be made by the Entity to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Entity to execute and complete the Works and remedy any defects therein in conformity with the provisions of this Contract in all respects.

4. The Entity hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

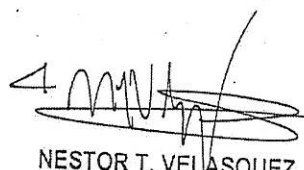
QUEZON CITY GOVERNMENT

BY:


  
HON. HERBERT M. BAUTISTA  
City Mayor

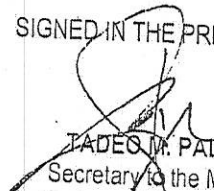
CONTRACTOR

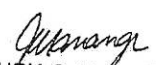
BY:

  
NESTOR T. VELASQUEZ  
President

SIGNED IN THE PRESENCE OF:

  
GARRY C. DOMINGO  
Chairman-BAC-Infra

  
TADES M. PALMA  
Secretary to the Mayor,  
Chairman, Task Force on  
Socialized Housing & Dev't. of  
Blighted Areas

  
RUBY G. MANANGU  
OIC - City Accountant Dept.

# ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

Quezon City, Metro Manila )

BEFORE ME, a Notary Public, for and in the above jurisdiction, personally appeared this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

Community Tax  
Certificate No.

Date and Place Issued

HERBERT M. BAUTISTA

00501200

JAN. 4, 2018 / Q. C.

NESTOR T. VELASQUEZ

known to me to be the same person who executed the foregoing contract consisting of three (3) pages including this page to which this acknowledgement appears, and they acknowledged to me that the same is their own free will and voluntarily act and deed as well of the corporation/juridical entitles represented.

IN VIEW WHEREOF, I have hereunto set my hands and seal on the date and place mentioned above.



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Book No. 14  
Series of 718

ATTY. TIBERT N. PRADO  
NOTARY PUBLIC  
UNNOTARY PUBLIC, 2018  
PTR NO. 305  
ROLL NO. 20013  
IBP NO. 185421  
MCLE 003397 Q.C.