



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

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	: Land Development of Bistekville 30, Brgy. Sta. Lucia
Project No.	: 17-28007
Contract Price	: PHP 2,922,587.71
Contract Period	: February 19, 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. 20-036

Series of 2020

RESOLUTION RECOMMENDING FOR THE APPROVAL OF THE CITY MAYOR
THE TERMINATION OF CONTRACT FOR THE LAND DEVELOPMENT OF
BISTEKVILLE 30 UNDER PROJECT NO. 17-28007

WHEREAS, the Bids and Awards Committee ("BAC") on Infrastructure conducted a competitive bidding for the Land Development of Bistekville 30 with Project No. 17-28007 (the "Project");

WHEREAS, the BAC - Infrastructure issued a Notice of Award to 626 CONSTRUCTION AND TRADING, INC. ("CONTRACTOR") with a Contract Price of Two Million Nine Hundred Twenty Two Thousand Five Hundred Eighty Seven Pesos and 71/100 (Php2,922,587.71);

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;




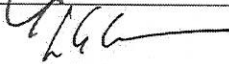
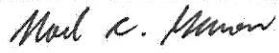
WHEREAS, the CTRC, upon consultation with the City Architect Department, was informed that since the effectivity of the Project on 01 July 2019, there had been no progress on the implementation of the Project;

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 Land Development of Bistekville 30 with Project No. 19-28007 due to the existence of conditions that make the project implementation economically, financially or technically impractical;

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
5th Floor, Civic Center Building D
Quezon City Hall Compound, Dillman 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
Land Development of Bistekville 30
Located at Brgy. Sta Lucia, District 5, Q.C.

Backgrounder:

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

Project No.	: 17-28007
Project Title	: LAND DEVELOPMENT OF BISTEKVILLE 30
Location	: Brgy. Sta Lucia, District 5, Q.C.
Contract Amount	: Php 2,922,587.71
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 TITLE	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 23rd 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.

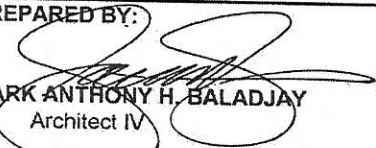
I. JUSTIFICATION(S) FOR THIS TIME SUSPENSION:

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

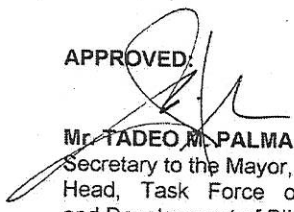
PREPARED BY:


MARK ANTHONY H. BALADJAY
Architect IV

CHECKED & SUBMITTED BY:


VIRGILIO S. REGALA, JR.
City Architect

APPROVED:

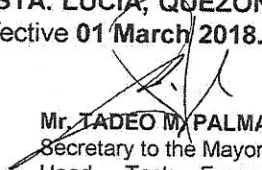

Mr. TADEO M. PALMA
Secretary to the Mayor,
Head, Task Force on Socialized Housing
and Development of Blighted Areas

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.

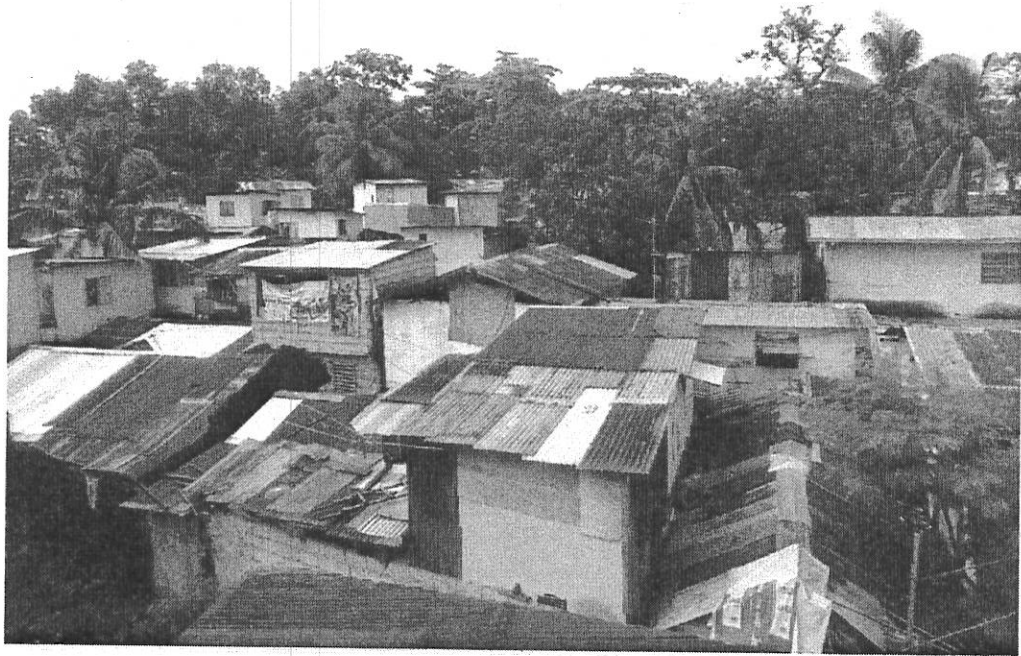

Mr. TADEO M. PALMA
Secretary to the Mayor,
Head, Task Force on Socialized
Housing and Development of Blighted
Areas

I HEREBY ACKNOWLEDGE RECEIPT OF THIS NOTICE:

626 CONSTRUCTION & TRADING INC.
CONTRACTOR

Project Title : **LAND DEVELOPMENT OF BISTEKVILLE 30**
Location : **BRGY. STA. LUCIA**
Project ID No. : **17-28007**

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 8311



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

LAND DEVELOPMENT OF BISTEKVILLE 30

17-28007

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:


Nestor T. Velasquez

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 **LAND DEVELOPMENT OF BISTEKVILLE 30, BARANGAY STA. LUCIA & PROJECT NO. 17-28007** and the City has accepted the Bid for **TWO MILLION NINE HUNDRED TWENTY TWO THOUSAND FIVE HUNDRED EIGHTY SEVEN PESOS & 71/100 CTVS. (P 2,922,587.71)** 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

CONTRACTOR

BY:

BY:

HON. HERBERT M. BAUTISTA
City Mayor

NESTOR T. VELASQUEZ
President

SIGNED IN THE PRESENCE OF:

GARRY C. DOMINGO
Chairman-BAC-Infra

TADEO 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 12 FEB 2018, 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 entities represented.

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



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ATTY. FIBERIO N. PRADO
NOTARY PUBLIC
UNNOTARY PUBLIC 1, 2018
PTR NO. 30114242
ROLL NO. 23819
IBP NO. 185421
MCLE 003397 Q.C.