



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

MS. TERESA D. MALLILLIN

General Manager

BERNA-MAE TRADING & CONSTRUCTION

No. 1 Cue Bldg. Banahaw St., Brgy. Kaunlaran,
Cubao, Quezon City

Dear Ms. Mallillin,

Pursuant to Item IV of Annex "T" 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 June 22, 2018 with the following details:

Project Name	: Improvement of Road and Drainage of Maayusin Extension
Project No.	: 18-3035
Contract Price	: PHP 3,688,506.42
Contract Period	: July 2, 2018 to September 29, 2018

I. Grounds for Termination

Termination for Default

Item III of Annex "T" 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. 20-010

Series of 2020

**RESOLUTION RECOMMENDING FOR THE APPROVAL OF THE CITY MAYOR
THE TERMINATION OF CONTRACT FOR THE IMPROVEMENT OF ROAD AND
DRAINAGE OF MAAYUSIN EXTENSION UNDER PROJECT NO. 18-3035**

WHEREAS, the Bids and Awards Committee ("BAC") on Infrastructure conducted a competitive bidding for the Improvement of Road and Drainage of Maayusin Extension with Project No. 18-3035 (the "Project");

WHEREAS, the BAC - Infrastructure issued a Notice of Award to BERNA-MAE TRADING AND CONSTRUCTION ("CONTRACTOR") with a Contract Price of Three Million Six Hundred Eighty Eight Thousand Five Hundred Six Pesos and 42/100 (Php3,688,506.42);

WHEREAS, the CITY has entered into an Agreement with the CONTRACTOR which was effective for ninety (90) calendar days commencing on 02 July 2018 and terminating on 29 September 2018;

WHEREAS, the Department of Public Works and Highways - Second District Engineering Office has already started the construction in January 21, 2018 prior to the receipt of the contractor of the Notice to Proceed thereby making it unnecessary for the City to commence the Project. As a result, the Project had been suspended;

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 September 15, 2020, the CTRC convened to discuss infrastructure project contracts that have become economically, financially or technically impractical, unnecessary and disadvantageous to the CITY;


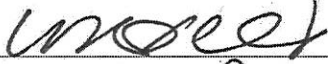

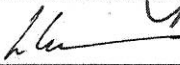
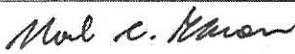
WHEREAS, the CTRC, upon consultation with City Engineering Department, was informed that since the effectivity of the Project on 02 July 2018, there had been no physical work performed on-site;

WHEREAS, the CTRC, upon inquiry with the 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 Engineering Department to the CTRC hereto attached, there exists sufficient ground to terminate the contract for convenience due to the existence of conditions that make the project implementation economically, financially or technically impractical and/or unnecessary;

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 Improvement of Road and Drainage of Maayusin Extension with Project No. 18-3035;

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



MEMORANDUM

FOR : **THE HONORABLE MA. JOSEFINA G. BELMONTE**
City Mayor

THRU : **MR. MICHAEL VICTOR N. ALIMURUNG**
City Administrator

SUBJECT : **PROJECT NO. 18-3035**
TERMINATION OF CONTRACT RELATIVE TO THE PROJECT
"IMPROVEMENT OF ROAD AND DRAINAGE OF MAAYUSIN
EXTENSION" WHICH WAS BID OUT TO BERNA-MAE TRADING
AND CONSTRUCTION

DATE : **August 27, 2020**

This has reference to the project "Improvement of Road and Drainage of Maayusin Extension" located at Brgy. San Vicente.

As per the ocular inspection conducted by this Office, the following observation and information were gathered, to wit:

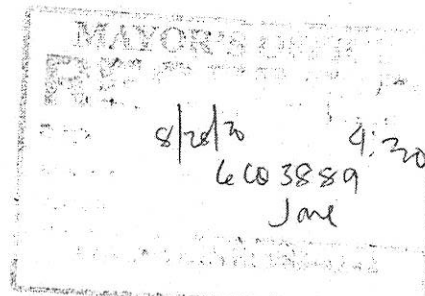
1. Department of Public Works and Highways – Second District Engineering Office has already started the construction works in January 21, 2018 prior to the receipt of the contractor of the Notice to Proceed;
2. Project was not started.

In this regard, it is hereby recommended that the contract pertaining to the above-mentioned subject be terminated.

For Her Honor's information and dispositive action.

Very truly yours,


ENGR. ISAGANI R. VERZOSA, JR.
OIC, City Engineer





Republic of the Philippines
Quezon City

KAGAWARAN NG INHINYERYA

(CITY ENGINEERING DEPARTMENT)

Civic Center Building 8, Quezon City Hall Compound, Elliptical Road
Diliman, Central 1100 Quezon City
Trunkline: +63 2 8988 4242



PROJECT RECOMMENDED FOR TERMINATION

PROJECT NO. : **18-3035**
PROJECT TITLE : **IMPROVEMENT OF ROAD AND DRAINAGE OF MAAYUSIN EXTENSION**
PROJECT LOCATION : **BARANGAY SAN VICENTE**
CONTRACTOR : **BERNA-MAE TRADING AND CONSTRUCTION**
CONTRACTOR'S ADDRESS : **1 CEU BUILDING, BANAHAW STREET, CUBAO, QUEZON CITY**

PROJECT BRIEF

CONTRACT AMOUNT : **PHP 3,688,506.42**
CONTRACT OF AGREEMENT DATE : -
ORIGINAL CONTRACT PERIOD : **90 CAL. DAYS**
COMMENCEMENT DATE : **02/07/2018**
COMPLETION DATE : **29/09/2018**

PROJECT STATUS / ACCOMPLISHMENT


AS OF **TO DATE** : **NOT YET STARTED**

JUSTIFICATION

BRIEF NARRATIVE :
1. Department of Public Works and Highways – Second District Engineering Office has already started the construction works in January 21, 2018 prior to the receipt of the contractor of the Notice to Proceed;
2. Project was not started.

Recommended for Termination based on

The 2016 Revised Implementing Rules and Regulations of RA 9184, "GOVERNMENT PROCUREMENT REFORM ACT" Annex "I" - GUIDELINES ON TERMINATION OF CONTRACTS / III. GROUNDS FOR TERMINATION OF CONTRACTS / B. **TERMINATION FOR CONVENIENCE**, "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."

ENGR.  SAGANI R. VERZOSA, JR.
CIC, City Engineer



February 24, 2020

**RECOMMENDATION FOR
CANCELLATION/TERMINATION OF CONTRACT/PROJECT**

PROJECT NO. : 18-3035
PROJECT TITLE : Improvement of Road and Drainage of Maayusin
Extension
LOCATION : Brgy. San Vicente
CONTRACTOR : BERNMAE TRADING & CONSTRUCTION

JUSTIFICATION/BASIS OF RECOMMENDATION:

1. Department of Public Works and Highways – Second District Engineering Office has already started the construction works in January 21, 2018 prior to the receipt of the contractor of the Notice to Proceed;
2. Project was not started.

Recommended by:


Engr. BOBBY M. PAULINO
Chief, Horizontal Infra Projects Division

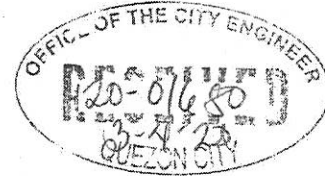


Republika ng Pilipinas
Lungsod ng Quezon
TANGGAPAN NG INHINYERYA
(Office of the City Engineer)



February 24, 2020

ENGR. ISAGANI R. VERZOSA, JR.
OIC, City Engineer
Quezon City



Sir,

This refers to the bid –out Quezon City Infrastructure Project **“Improvement of Road and Drainage at Maayusin Extension”** located at Brgy. San Vicente, this City, which was awarded to **BERNA-MAE TRADING & CONSTRUCTION**.

Please be informed that the DPWH- SECOND DISTRICT ENGINEERING OFFICE has already started the construction works last January 21, 2018 on the time that the Notice to Proceed was received by the above- mentioned contractor last July 2, 2018.

In view thereof, it is respectfully recommended that the project be cancelled, so that the funds allocated therein can be used to fund other essential proposed project for the general welfare.

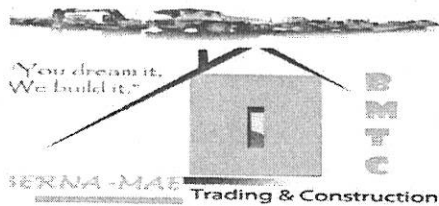
For your information and further disposition.

Very truly yours,

FREDERICK V. HERBER IV
Project Inspector

Noted by:

BOBBY M. PAULINO
Chief, Horizontal Infra-Projects Division



BERNA-MAE TRADING & CONSTRUCTION

No. 1 Cue Bldg. Banahaw St., Bgy. Kaunlaran, Cubao, Quezon City. Telefax: (02) 410-397.

May 08, 2019

ENGR. JOSELITO B. CABUNGCAL
City Engineer
Quezon City Government



Dear Sir,

May I request in your office for the cancellation of this project, Improvement of Road and Drainage at Maayusin extension, Barangay San Vicente, with project no. 18-3035 for the reason that the DPWH has already started the work on the time that the Notice to Proceed was received.

Thank you for your kind assistance and appropriate action regarding this matter.

Yours truly,


TERESA D. MALLILLIN

General Manager



Republika ng Pilipinas
Lungsod ng Quezon
TANGGAPAN NG INHINYERYA
(Office of the City Engineer)



ENG'R. JOSELITO B. CABUNGCAL
City of Engineering
Quezon City

Sir,

This has reference with the Quezon City Road Infrastructure Project "Improvement of Road and Drainage at Maayusin Extension", located at Barangay San Vicente, this City, which is under contract with BERNA-MAE TRADING AND CONSTRUCTION.

Please be informed that ~~upon~~ ocular inspection was conducted on the above said project, it was found out there is an on-going construction works in the area being undertaken by the Department of Public Works and Highways- Quezon City Second Engineering District (DPWH-QCSED) under contract with REND ENTERPRISES & GENERAL CONTRACTOR. The scope of works are similarly the same which is conflicting with the contract of BERNA-MAE TRADING AND CONSTRUCTION.

Under Appendix 4 of the Revised Implementing Rules and Regulations of Republic Act No. 9184 (Part III-B) allows the cancellation/Termination of Contract.

In view of the above, it is respectfully recommended that the said City Infrastructure project be cancelled to avoid overlapping of contract.

Please see the herein attached copy of the following bid documents of the said project;

1. Notice to Proceed
2. Approved Plan
3. Program of Work.

For your information and further disposition

Very truly yours,

FREDERICK V. HERBER IV
Project Inspector

Noted:
MA. CORAZON P. MATIAS
OIC, Horizontal Infra-Projects Division

ROBERT L. BELTRAN
Assistant City Engineer for Operation



Republika ng Pilipinas
Lungsod ng Quezon
TANGGAPAN NG INHINYERYA
5th Floor, QC Civic Center Building "B"
Telephone Nos 988-42-42 Local 8538



June 25, 2018

NOTICE TO PROCEED

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

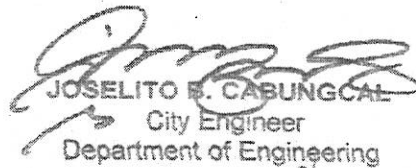
BERNA-MAE TRADING AND CONSTRUCTION
Contractor


1 CUE Building, Banahaw Street, Cubao, Quezon City
Address of Contractor

IMPROVEMENT OF ROAD AND DRAINAGE AT MAAYUSIN EXTENSION
18-3035
Name of Project

BARANGAY SAN VICENTE
Location of Project

That the work on the project shall proceed and the number of days allowable under the contract is **NINETY (90)** calendar days to take effect on **JULY 02, 2018** and to be completed on or before **SEPTEMBER 29, 2018**. Guideline is attached for the proper implementation of the project.


JOSELITO B. CABUNGCAL
City Engineer
Department of Engineering

Received by: 
TERESA D. MALILLAN
Print Name & Signature

Date: **JULY 02, 2018**