

Cultural Center of the Philippines

SENTRONG PANGKULTURA NG PILIPINAS

BIDS AND AWARDS COMMITTEE RESOLUTION NO. 25-033

RECOMMENDATION OF AWARD

CP-07e - FACADE WALL SURFACE PREPARATION AND WATERPROOFING WORKS PRIOR TO TRAVERTINE INSTALLATION THROUGH NEGOTIATED PROCUREMENT SECTION 35.6(b) – RESTORATIVE WORKS FOR THE CONSERVATION OF HISTORICAL AND CULTURALLY SIGNIFICANT STRUCTURES AND ARTWORKS

WHEREAS, Republic Act No. 12009 permits the use of Negotiated Procurement for restorative works involving historically and culturally significant structures. The Cultural Center of the Philippines (CCP) Main Building, declared a National Cultural Treasure by both the National Commission for Culture and the Arts (NCCA) and the National Museum of the Philippines, is protected under Republic Act No. 11961 An Act Strengthening the Conservation and Protection of Philippine Cultural Heritage Through Cultural Mapping and Enhanced Cultural Heritage Education Program;

WHEREAS, as part of the ongoing restoration project, the removal of the old Travertine Stones revealed the need for Facade Wall Surface Preparation and Waterproofing Works prior to the installation of the new travertine stones. These works are urgent and indispensable to:

1. *Protect the exposed concrete substrate from moisture infiltration,*
2. *Ensure the long-term structural integrity of the façade,*
3. *Achieve compatibility with the conservation methodology already in progress, and*
4. *Prevent deterioration and costly rework after the application of the new Travertine;*

WHEREAS, the approved budget for the contract (ABC) for the said works is Seventy Million Pesos (₱70,000,000.00);

WHEREAS, Guanco Development Corporation is the existing contractor currently implementing the *Removal and Replacement of Travertine Stones* on the CCP façade. The contractor already maintains:

1. *mobilized and skilled conservation workforce,*
2. *specialized equipment,*
3. *existing access systems (scaffolding, gondolas), and*
4. *established working knowledge of the façade condition, materials, and technical requirements;*

WHEREAS, the required waterproofing and surface preparation works are directly connected and technically continuous with the present Travertine replacement activities. Engaging a different contractor would require:

1. *demobilization and reinstallation of access systems,*
2. *additional project downtime and safety risks,*
3. *potential incompatibility of materials and conservation methods, and*
4. *unnecessary cost escalations and delays;*

WHEREAS, the nature of the works requires continuity with the current restorative activities already being performed by Guanco Development Corporation to ensure compatibility of materials, methods, and application techniques, and to avoid technical risks, repeated access installation, and additional project delays;

WHEREAS, pursuant to Section 35.6(b) of the Implementing Rules and Regulations (IRR) of R.A. No. 12009, procurement through Negotiated Procurement is allowed for Restorative Works for the Conservation of Historical and Culturally Significant Structures and Artworks, recognizing the need and continuity in restorative construction activities;

WHEREAS, the CCP-BAC has determined that engaging Guanco Development Corporation through Negotiated Procurement is the most efficient, technically sound, and cost-effective approach, given their ongoing restorative work, specialized expertise, and familiarity with the existing façade conditions;

WHEREAS, the CCP-BAC invited Guanco Development Corporation for a negotiation (*Annex A – Negotiation Table*). The CCP-BAC reconfirms the technical proposal and the conformance of Guanco



Development Corporation to the Technical Specifications and Terms of Reference, and accepted the contract proposal of Sixty-One Million Nine Hundred Fifty-One Thousand One Hundred Sixty and 04/100 Pesos (Php61,951,160.04);

WHEREAS, the CCP-BAC finds Guanco Development Corporation to be legally, technically, and financially capable of undertaking the Facade Wall Surface Preparation and Waterproofing Works prior to Travertine Installation;

NOW THEREFORE, the CCP Bids and Awards Committee (CCP-BAC), hereby **RESOLVE** as it is hereby **RESOLVED** to recommend to the Head of Procuring Entity,

a. The Negotiated Procurement of **Facade Wall Surface Preparation and Waterproofing Works Prior to Travertine Installation**, amounting to **Sixty-One Million Nine Hundred Fifty-One Thousand One Hundred Sixty and 04/100 Pesos (Php61,951,160.04)** through Section 35.6 (b) of the IRR of R.A. 12009 - Scientific, Scholarly or Artistic Work, Exclusive Technology and Media Services under **Restorative Works for the Conservation of Historical and Culturally Significant Structures and Artworks**;

b. To award the contract to **Guanco Development Corporation**.

Done at the Cultural Center of the Philippines, Pasay City this **13th day of November 2025**.

Recommending Approval

(ABSENT)
ZHAMANTA ANGELIQUE KYLE K. PESCADERO
Member

(ABSENT)
MARIBEL N. CUMBE
Member.


ATTY. FRANCIS ALLEN T. PALIGAN, JR.
Member



MARLENE T. SISON
Member


VALINE MAE D. CALMERIN
Member

(ABSENT)
EUGENE A. DE LOS SANTOS
Co-chairperson


LOURDES S. MENDOZA
Chairperson

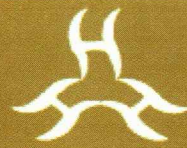
Approved by


DR. JAIME C. LAYA
Chairperson
CCP Board of Trustees
Head of the Procuring Entity

RESOLUTION NO. 25-033

RECOMMENDATION OF AWARD

CP-07e - FACADE WALL SURFACE PREPARATION AND WATERPROOFING WORKS PRIOR TO TRAVERTINE INSTALLATION THROUGH NEGOTIATED PROCUREMENT SECTION 35.6(b) – RESTORATIVE WORKS FOR THE CONSERVATION OF HISTORICAL AND CULTURALLY SIGNIFICANT STRUCTURES AND ARTWORKS



Cultural Center of the Philippines
SENTRONG PANGKULTURA NG PILIPINAS

NOTICE OF AWARD

19 November 2025

ARTEMIS G. CHENG
President
GUANCO DEVELOPMENT CORPORATION
122 Old Samson, Balintawak
Quezon City

Dear Mr. Cheng,

The Cultural Center of the Philippines hereby awards in your favor the project **Façade Wall Preparation and Waterproofing Works Prior to Travertine Installation** in the amount of **Sixty-One Million Nine Hundred Fifty-One Thousand One Hundred Sixty and 04/100 Pesos (Php61,951,160.04)**, inclusive of VAT and all other applicable government taxes.

To guarantee the faithful performance of obligations, you are hereby required to post within ten (10) calendar days from receipt hereof, a performance security in any of the following forms:

Form of Performance Security	Amount
Cash, cashier's/manager's check issued by a Universal or Commercial bank	Ten percent (10%) of the total contract price
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial bank; provided, however, That it shall be confirmed or authenticated by a Universal or Commercial Bank, if issued by a foreign bank	
Surety bond callable upon demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security	Thirty percent (30%) of the total contract price


Your failure to provide the Performance Security shall constitute sufficient ground for cancellation of the award.

Please signify your conformity by affixing your signature and the date of signing on the space provided below. Please return the duly signed Notice of Award to the BAC Secretariat, CCP Admin and Finance Building, CCP Complex, Roxas Boulevard, Pasay City or thru email address pmd@culturalcenter.gov.ph.

Please be guided accordingly.

Thank you.

Very truly yours,


DR. JAIME C. LAYA
Chairperson
CCP Board of Trustees

ACCEPTANCE/CONFORME:

Name and Signature of Authorized Representative
Date: _____





Cultural Center of the Philippines
SENTRONG PANGKULTURA NG PILIPINAS

BAC-CON25-020

CP07e

CONTRACT AGREEMENT

THIS AGREEMENT made this JAN 16 2026 day of JAN, 2025, by and between:

The **CULTURAL CENTER OF THE PHILIPPINES (CCP)**, a government owned and controlled corporation established by virtue of Executive Order No. 30, series of 1966, located at CCP Complex, Roxas Boulevard, Pasay City, duly represented herein by its Chairman, **JAIME C. LAYA** (hereinafter called "the **CCP**");

and

GUANCO DEVELOPMENT CORPORATION, a private corporation created under and by virtue of the laws of the Republic of the Philippines, with principal office address at 122 Old Samson Road Balintawak, Quezon City, represented herein by its President, **MR. ARTEMIS G. CHENG**, (hereinafter called "the **CONTRACTOR**");

CCP and **CONTRACTOR** shall individually be referred to as "**Party**" and collectively as "**Parties**".

ANTECEDENTS:

WHEREAS, Republic Act No. 12009 (New Government Procurement Reform Act) permits the use of Negotiated Procurement for restorative works involving historically and culturally significant structures. The CCP Main Building, declared a National Cultural Treasure by both the National Commission for Culture and the Arts (NCCA) and the National Museum of the Philippines, is protected under Republic Act No. 11961 An Act Strengthening the Conservation and Protection of Philippine Cultural Heritage Through Cultural Mapping and Enhanced Cultural Heritage Education Program;

WHEREAS, the CCP Main Building, designed by National Artist for Architecture Leandro V. Locsin, is a recognized cultural and architectural landmark that requires specialized expertise in structural and architectural restoration, heritage conservation, and restorative methodologies to ensure the preservation of its historical and artistic integrity.

WHEREAS, as part of the ongoing restoration project, the removal of the old travertine stones revealed the urgent need for façade wall surface preparation and waterproofing works prior to installing the new travertine, in order to protect the exposed concrete substrate from moisture infiltration, ensure the long-term structural integrity of the façade, maintain compatibility with the conservation methodology already in progress, and prevent deterioration or costly rework following the application of the new travertine;

WHEREAS, the **CONTRACTOR** is the existing contractor currently undertaking the removal and replacement of travertine stones on the CCP façade and already maintains a mobilized and skilled conservation workforce, specialized equipment, existing access systems such as scaffolding and gondolas, and an established working knowledge of the façade's condition, materials, and technical requirements;

WHEREAS, the required waterproofing and surface preparation works are directly connected and technically continuous with the ongoing travertine replacement activities, and engaging a

AC

different contractor would entail demobilization and reinstallation of access systems, additional project downtime and safety risks, potential incompatibility of materials and conservation methods, and unnecessary cost escalations and delays;

WHEREAS, the nature of the works requires continuity with the current restorative activities already being performed by the CONTRACTOR to ensure compatibility of materials, methods, and application techniques, and to avoid technical risks, repeated access installation, and additional project delays;

WHEREAS, pursuant to Section 35.6(b) of the Implementing Rules and Regulations (IRR) of R.A. No. 12009, procurement through Negotiated Procurement is allowed for Restorative Works for the Conservation of Historical and Culturally Significant Structures and Artworks, recognizing the need and continuity in restorative construction activities;

WHEREAS, the selection of the CONTRACTOR through Negotiated Procurement has been conducted in a transparent and justifiable manner and is considered the most efficient, technically sound, and cost-effective approach, given their ongoing restorative work, specialized expertise, and familiarity with the existing façade conditions;

WHEREAS, after the negotiation process, verification of the technical proposal, and confirmation of the CONTRACTOR's compliance with the Technical Specifications and Terms of Reference, including the review of submitted documents, the CCP Bids and Awards Committee has determined that the CONTRACTOR is legally, technically, and financially capable of undertaking **"CP07e: CCP MAIN BUILDING FAÇADE WALL SURFACE PREPARATION AND WATERPROOFING WORKS PRIOR TO TRAVERTINE INSTALLATION,"** and has subsequently recommended the award of the contract;

NOW, THEREFORE, in consideration of the foregoing premises, the parties hereby agree 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 are hereby attached, deemed to form, and be read and construed as part of this Agreement, to wit:
 - (a) CONTRACTOR's Financial Proposal,
 - (b) Negotiation Table,
 - (c) Terms of Reference (TOR),
 - (d) Construction Plans,
 - (e) Method Statement,
 - (f) Eligibility requirements, documents and/or statements,
 - (g) BAC Resolution No. 25-033
 - (h) Notice of Award and the CONTRACTOR's conformed thereto,
 - (i) Performance Security,
 - (j) Notice to Proceed (NTP),
 - (k) Work Schedule including Critical Path,
 - (l) Materials and Equipment Procurement Schedule,
 - (m) S-Curve / Cashflow,
 - (n) Manpower Schedule,
 - (o) Table of Organization,
 - (p) Curriculum Vitae/Resume of Key Personnel, and
 - (q) Other contract documents that may be required by existing laws and/or the CCP or any other regulatory body concerned, whether required before or after the execution of this agreement.

3. **SCOPE OF WORK** (As per TOR and Negotiation Table):

The project scope includes the provision of labor, materials, tools, equipment, and general supervision for the implementation of Facade Wall surface preparation and waterproofing preparatory works on the exterior wall surfaces of the CCP Main Building façade, as part of the preparatory phase for the replacement of the existing travertine stone cladding, in accordance with the approved methodology. These works aim to ensure a sound, durable, and watertight substrate in preparation for the proper installation of the new travertine cladding system.

4. **CONTRACT PRICE:**

In consideration of the payments to be made by the CCP to the CONTRACTOR for the sum of **SIXTY-ONE MILLION NINE HUNDRED FIFTY-ONE THOUSAND ONE HUNDRED SIXTY AND 04/100 PESOS (PHP 61,951,160.04)**, inclusive of Value Added Tax (VAT), and a ten percent (10%) Provisional Sum in the amount of **SIX MILLION ONE HUNDRED NINETY-FIVE THOUSAND ONE HUNDRED ELEVEN PESOS (Php 6,195,116.00)**, also inclusive of VAT, to cover unforeseen variations, which are measurable by quantity and cost during implementation, the CONTRACTOR hereby covenants with the CCP to execute and complete the Works and remedy any defects therein in conformity with the provisions of this CONTRACT in all respects.

5. **OBLIGATION OF THE PARTIES:**

The ENTITY hereby covenants to pay the CONTRACTOR in consideration of the execution and completion of the services, 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.

The CONTRACTOR hereby covenants to execute and complete the Works and remedy any defects therein in conformity with the provisions of this Contract in all respects, including the submission of official receipts and documents in support of claims for reimbursable items, if any. In the absence of official receipts/documents when claiming for reimbursable costs, the CONTRACTOR shall submit a certification of actual expenditures made under oath.

6. **DURATION OF THE CONTRACT:**

This Agreement shall be for a period of **NINETY (90) CALENDAR DAYS**, commencing from the official start date as specified in the Notice to Proceed. The CONTRACTOR shall complete all works, including demolition, reconstruction, and final inspections, within the stipulated time frame.

Any delays in completion beyond the required contract duration, unless caused by force majeure or events beyond the contractor's control, shall be subject to penalties as outlined in the contract agreement. The contractor is required to submit regular weekly progress reports and three three-week rolling schedules with the quantity of work to be completed and a weekly manpower deployment schedule to the CCP CPMT, and any modifications to the timeline shall be approved in writing by the project stakeholders.

7. **ADVANCE PAYMENT:**

Advance Payment of 15% for mobilization shall only be made upon the submission to and acceptance by the Entity of an irrevocable standby letter of credit of equivalent value from a commercial bank, a bank guarantee or a surety bond callable upon demand, issued by a surety or insurance company duly licensed by the Insurance Commission.

The advance payment shall be repaid by deducting from progress payments until fully liquidated within the duration of the contract.

8. TERMS OF PAYMENT:

The Contractor shall be compensated through monthly progress payments, which shall be processed and released based on the actual work accomplished for the corresponding billing period, subject to verification and acceptance by the Construction Project Management Team, as certified by the CCP President.

**Note: In case CONTRACTOR requested for and was granted 15% advance payment, this shall be recouped from progress billings.*

The CCP has the right to deduct from the CONTRACTOR's progress billing such amount as may be necessary to cover third party liabilities. It must not process any progress payment unless the discovered defects are corrected.

9. LIQUIDATED DAMAGES:

Consist with the IRR of RA 12009, the following will form part of the agreement:

- (a) The CONTRACTOR fails to satisfactorily complete the works under the contract within the specified contract duration, inclusive of duly granted time extensions, if any, the CONTRACTOR shall be liable for liquidated damages in an amount equal to at least one-tenth (1/10) of one percent (1%) of the unperformed portion of the works for every day of delay.
- (b) In computing liquidated damages, the CCP shall determine the usability of the project. A project or a portion thereof may be deemed usable when it starts to provide the desired benefits as certified by the targeted End-User or Implementing Units and the CCP.
- (c) To be entitled to liquidated damages, the CCP does not have to prove that it has incurred actual damages. Such amount shall be deducted from any money due, or which may become due the CONTRACTOR under the contract, collected from the retention money or other securities posted by the CONTRACTOR, or a combination thereof, whichever is convenient to the CCP.
- (d) In case the total sum of liquidated damages reaches ten percent (10%) of the total contract price, the CCP has the following options:
 - 1) Terminate the contract pursuant to the Guidelines on Termination of Contract and forfeit the erring contractor's performance security. After termination, the CCP may either (i) take over the contract, (ii) allow another entity to take over the work and charge to the CONTRACTOR such takeover, or (iii) resort to any of other alternative methods of procurement provided under R.A. No. 12009 and its Implementing Rules and Regulations, or
 - 2) Allow the CONTRACTOR to continue the works without prejudice to the continued imposition of liquidated damages beyond the ten percent (10%) threshold until project completion. This does not, however, preclude the CCP from resorting to contract termination under the IRR of RA No. 12009. The cumulative amount of liquidated damages shall continue to accrue and will be deducted even after exceeding ten percent (10%) of the contract price.

10. RETENTION:

- (a) Progress payments are subject to retention of ten percent (10%) referred to as the retention money. Such retention shall be based on the total amount due to the CONTRACTOR prior to any deduction and shall be retained from every progress payment until fifty percent (50%) of the value of works, as determined by the CCP, are

completed. If, after fifty percent (50%) completion, the work is satisfactorily done and on schedule, no additional retention shall be made; otherwise, the ten percent (10%) retention shall be imposed, which may be decreased to five percent (5%) by the CCP based on justifiable causes.

- (b) The total retention money shall be due for release upon final acceptance of the works. The CONTRACTOR may, however, request the substitution of the retention money for each progress billing with irrevocable standby Letters of Credit from a bank, bank guarantees or surety bonds callable on demand, of amounts equivalent to the retention money substituted for and acceptable to Government; Provided, that the project is on schedule and is satisfactorily undertaken.

11. NO EMPLOYER – EMPLOYEE RELATIONSHIP:

This Agreement shall not create an employer-employee relationship between the CCP and the CONTRACTOR, nor shall the services rendered herein be considered as government service. The CONTRACTOR shall not be entitled to any and all benefits enjoyed by the regular personnel of the government.

12. AMENDMENTS:

Any amendment to this Agreement shall be made in writing and signed by the CCP and the CONTRACTOR.

13. SETTLEMENT OF DISPUTES:

All actions, disputes, and controversies that may arise from, or in relation to, this Contract involving but not limited to demands for the specific performance of the obligations as specified herein and/or in the interpretation of any provisions or clauses contained herein, shall, in the first instance, be settled within thirty (30) calendar days through amicable means, such as, but not limited to mutual discussion.

Should the dispute remain unresolved by the end of the aforementioned period, the dispute shall be submitted to arbitration in the Philippines according to the provisions of R.A. No. 876, otherwise known as the "Arbitration Law" and R.A. No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2001." Whenever necessary to promote Arbitration or to seek judicial relief, the Parties agree that any legal action, suit or proceeding arising out of or relating to the Contract shall be instituted in any competent court of Pasay City, to the exclusion of other courts of equal jurisdiction.

14. SEPARABILITY CLAUSE:

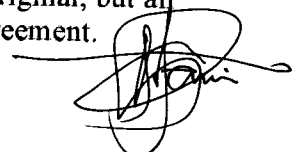
If any provision of this Contract is declared invalid, all other provisions not affected thereby shall remain valid. To overturn the invalidity, the parties may amend or modify said provision/s in conformity with the objective of this Contract.

15. ENTIRE AGREEMENT:

This contract represents the entire Agreement and the attached documents shall constitute an integral part of the agreement, except as otherwise modified or amended by the mutual agreement of the parties, subject to compliance with the R.A. No. 12009 and contract review of the Office of the Government Corporate Counsel (OGCC).

16. COUNTERPARTS:

This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute the same instrument or be deemed as one agreement.



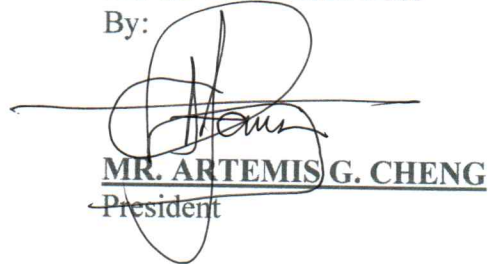
IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed in accordance with the laws of the Republic of the Philippines on the day and year first above written.

SIGNED by the PARTIES on JAN 16 2026, at Pasay City, QUEZON CITY Philippines.

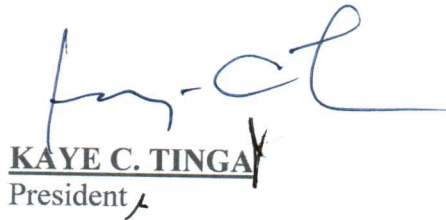
For the CCP
By:

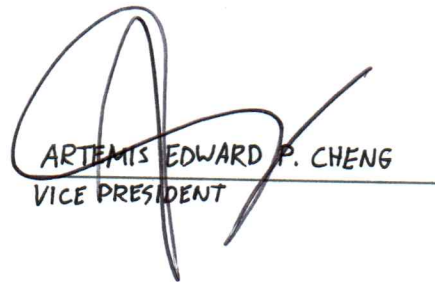

JAIME C. MAYA
Chairman

For the CONTRACTOR
By:

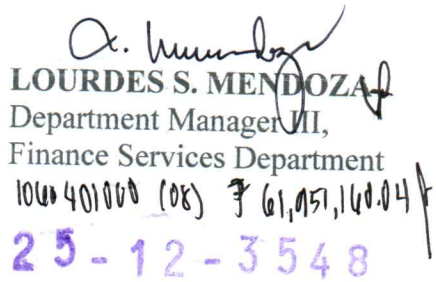

MR. ARTEMIS G. CHENG
President

Signed in the presence of:


KAYE C. TINGA
President


ARTEMIS EDWARD P. CHENG
VICE PRESIDENT

WITHIN BUDGET:


LOURDES S. MENDOZA
Department Manager III,
Finance Services Department
1000 401000 (08) ₱ 61,051,100.04
25-12-3548

ACKNOWLEDGEMENT

Republic of the Philippines)
City of QUEZON CITY s.s.

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared the following:


NAME	IDENTIFICATION DOCUMENT	EXPIRY DATE
JAIME C. LAYA	Passport No. P2436933b	03 July 2029
MR. ARTEMIS G. CHENG	UMID CRN-0111-4661347-5	

Known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their own free will and voluntary act and deed.

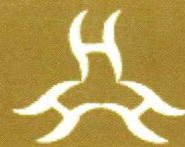
This instrument consists of seven (7) pages including this page wherein this Acknowledgement is written, and is signed by the parties and their instrumental witnesses on each of every page thereof.

SIGNED AND SEALED on JAN 16 2026 2025 in QUEZON CITY.

Doc. No. 218
Page No. 48
Book No. Y
Series of 2025 wn


ATTY. KAREN GINA T. DUPRA
NOTARY PUBLIC FOR QUEZON CITY
Roll of Attorneys No. 91421
Adm. Matter No. NP-319
VALID UNTIL 31 DECEMBER 2026

MCLE Compliance No. VIII-0017058/05 December 2024
IBP No. 892275/08 January 2026/Pasig City
PTR No. 6987087/08 January 2026/Quezon City
Stall A14-A15 MMC 354 FPJ corner Edsa
Veterans Village Quezon City



Cultural Center of the Philippines
SENTRONG PANGKULTURA NG PILIPINAS

NOTICE TO PROCEED

MR. ARTEMIS CHENG

President

GUANCO DEVELOPMENT CORPORATION

122 Old Samson, Balintawak

Quezon City

Dear Mr. Cheng;

In connection with the approved Contract, notice is hereby given to **GUANCO DEVELOPMENT CORPORATION** to proceed with the **FAÇADE WALL PREPARATION AND WATERPROOFING WORKS PRIOR TO TRAVERTINE INSTALLATION** in the amount of **Sixty-One Million Nine Hundred Fifty-One Thousand One Hundred Sixty and 04/100 Pesos (Php61,951,160.04)**, inclusive of VAT and all other applicable government taxes..

Relative thereto, you are responsible to deliver the goods and services in accordance with the Terms and Conditions of the Contract and Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing in the space provided below. Kindly send a copy of the duly signed Notice to Proceed to the BAC Secretariat, CCP Admin and Finance Building, CCP Complex, Roxas Boulevard, Pasay City or thru email address pmd@culturalcenter.gov.ph.


Thank you.

Very truly yours,


DR. JAIME C. LAYA
Chairman
CCP Board of Trustees

Acknowledgement:

Name and Signature:


ARTEMIS G. CHENG

Date : **JANUARY 21, 2026**

