



Republic of the Philippines
VISAYAS STATE UNIVERSITY
Visca, Baybay, Leyte

BOR RESOLUTION NO. 127-d, s. 2022

A RESOLUTION DENYING THE REQUEST OF UNITRON CONSTRUCTION AND DEVELOPMENT CORPORATION FOR AN EXTENSION OF ONE HUNDRED (100) CALENDAR DAYS TO COMPLETE THE CONSTRUCTION OF THE ANIMAL RESEARCH AND TESTING LABORATORY BUILDING PROJECT AT VISAYAS STATE UNIVERSITY (VSU) MAIN CAMPUS

WHEREAS, the Visayas State University was created by virtue of Republic Act 9158 which converted the then Visayas State College of Agriculture (ViSCA) into a state university on 11 August 2001 which was later renamed Visayas State University (VSU) by virtue of R.A. 9437;

WHEREAS, Section 7 of R.A. 9158 specifically empowers the Board of Regents of the University to *“exercise all the powers granted to the Directors of a corporation under Section 36 of Batas Pambansa Blg. 68 otherwise known as the Corporate Code of the Philippines”*;

WHEREAS, Paragraph (b), Section 7 of R.A. 9158 provides that the VSU BOR has the power *“to receive and appropriate all sums as may be provided, for the support of the University in the manner it may determine, in its discretion, to carry out the purposes and functions of the University”*;

WHEREAS, VSU is a CHED Center for Excellence (COE) in Agriculture and a National University in Region VIII, it is mandated to provide leadership in developing highly competitive human resource, relevant scientific knowledge, and innovative technologies to support the sustainable development of the Visayas Region in particular and the whole of the Philippines in general;

WHEREAS, as a leading University in the field of Veterinary Medicine, VSU conducted bidding for the construction of an Animal Research and Testing Laboratory building to enhance instruction, research, and extension capacities at the College of Veterinary Medicine at VSU Main Campus;

WHEREAS, Unitron Construction and Development Corporation was awarded with the project to construct the Animal Research and Testing Laboratory Building;

WHEREAS, Unitron Construction and Development Construction agreed to complete the project in 180 calendar days or from 10 April 2022 until 7 October 2022;

WHEREAS, on 8 June 2022, Unitron Construction and Development Construction requested for a work suspension due to the aftermath of Tropical Storm Agaton and disturbances of work due to climate condition where the request for work suspension covered the duration of 10 April 2022 to 5 June 2022 for a total of 57 days;

WHEREAS, on 18 July 2022, Unitron Construction and Development Corporation again requested another work suspension citing financial constraints brought about by the effects of Russia’s invasion of Ukraine that caused prices of gas and construction materials to significantly increases in prices where a work extension took place from 7 August to 7 September 2022;

WHEREAS, on 5 August 2022, Engr. Phloem D. Galupo, Engr. III, issued a letter to Unitron Construction and Development Corporation noting that as of July 2022, Unitron Construction and Development Corporation incurred a negative slippage of 65.31% and ordered

Unitron Construction and Development Corporation to submit a catch up plan as soon as possible and provide necessary manpower, materials, and equipment onsite;

WHEREAS, Unitron Construction and Development Corporation reiterated its request for time extension of contract period on 19 August 2022 in view of unfavorable climate conditions and financial constraints due to inflation brought about by the Russian invasion of Ukraine that caused increases in gas and construction materials;

WHEREAS, on 23 September 2022, Engr. Phloem D. Galupo, Engr. III, recommended the approval of the request of Unitron Construction and Development Corporation to extend the completion of the Animal Research and Testing Laboratory Building for 100 days;

WHEREAS, on 27 September 2022, Unitron Construction and Development Corporation wrote a notarized letter to Dr. Daniel Leslie Tan, Vice President for Administration and Finance of VSU, requesting an extension of time to finish the project and committing to complete the project by December 28, 2022;

WHEREAS, Unitron Construction and Development Corporation did not attach the written consent of bondsman in its request for extension of contract time pursuant to the pertinent provision of the Revised Implementing Rules and Regulations of Republic Act No. 9184;

WHEREAS, Engr. Phloem D. Galupo, Engr. III, reported that as of 6 January 2023, Unitron Construction and Development Corporation accomplished 25.44%;

WHEREAS, Unitron Construction and Development Corporation incurred a negative slippage of 74.56% based on the January 6, 2023 report of the VSU Inspectorate Team;

WHEREAS, the request of Unitron Construction and Development Corporation to extend the period of completion of the project for an additional period of 100 days was discussed and deliberated by the members of the Governing Board during its 25 January 2023 board meeting;

WHEREAS, Sec. 11. 2 of the Contract Implementation Guidelines for the Procurement of Infrastructure Projects of the Revised Implementing Rules and Regulations of the R.A. No. 9184 provides that an extension of contract shall not be granted due to the failure of the contractor to provide the required equipment, supplies, or materials:

11.2. No extension of contract time shall be granted the contractor due to (a) ordinary unfavorable weather conditions and (b) inexcusable failure or negligence of contractor to provide the required equipment, supplies or materials.

WHEREAS, Section 11.5 of the Contract Implementation Guidelines for the Procurement of Infrastructure Projects of the Revised Implementing Rules and Regulations of the R.A. No. 9184 requires that the written consent of bondsmen must be attached to any request for extension of contract time submitted to the procuring entity for consideration and the validity of the performance security shall be correspondingly extended:

Extension of contract time shall be granted for rainy/unworkable days considered unfavorable for the prosecution of the works at the site, based on the actual conditions obtained at the site, in excess of the number of rainy/unworkable days pre-determined by the government in relation to the original contract time during the conduct of detailed engineering and in the preparation of the contract documents as agreed upon by the parties before contract perfection, and/or for equivalent period of delay due to major calamities such as exceptionally destructive typhoons, floods and earthquakes, and epidemics, and for causes such as non-delivery on time of materials, working drawings, or written information to be furnished by the procuring entity, non-acquisition of permit to enter private properties within the right-of- way resulting in complete paralization of construction activities, and other meritorious causes as determined by the Government's authorized Engineer and approved by the procuring entity. Shortage of construction materials, general labor strikes, and peace and order problems that disrupt construction operations through no fault of the contractor may be considered as additional grounds for extension of contract time provided they are publicly felt and certified by appropriate government agencies such as DTI, DOLE, DILG, and DND, among others. The written consent of bondsmen must be attached to any request of the contractor for extension of contract time and submitted to the procuring entity for consideration and the validity of the performance security shall be correspondingly extended.

WHEREAS, the Revised Implementing Rules and Regulations of the R.A. No. 9184 provides that the procuring entity shall terminate a contract when the contractor incurred a negative slippage of 15% while the period is on-going or 10% when the contract has expired:

2. In contracts for Infrastructure Projects:

The Procuring Entity shall terminate a contract for default when any of the following conditions attend its implementation:

- a) Due to the Contractor's fault and while the project is on-going, it has incurred negative slippage of fifteen percent (15%) or more in accordance with Presidential Decree 1870;
- b) Due to the Contractor's fault and after the contract time has expired, it has incurred a negative slippage of ten percent (10%) or more in the completion of the work;

WHEREAS, the Revised Implementing Rules and Regulations of the R.A. No. 9184 provides that upon receipt of written report of acts which may constitute ground for termination of contract, or on its own initiative, the implementing unit of the procuring entity shall verify the existence of the grounds for termination and execute a verified report:

IV. PROCEDURES FOR TERMINATION OF CONTRACTS

1. Verification. Upon receipt of a written report of acts or causes which may constitute ground(s) for termination as aforementioned, or upon its own initiative, the Implementing Unit shall, within a period of seven (7) calendar days, verify the existence of such ground(s) and cause the execution of a Verified Report, with all relevant evidence attached.

WHEREAS, after due deliberation, the Board resolved to deny the request of Unitron development Corporation for a 100-day work extension to complete the Animal Research and Teaching Laboratory Building and instructed the Implementing Unit of the University to recommend to the Head of Procuring Entity the way of moving forward relative to the subject project;

NOW THEREFORE:

BE IT RESOLVED that the **VSU BOR** denies the request of Unitron Construction and Development Corporation for an extension of one hundred (100) calendar days to complete the construction of the Animal Research and Testing Laboratory Building at Visayas State University Main Campus;

RESOLVED FURTHER, the Implementing Unit of the project submit to the VSU BOR a report and recommendation on the way of moving forward relative to the subject construction of the Animal Research and Testing Laboratory Building at Visayas State University Main Campus project.

IN WITNESS of our approval thereof, we hereby affix our signatures this 25th day of January 2023.

VSU BOARD OF REGENTS

HON. J. PROSPERO E. DE VERA III
*CHED Chairperson and Chairperson
VSU-Board of Regents*


HON. EDGARDO E. TULIN
Vice Chairperson and President, VSU


HON. FRANCIS JOSEPH G. ESCUDERO
*Chair, Committee on Higher, Tech. & Voc. Educ.
Senate of the Philippines*


HON. MARK O. GO
*Chair, Committee on Higher & Tech. Educ.
House of Representatives*

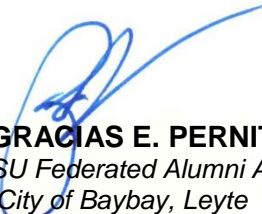
Represented by:



HON. MEYLENE C. ROSALES
*Regional Director
National Economic & Dev. Authority-RO8
Government Center, Palo, Leyte*


HON. MARK MICHAEL O. UNLU-CAY
Ex-Officio Member, SP – City of Baybay


HON. ANGEL C. ENRIQUEZ
*Regional Executive Director
Department of Agriculture-RO8
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HON. FLORENTINO F. MORALES, JR.
*Faculty Regent - VSU System Faculty Union
VSU, Visca, City of Baybay, Leyte*


HON. DEOGRACIAS E. PERNITEZ
*President, VSU Federated Alumni Association
VSU, Visca, City of Baybay, Leyte*


HON. PRINCESS REY ANN LENE E. ROMO
*Student Regent - VSU Student Council Federation
VSU, Visca, City of Baybay, Leyte*