



Republic of the Philippines
Office of the President

Housing and Urban Development Coordinating Council

HOUSING AND LAND USE REGULATORY BOARD

BOARD RESOLUTION NO. 951

Series of 2017

**APPROVING THE BUDGETARY REQUIREMENTS FOR
POSITIVE VARIATION ORDERS FOR THE CONSTRUCTION
OF THE NINE-STOREY WITH COVERED ROOF
DECK HLURB BUILDING CHARGEABLE AGAINST
HLURB'S SPECIAL ACCOUNT FROM THE GENERAL FUND**

WHEREAS, on February 26, 2015, the Board of Commissioners under Board Resolution No. 923 approved the amount of One Billion Seventeen Million Five Hundred Sixty Three Thousand Eight Hundred Seventy Five Pesos and Eighty Three Centavos (P1,017,563,875.83) for the construction of the nine-storey with covered roof deck HLURB building;

WHEREAS, after a competitive bidding pursuant to Republic Act No. 9184 or the Government Procurement Reform Act, HLURB awarded the infrastructure contract to the Joint Venture of Metro Stonerich Corporation and Tokwing Construction Corporation at its submitted bid price of One Billion Seven Million Three Hundred Ninety One Thousand Eight Hundred Twenty Eight Pesos and Twenty Two Centavos (P1,007,391,828.22) and the contract for construction supervision to ESCA, Inc. with a contract cost of Thirty Eight Million Five Hundred Four Thousand and Sixty Pesos (P38,504,060.00);

WHEREAS, the construction of the nine-storey with covered roof deck HLURB building commenced on March 28, 2016 with target completion date on May 28, 2018;

WHEREAS, pursuant to the recommendation of the construction management team after finding that certain items claimed by the contractor fall within the critical path, based on the approved PERT/CPM, Variation Order No. 1 (Annex "A") was approved to cover any increase/decrease in quantities and to suit actual field conditions, among others;

Page 2

HLURB Board Resolution No. 951, S. of 2017

Approving the Budgetary Requirements for Positive Variation Orders For the Construction of the Nine-Storey With Covered Roof Deck HLURB Building Chargeable Against HLURB's Special Account From the General Fund

WHEREAS, Annex "E" of the Implementing Rules and Regulations of R.A. No. 9184 provides that –

"1.1. Variation Orders may be issued by the procuring entity to cover any increase/decrease in quantities, including the introduction of new work items that are not included in the original contract or reclassification of work items that are either due to change of plans, design or alignment to suit actual field conditions resulting in disparity between the preconstruction plans used for purposes of bidding and the "as staked plans" or construction drawings prepared after a joint survey by the contractor and the Government after award of the contract, provided that the cumulative amount of the positive or additive Variation Order does not exceed ten percent (10%) of the original contract price. The addition/deletion of works under Variation Orders should be within the general scope of the project as bid and awarded. The scope of works shall not be reduced so as to accommodate a positive Variation Order. A Variation Order may either be in the form of either a change order or extra work order;"

WHEREAS, there is a need to allocate budget to cover approved variation orders in accordance with the above-described Annex "E" of the IRR of R.A. No. 9184;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the amount of **One Hundred Million Seven Hundred Thirty Nine Thousand One Hundred Eighty Two Pesos and Eighty Two Centavos (P100,739,182.82)** or ten (10%) of the original cost, to cover positive or additive variation order for the construction of the nine-storey with covered roof deck HLURB building be, as the same is hereby **APPROVED**, chargeable against the HLURB service income (Special Account from the General Fund).

W

ZK


Page 3

HLURB Board Resolution No. 951, S. of 2017

Approving the Budgetary Requirements for Positive Variation Orders For the Construction of the Nine-Storey With Covered Roof Deck HLURB Building Chargeable Against HLURB's Special Account From the General Fund


RESOLVED FURTHER, that the provisions of Republic Act No. 9184 and its Implementing Rules and Regulations shall be strictly complied with in the approval of variation orders.


APPROVED, this 03rd day of May 2017, Quezon City.


LEONCIO B. EVASCO, JR.
Chairman of the Board, HLURB


AUSTERE A. PANADERO
Undersecretary, DILG


LLOYD CHRISTOPHER A. LAO
Chief Executive Officer and Commissioner


MARIA CATALINA E. CABRAL
Undersecretary, DPWH


RIA CORAZON A. GOLEZ-CABRERA
Commissioner

ROLANDO G. TUNGPALAN
Deputy Director-General, NEDA


LUIS A. PAREDES
Commissioner

ANTONIO T. KHO, JR.
Undersecretary, DOJ


MELZAR P. GALICIA
Commissioner


Attested:
CHARITO B. LANSANG
Board Secretary