



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAY
OFFICE OF THE SECRETARY
Port Area, Manila

MEMORANDUM

FOR : Secretary ROGER G. MERCADO
This Department

This has reference to the herein memorandum dated April 28, 2022 of DPWH Regional Director ALLAN S. BORRAMEO, CESO III, DPWH Region VIII, requesting for the approval of the Modification of the project under FY 2022 General Appropriation Act (GAA), to wit:

One project under FY 2019 General Appropriation Act (GAA), to wit:

As per GAA/Original			As Modified		
Project Description					
UACS No. 310103100813000 Project ID: P00605984VS					
ORGANIZATIONAL OUTCOME 1 : Ensure Safe and Reliable National Road System			ORGANIZATIONAL OUTCOME 1 : Ensure Safe and Reliable National Road System		
Asset Preservation – Preventive Maintenance – Tertiary Roads			Asset Preservation – Preventive Maintenance – Tertiary Roads		
Bagahupi – Babatngon – Sta Cruz – Barugo – Carigara Rd – K0907 + (-127) – K0910 + 000			Bagahupi – Babatngon – Sta Cruz – Barugo – Carigara Rd – K0907 + (-127) – K0910 + 000		
Physical Target	Unit Cost	Allocation	Physical Target	Unit Cost	Estimated Cost
CW1 – Preventive Maintenance of Road: Asphalt Overlay: 9.870 Lane Km	P 5,707,872.34 / Lane Km	P 56,336,700.00	CW1 – Preventive Maintenance of Road: Asphalt Overlay: 5.882 Lane Km	P 9,577,813.67 / Lane Km	P 56,336,700.00
EAO	-	P 2,043,300.00	EAO	-	P 2,043,300.00
TOTAL:		P 58,380,000.00	TOTAL:		P 58,380,000.00
Justifications:					
➤ The allocation of P 58,380 Million is not sufficient to cover the total cost of the original physical target. Hence, the physical target decreases from 9.870 Lane Km to 5.882 Lane Km, and consequently increases the unit cost due to the (a) price hike of oil products which caused the increase of construction materials used; (b) use of Anti-Rutting Additive (ARA) in the hot mix asphalt mixture (per D.O. 11, series of 2019) to increase the strength and durability of the adhesion between aggregates, and (c) inclusion of concrete re-blocking to suit actual field condition, copy attached is Certificate of Reasonableness of Cost Estimate for your reference and guidance.					

Based on our evaluation, the submitted request for modification of the said project is found in order. Hence, the said request is hereby recommended for the Secretary's consideration and approval.

RAFAEL C. YABUT

Senior Undersecretary

Undersecretary for Regional Operations in Region VIII and NCR

APPROVED/DISAPPROVED:

ROGER G. MERCADO

Acting Secretary

Department of Public Works and Highways
Office of the Secretary



WIN2C03581

2.1-AROR/ETP/MLS