



**MEMORANDUM CIRCULAR 95-04**

**SEPTEMBER 01, 1995**

**TO : MACEA Members**

Concerned with the flagrant disregard of MACEA construction rules and regulations by certain building project contractors, the Board, in its August 31, 1995 meeting, approved Board Resolution BG-08/95-21 increasing the Construction Guaranty Deposit and amending paragraph 5 of BG Policy Resolution #75-01.

Effective, therefore, October 01, 1995, the Construction Guaranty Deposit to be deposited with MACEA to answer for damages to utilities, streets, sidewalks, etc. and also to answer for fines for violation of MACEA rules and regulations on construction shall be as follows :

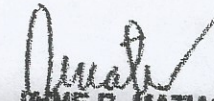
- 1. For New Constructions/Additions :
  - 1.1 For 5 storeys or less - P 1,500,000.00
  - 1.2 For building higher than 5 storeys up to 10 storeys - P 2,500,000.00
  - 1.3 For buildings higher than 10 storeys - P 3,500,000.00

2. For Building Renovations/Improvements : - P 200,000.00

(The Construction Guaranty Deposit will be refunded upon completion of the building minus the total amount of the fines imposed for damages and construction violations. The Guaranty Deposit for New Constructions/Additions will earn an interest of 6% per annum).

Also starting October 01, 1995, the schedule of fines effective and chargeable to the Construction Guaranty Deposit of building projects shall be as follows :

- 1. Storing or unloading construction materials on sidewalks and street areas : P2,500.00 upon discovery and everyday thereafter until materials have been cleared plus actual cost of clearing materials off the sidewalks and streets if done by other parties.
- 2. Utilizing sidewalk and street areas as working sites for cement mixing, carpentry work, steel works fabrication and such other construction work activities : P2,500.00 upon discovery and everyday thereafter if contractor persists on using street and sidewalk areas as work site.
- 3. Excavation or construction litter. This maybe composed of dirt, lumber scraps, excess materials or such other debris resulting out of construction, or pre-construction activity : P5,000.00 upon discovery plus costs of cleaning up and hauling away of the litter by other parties, if necessary.
- 4. Spillage of concrete on roadway and drainage facilities : P10,000.00 upon discovery plus costs of cleaning up and hauling away by other parties, if necessary.
- 5. Noise disturbance (from 10:00 PM to 6:00 AM of following day) : P10,000.00 for every hour of violation.
- 6. Such other construction malpractices will be evaluated and corresponding fines imposed on a case-to-case basis.

  
**JAIME R. MATIAS**  
 Executive Secretary