

Republic of the Philippines  
Province of Davao del Norte  
CITY OF TAGUM

**BEFORE THE 4<sup>TH</sup> CITY COUNCIL**

**EXCERPT FROM THE MINUTES OF THE 85<sup>TH</sup> REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON MARCH 16, 2009 AT THE SP SESSION HALL.**

**PRESENT:**

Hon. ALLAN L. RELLON, MPA,	City Vice Mayor (Presiding Officer)
Hon. MARIA LINA F. BAURA,	Member
Hon. ROBERT L. SO,	Member
Hon. DE CARLO L. UY,	Member
Hon. RAYMOND JOEY D. MILLAN,	Member
Hon. VICENTE C. ELIOT, SR.,	Member
Hon. ALAN D. ZULUETA,	Member
Hon. NICANDRO T. SUAYBAGUIO, JR.,	Member
Hon. REYNALDO T. SALVE,	Member
Hon. FRANCISCO C. REMITAR,	Member
Hon. CYRIL LEONARD L. MURING,	Member (SKF Representative)

**ON LEAVE:**

Hon. JOEDEL T. CAASI,	Member
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**ON OFFICIAL BUSINESS:**

Hon. ALFREDO R. PAGDILAO,	Member (ABC Representative)
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**RESOLUTION NO. 691, s-2009**

**A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. REY T. UY TO ENTER INTO AND SIGN FOR AND IN BEHALF OF THE CITY OF TAGUM THE MEMORANDUM OF AGREEMENT BETWEEN THE DEPARTMENT OF AGRICULTURE REGIONAL FIELD UNIT XI AND THE CITY GOVERNMENT OF TAGUM FOR THE IMPLEMENTATION OF THE COUNTERPARTING SCHEME THRU COST-SHARING ARRANGEMENT FOR THE ACQUISITION OF ONE UNIT FOUR WHEEL DRIVE (4WD) 50-60HP ARM TRACTOR.**

**WHEREAS**, RA 8435 otherwise known as AGRICULTURE AND FISHERIES MODERNIZATION ACT OR AFMA aims to strengthen the Agriculture and Fishery Sector through modernization and greater participation among the Local Government Unit (LGUs), farmers and fisherfolks, non-government organizations and people's organizations;

**WHEREAS**, the Local Government Code of 1991 allows the Department of Agriculture (DA), a national agency, to implement nationally-funded projects jointly with the Local Government Units (LGUs);

**WHEREAS**, the Department of Agriculture through its Regional Field Unit is implementing the Ginintuang Masaganang Ani-High Value Commercial Crops Program in which the program's goal is empower the private sector, particularly small farmers or small holders and entrepreneurs, in order to increase their contribution to economic growth as well as to augment producer's income and enhance consumers health and welfare and the Development of new lands for Agribusiness also known as Goal 1 in line with the thrust of Her Excellency President Gloria Macapagal Arroyo's Food Security Program;

**WHEREAS**, project implementation shall be through counterparting scheme for the efficient use of resources from both the DA-RFU XI and the City of Tagum of which, the DA shall turn-over to the city government One Million (P1,000,000.00) Pesos as payment for the procurement of one unit farm tractor and the excess amount for said farm equipment with its standard accessories such as trailer and implementation shall be shouldered by the City of Tagum;

**WHEREAS**, there is a need for the Sangguniang Panlungsod of Tagum to immediately pass a resolution relative to the subject at hand to be able to get hold of this much-needed assistance from a responsive National Government Agency;

**NOW THEREFORE**, be it resolved, as it is hereby resolved, by the Sangguniang Panlungsod to authorize the City Mayor, Hon. Rey T. Uy to enter into and sign for and in behalf of the City of Tagum the Memorandum of Agreement between the Department of Agriculture Regional Field Unit XI and the City Government of Tagum in the implementation of the couterparting scheme thru cost-sharing arrangement for the acquisition of one unit Four Wheel Drive (4WD) 50-60HP Farm Tractor.

**RESOLVED FURTHER**, that the full text of the Memorandum of Agreement be as follows:

**MEMORANDUM OF AGREEMENT (MOA)**

**KNOW ALL MEN BY THESE PRESENTS:**

This **MEMORANDUM OF AGREEMENT (MOA)** is made and entered into by and between:

The **DEPARTMENT OF AGRICULTURE through the DA REGIONAL FIELD UNIT XI**, a government agency created and existing under the Republic of the Philippines with office address at DA-RFU XI, Bangoy Street, Davao City, represented by its Regional Executive Director, Dr. ROGER C. CHIO, hereinafter referred to as the "DA-RFU XI";

-and-

The **CITY GOVERNMENT OF TAGUM**, with office address at Tagum City, Davao del Norte Province, represented by its City Mayor REY T. UY, hereinafter referred to as the "LGU";

**WITNESSETH:**

**WHEREAS**, RA 8435 otherwise known as the **Agriculture and Fisheries Modernization Act or AFMA** aims to strengthen the Agriculture and Fishery Sectors through modernization and greater participation among the Local Government Units (LGUs), farmers and fisherfolks, non-government organizations and people's organizations;

**WHEREAS**, the Local Government Code of 1991 allows the Department of Agriculture (DA), a National Agency, to implement nationally funded projects through joint undertakings with the Local Government Units (LGUs);

**WHEREAS**, the formulation and implementation of investment projects for agricultural development concerning production, processing and marketing are within the Strategic Agriculture and Fisheries Development Zones (SAFDZs);

**WHEREAS**, the Department of Agriculture through its Regional Field Units is implementing the Ginituang Masaganang Ani High Value Commercial Crops Program in which the program's goal is to empower the private sector, particularly small farmers or small holders and entrepreneurs, in order to increase their contribution to economic growth as well as to augment producer's income and enhance consumers health and welfare and the Development of New Lands for Agribusiness also known as Goal 1 in line with the thrust of Her Excellency President Gloria Macapagal Arroyo's Food Security Program;

**WHEREAS**, two of the major thrust of the City Government under Hon. Rey T. Uy, City Mayor, are Agricultural Productivity/Livelihood Development and Promotion and Employment Generation which particularly shall address the attainment of food security and poverty alleviation in this part of the region;

**FURTHERMORE**, the project implementation shall be through efficient use of resources of both the DA-RFU XI and the concerned LGU, in which a Counterparting Scheme is appropriate to effect such;

**NOW THEREFORE**, for and in consideration of the mutual covenants and premises hereinafter set forth, the parties hereto agree as follows:

**ARTICLE 1**

**SCOPE**

One of the objectives of the GMA HVCC PROGRAM is to help ensure food security by producing available, safe, nutritious and affordable high value crops while increasing income opportunities for producers and entrepreneurs. Under the PRODUCTION SUPPORT SERVICES component of the program specific machinery/ies and/or facility/ies will be provided under liberal credit terms or cost sharing arrangements with Farmer Organization (FOs) and/or Local Government Units (LGUs). The DA RFU-XI and the CITY GOVERNMENT OF TAGUM opted to have a cost sharing arrangements and thus agreed to pool their scare resources to enable them to procure one (1) unit FARM TRACTOR with STANDARD IMPLEMENTS with the following minimum specifications:

-over-

ONE (1) UNIT FOUR WHEEL DRIVE (4WD) FARM TRACTOR with NET ENGINE HORSE POWER 50-60 RATED HP with standard implements and trailer

## ARTICLE II

### RESPONSIBILITIES AND OBLIGATIONS OF THE PARTIES

1. The DA- RFU XI shall:

- a) Evaluate and review project proposal of the LGU and consequently approve the same upon submission of a CITY COUNCIL RESOLUTION Authorizing the Honorable Mayor of the LGU to negotiate, obtain, enter, contract and sign for and in behalf of the City the MEMORANDUM OF AGREEMENT with DA-RFU XI with regards to counterparting scheme to include adoption of the same agreement and project proposal;
- b) Allocate the required counterpart fund in the amount of One Million Pesos (P 1,000,000.00) and disburse the same fund as grant to the LGU for the procurement of ONE (1) UNIT FOUR WHEEL DRIVE FARM TRACTOR with standard implements as the identified project under the program in accordance with government accounting rules and regulations;
- c) Extend technical services as may be needed by the LGU relative to project preparation and implementation;
- d) Require the LGU to prioritize mechanization services to farmers and farmers cooperatives identified by the DA-RFU XI and the LGU;
- e) Monitor the implementation of the said program in accordance with its approved work plan and reserve the right to intervene and institute corrective measures in case of non-compliance with the stipulations of this agreement.

2. The LGU shall:

- a) Submit to DA-RFU XI a letter of intent and project proposal for the counterparting program considering the following:
  - a.1 Operation of the project must be within identified SAFDZs of the City and be part of the City Agricultural Development Plan Framework;
  - a.2 Operation of the project must contribute to Agricultural and Fishery Modernization and shall conform to the components of AFMA;
- b) Submit a CITY COUNCIL RESOLUTION authorizing the Honorable Mayor of the LGU to negotiate, obtain, enter, contract and sign for and in behalf of the City the MEMORANDUM OF AGREEMENT with the DA-RFU XI with regards to COUNTERPARTING SCHEME to include adoption of the same agreement and project proposal by the City Government of Tagum;
- c) Shoulder the expenses in excess of the One Million Pesos and facilitate the procurement of ONE (1) UNIT FOUR WHEEL DRIVE FARM TRACTOR with standard implements needed for specific operations to include heavy duty trailer 2 to 3 tons capacity with brand new tires under the program in accordance with government accounting rules and regulations for the completion of the project;
- d) Issue an official receipt for the One Million Pesos (P 1,000,000.00) counterpart fund transferred by DA-RFU XI and submit REPORT OF DISBURSEMENT audited and certified by the Resident Auditor of the COMMISSION ON AUDIT of the City;

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- e) Provide a shed for the FARM TRACTOR as additional counterpart and shoulder the repair and maintenance cost of the same only after the lapse of the warranty arrangement with the supplier;
- f) Insure the FARM TRACTOR with standard implements and shoulder all licenses and taxes that will be levied on the use and operation of the same;
- g) Prioritize mechanization services to farmers and farmers cooperatives belonging to identified vegetable clusters areas of the City;
- h) Implement the proposed project in accordance with the approved work plan and utilized the FARM TRACTOR in accordance to its intended use and shall not in anyway sell or mortgage the same;
- i) Submit monthly progress reports to DA-RFU XI or such other reports that DA-RFU XI may require from time to time.

3) MISCELLANEOUS

- a) The Agreements made by the parties maybe amended only in writing and signed by authorized representatives of both parties. All amendment(s), which will be appended to this agreement, shall be in writing and delivered to the address of the parties indicated herein.

**IN WITNESS WHEREOF**, the parties through their duly authorized representatives hereunto affixed their signatures this \_\_\_\_\_ day of \_\_\_\_\_ 2009 \_\_\_\_\_, Philippines.

**Department of Agriculture  
Regional Field Unit-XI**

**City Government of Tagum**

**ROGER C. CHIO, CESO III**  
Regional Executive Director

**HON. REY T. UY**  
City Mayor

**Signed in the presence of**

**ENGR. ONOFRE M. NUGAL**  
RAED Chief

\_\_\_\_\_  
City Agriculturist

**MARIFLOR S. GARCIA**  
Regional Accountant  
DA-RFU XI, Davao City

Funds Available P \_\_\_\_\_

**ACKNOWLEDGEMENT**

Republic of the Philippines )  
CITY OF DAVAO ) s.s.

In Davao City, Philippines this \_\_\_\_ day of \_\_\_\_\_, 2009 before me a Notary Public in and for the said city personally came and appeared before me:

Name	Res. Cert. #	Issued on	Issued at
Hon. Rey T. Uy	_____	_____	_____
Dr. Roger C. Chio	12933109	January 6, 2009	Davao City

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

WITNESS MY HAND AND SEAL on the date and place first above written.

NOTARY PUBLIC

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

**CARRIED AND APPROVED.**

**I HEREBY CERTIFY** to the correctness of the foregoing.

(Sgd) **FEBLUTZ FELIPE – MANANGAN**  
**Local Leg. Staff Officer V**  
**Officer-In-Charge**

**ATTESTED AND CERTIFIED**  
**TO BE DULY ADOPTED:**

(Sgd) **ALLAN L. RELLON, MPA**  
**City Vice Mayor**  
**(Presiding Officer)**

*fname:RN69109*  
*ffm\*\**