

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

BEFORE THE 4TH CITY COUNCIL

EXCERPT FROM THE MINUTES OF THE 89th REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON APRIL 13, 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. JOEDEL T. CAASI, | 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 OFFICIAL BUSINESS:

| | |
|---------------------------|-----------------------------|
| Hon. ALAN D. ZULUETA, | Member |
| Hon. ALFREDO R. PAGDILAO, | Member (ABC Representative) |

RESOLUTION NO. 721, 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 AMENDED MEMORANDUM OF AGREEMENT BETWEEN THE DEPARTMENT OF AGRICULTURE REGIONAL FIELD UNIT XI, THE CITY GOVERNMENT OF TAGUM AND THE DAVAO INTEGRATED DEVELOPMENT PROGRAM FOR THE IMPLEMENTATION OF THE GMA PROGRAM ON THE ASPHALTING AT JUNCTION NATIONAL HIGHWAY, BARANGAY NEW BALAMBAN ROAD PROJECT, IN TAGUM CITY.

WHEREAS, a Memorandum from the Undersecretary for Operations of the Department of Agriculture, Undersecretary Jesus Emmanuel M. Paras, addressed to all the Regional Executive Directors of DA, of which a fax copy was sent to the Office of the City Mayor, Hon. Rey T. Uy, stating that projects under the DA's Locally Funded Projects in Mindanao that shall be implemented for CY 2009 must have new provisions incorporated in the MOA, as stated in the letter of Undersecretary Jesus Emmanuel M. Paras, before actual downloading of funds to LGU recipients;

WHEREAS, these said new provisions were taken into consideration due to the numerous delays in the implementation of infrastructure projects by most of the LGUs to the detriment of the targeted production areas and its inhabitants and also taking into consideration the observation of the COA on delayed liquidation of project funds;

WHEREAS, the City of Tagum has an allocation of ONE MILLION PESOS (Php 1,000,000.00), for the implementation of this priority Barangay New Balamban Farm to Market Road project;

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 effect a smooth turn-over of project funds and immediately start the implementation of the project;

NOW THEREFORE, be it resolved as it is hereby resolved by the Sangguniang Panlungsod of Tagum to authorize the City Mayor, Hon. Rey T. Uy to enter into and sign for and in behalf of the City of Tagum the amended Memorandum of Agreement between the Department of Agriculture Regional Field Unit XI, the City Government of Tagum and the Davao Integrated Development Program for the implementation of the GMA Program on the asphaltting at Junction National Highway, Barangay New Balamban Road Project, in Tagum City.

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

MEMORANDUM OF AGREEMENT (MOA)
For the implementation of a Department of Agriculture RFU XI
City of Tagum (LGU) Partnership Project
Asphalting at Junction National Highway, New Balamban Road Project, located in Tagum City

KNOW ALL MEN BY THESE PRESENTS:

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

The **DEPARTMENT OF AGRICULTURE – REGIONAL FIELD UNIT XI**, a government agency created by law, with postal address at Bangoy Street, Davao City, represented by its Regional Executive Director, ASEC. ROGER C. CHIO, hereinafter referred to as the “DA-RFU XI”;

-and-

The **CITY GOVERNMENT OF TAGUM**, a local government unit created by law, with postal address at Rizal Street, 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 National Government through the “**Ginintuang Masaganang Ani PROGRAM**” is vigorously implementing the Integrated Food Security Program which is one of the major development thrusts of the Arroyo Administration and is aimed to attain food sufficiency in the country by the year 2010 and the Department of Agriculture (DA) is the lead agency in the implementation of the various projects;

WHEREAS, the Department of Agriculture through its Regional Field Units is implementing the National Government Banner Program on Food Security and Sufficiency in partnership with the Local Government Units (LGUs) for an efficient and effective utilization of Government resources;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties have mutually agreed and bind themselves to undertake the projects in accordance with the following terms and conditions:

SECTION 1. RESPONSIBILITIES OF THE DA-RFU

- 1.1 The DA-RFU XI shall review, validate and conforms the Program of Work (POW), plans and specifications prepared and submitted by the Local Government Unit based on the implementing guidelines set forth by the Department of Agriculture;
- 1.2 The DA-RFU XI shall allocate One Million Pesos (Php 1,000,000.00) to the Local Government Unit to be used for its Farm to Market Road Project, however, it shall retain an amount equivalent to 3% of the total project cost as Administrative Cost to be used in monitoring and other related activities during project implementation and retain another 10% from the said project cost as a warranty for completion and of which shall only be released back to the LGU one (1) year after project is completed;
- 1.3 The DA-RFU XI therefore shall release directly to the Local Government Unit the total amount of Eight Hundred Seventy Thousand Pesos (Php 870,000.00), in accordance with SARO No. _____ dated _____ issued by the Department of Budget and Management (DBM) and subject to the availability of Notice of Cash Allocation (NCA) based on the following tranches:

RESOLUTION NO. 721, s-2009, cont'd:

| Tranches | Release (% of Total Project Cost) | Requirements |
|-----------------|--|--|
| 1 st | 35% | Approved POW, plans and notarized Memorandum of Agreement (MOA) |
| 2 nd | 40% | Physical accomplishment of 20% Full liquidation of 1 st tranche (35%) duly certified by the City Accountant and approved by the Chief Executive |
| 3 rd | 25% | Physical accomplishment 60% Full liquidation of 2nd tranche (40%) duly certified by the City Accountant and approved by the Chief Executive |

- 1.4 The DA-RFU XI shall ascertain that the list of projects and specific project cost corresponds to the Program of Work (POW), that the LGU shall submit and said list is not a duplication of other DA-funded FMR projects;
- 1.5 The DA-RFU XI shall monitor and evaluate the progress of the implementation of the projects by the LGU;
- 1.6 The DA-RFU XI shall ascertain whether the project is implemented in accordance with the approved engineering designs, plans, details, and specifications and advise the LGU of its findings and recommendations from time to time until the completion of the project.
- 1.7 The DA-RFU XI shall verify, review and evaluate project reports and submit recommendations to the DA Secretary, and the Presidential Adviser for Economic Affairs, as the case maybe;
- 1.8 The DA-RFU XI shall validate completion report and issue Certificate of Project Completion of validated completed projects;

SECTION 2. RESPONSIBILITIES OF THE LGU

- 2.1 The LGU shall submit a Sangguniang Panlungsod Resolution authorizing the Honorable Mayor of the LGU to enter and sign for and in behalf of the City a Memorandum of Agreement with the DA-RFU XI relative to the identified and approved infrastructure project;
- 2.2 The LGU shall be responsible for the conduct of pre-engineering surveys and investigations, preparations of detailed designs, program of work and etailed estimates;
- 2.3 The LGU shall submit the Program of Work and Detailed Estimates to the DA-RFU XI for consolidation, review and approval by the Regional Executive Director;
- 2.4 The LGU shall be responsible for securing and complying wit the legal requirements related to construction such as road-right-of-way, water right easements permits, legal fees of charges and other similar requirements;
- 2.6 The LGU shall implement the projects in accordance with the DA-RFU XI Guidelines, the approved plans, designs with its PERT-CPM, and specifications and government accounting and auditing rules and regulations. Project implementation shall be undertaken by administration.
- 2.7 The LGU shall prioritize hiring of displaced workers to ease the impact of the global crisis and as a compliance with the Presidential Resiliency Plan dated January 12, 2009;
- 2.8 The LGU shall utilize the amount of Nine Hundred Seventy Thousand Pesos (P 970,000.00) Pesos on the project to wit:

RESOLUTION NO. 721, s-2009, cont'd:

- | Name of Project | Location | Project Type | Project Cost |
|--|--------------------|--------------|--------------|
| 1. Asphaltting at Junction National Highway, New Balamban Road Project | Brgy. New Balamban | FMR | P 970,000.00 |
- 2.9 The LGU shall open and maintain a separate trust account for the GMA Food Security Project Funds with any government authorized depository bank;
 - 2.10 The LGU shall issue the official receipts to the DA-RFU XI corresponding to the amount transferred and released to it;
 - 2.11 The LGU shall be fully responsible for the disbursement of funds for the projects in accordance with the DA-RFU XI Guidelines, the approved program of work and cost estimates, as well as the government accounting and auditing rules and regulations;
 - 2.12 The LGU shall submit monthly reports of Disbursement on the Project duly certified by its Chief Accountant and verified by its Resident Auditor. Any unused balance of the funds after completion of the project shall be returned to DA-RFU XI;
 - 2.13The LGU shall be responsible for the continuous maintenance of the completed projects. For this purpose, the LGU shall include on its maintenance program under its annual budget the Farm-to-Market Roads covered by this agreement.
 - 2.14The LGU shall finish the Road Section – Rehabilitation of Road Project at Brgy. Pandapan within **90 days** as evidenced and supported by a submitted Program of Work and with a receipted NOTICE TO PROCEED duly approved by the DA-RFU XI Regional Executive Director;
 - 2.15The LGU shall be subjected to a penalty deduction of one tenth (.10%) of the total project cost for projects completed beyond the stipulated duration of this MOA. This penalty deduction shall be waived however upon mutual agreement of the parties concerned if delays are caused by forced-majeure and/or other natural or man-made calamities;

SECTION 3. EFFECTIVITY

- 3.1 This agreement shall take effect on the date of signing hereof by the parties and shall continue and remain in force until the completion and acceptance of the project unless earlier mutually terminated in writing by the parties.

SECTION 4.

That this amended Memorandum of Agreement (MOA) supersedes the original Memorandum of Agreement (MOA) already signed by both parties and approved by the Sangguniang Panlungsod through Resolution.

IN WITNESS WHEREOF, the parties hereto agreed to affix their signatures on this ___ day of _____ at Tagum City, Davao del Norte Philippines.

DEPARTMENT OF AGRICULTURE

CITY GOVERNMENT OF TAGUM

Regional Field Unit – XI
Represented by:

Represented by:

ROGER C. CHIO, CESO III
Regional Executive Director

REY T. UY
City Mayor

Signed in the presence of

ACKNOWLEDGEMENT

Republic of the Philippines)
Province of Davao del Norte) s.s.
CITY OF TAGUM)
X-----X

BEFORE ME, this ___ day of _____, 2009 at Tagum City, Philippines personally appeared REY T. UY with his Community Tax Certificate No. _____ issued at Tagum City on _____ and _____ with his Community Tax Certificate No. _____ issued at _____ on _____ known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed.

This instrument consisting of ___ (__) pages including this page on which the acknowledgement is written, all of which are signed by the parties and their instrumental witnesses, and sealed with my notarial seal.

WITNESS MY HAND AND SEAL this ___ day of _____, at Tagum City, Davao del Norte, Philippines.

NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

RESOLVED FURTHERMORE, that copies of this resolution be furnished to all concerned offices.

CARRIED AND APPROVED.

I HEREBY CERTIFY to the correctness of the foregoing.

(Sgd) REY A. BUHION
Secretary to the Sanggunian

ATTESTED AND CERTIFIED
TO BE DULY ADOPTED:

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

fname: RN72109
*ffm****