

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. 723, 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 ASPHALTING OF THE BARANGAY LA FILIPINA TO BARANGAY SAN AGUSTIN ROAD PROJECT, ALL IN TAGUM CITY.

WHEREAS, the Regional Executive Director of the Davao Integrated Development Program, Atty. Wendel E. Avisado, through a letter dated 09 March 2009 faxed to the Office of the City Mayor, Hon. Rey T. Uy, informing the City Government 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 new 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 TWO MILLION FOUR HUNDRED THOUSAND PESOS (P 400,000.00), for the implementation of this priority 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 Asphaltting of the Barangay La Filipina to Barangay San Agustin Road Project, all 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 –
Davao Integrated Development Project (DIDP) –
City of Tagum (LGU) Partnership Project
Asphalting of the Barangay La Filipina to Barangay San Agustin Road Project, all 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";

-and-

The **DAVAO INTEGRATED DEVELOPMENT PROGRAM – PROJECT MANAGEMENT OFFICE (DIDP-PMO)**, a government office created pursuant to OP Executive Order No. 144, with postal address at 3rd Floor JMF Corporate Center, 848 Atis Street, Juna Subdivision, Matina, Davao City, represented by its Managing Director WENDEL E. AVISADO, hereinafter referred to as "DIDP-PMO".

WITNESSETH

WHEREAS, the Davao Integrated Development Program is one of the flagship projects of the National Government and its Food Security Program responds to and complements the National Government's 10-Point Agenda particularly in the attainment of food security and poverty alleviation in Mindanao;

WHEREAS, the Integrated Food Security Program 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 under the Food Security Program of the National Government and is one of the Locally Funded Projects in Mindanao;

WHEREAS, under its Locally Funded Projects for Mindanao, the Department of Agriculture has included in its budget for CY 2009 the amount of Two Million Four Hundred Thousand (P2,400,000.00) Pesos, for the implementation of Farm to Market Road Project in the City of Tagum under the DA-RFU XI- DIDP - LGU Partnership;

WHEREAS, the DIDP Board has adopted the project funds counterparting scheme being promoted by the Department of Agriculture wherein the DA shall shoulder eighty percent (80%), of the project costs and the DIDP member- LGUs shall have a counterpart of twenty percent (20%), of which, this is broken down to twelve percent (12%), cash allotment and eight (8%), in kind contribution for a specific, identified and approved FMR project;

WHEREAS, the DIDP Board further adopted the corresponding guidelines for the implementation of Farm to Market Roads which are hereto attached and incorporated as ANNEX "A" and made an integral part of this Agreement;

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 DIDP Board;

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- 1.2 The DA-RFU XI shall allocate Two Million Four Hundred Thousand Pesos (P 2,400,000.00) representing eighty percent (80%) of the project cost as its counterpart for the Farm to Market Road project of the LGU, however, it shall retain an amount equivalent to 3% as Administrative Cost to be used in monitoring and other related activities during project implementation and retain another 10% from the total project cost as a warranty for completion and of which shall only be released one (1) year after project completion;
- 1.3 The DA-RFU therefore shall release directly to the Local Government Unit the total amount of Two Million Eighty-Eight Thousand Pesos (P 2,088,000.00), in accordance with SARO No. ____ dated _____ issued by the Department of Budget and Management (DBM). However, and subject to the availability of Notice of Cash Allocation (NCA) based on the following tranches:

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 list approved by the DIDP Board and endorsed by the DIDP Executive Director;
- 1.5 The DA-RFU XI together with the DIDP-PMO shall monitor and evaluate the progress of the implementation of the projects by the LGU;
- 1.6 The DA-RFU together with the DIDP-PMO 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 together with the DIDP-PMO shall verify, review and evaluate project reports and submit recommendations to the DIDP Board, the DA Secretary, and the Presidential Adviser for Economic Affairs, as the case maybe;
- 1.8 The DA-RFU XI, together with the DIDP-PMO, 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 detailed estimates;
- 2.3 The LGU shall submit the Program of Work and Detailed Estimates to the DIDP-PMO for consolidation, review and recommendation for approval by the DA-RFU XI in accordance with the DIDP guidelines;
- 2.4 The LGU shall be responsible for securing and complying with the legal requirements related to construction such as road-right-of-way, water right easements permits, legal fees of charges and other similar requirements;
- 2.5 The LGU shall implement the projects in accordance with the DIDP 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;

RESOLUTION NO. 723, s-2009, cont'd:

- 2.6 The LGU shall prioritize hiring of displaced local workers to ease the impact of the global crisis and as a compliance with the Presidential Resiliency Plan dated January 12, 2009;
- 2.7 The LGU shall be responsible for the preparation and submission of monthly progress report and completion report to the DA-RFU XI and DIDP-PMO.
- 2.8 The LGU shall utilize the amount of Two Million Four Hundred Thousand Pesos (P2, 400,000.00) Pesos on the project to wit:

Name of Project	Location	Project Type	Counterparting LGU - DA-RFU XI	Project Cost
1. Asphaltting of Road	Brgy. La Filipina to Brgy. San Agustin	FMR	P600, 000.00 – P2, 400,000.00	P 3.0 M

- 2.9 The LGU shall appropriate Six Hundred Thousand Pesos (P600,000.00), as its counterpart funds to the concreting project of which, Three Hundred Sixty Thousand Pesos (P360, 000.00), shall be in cash and supported with a bank certification as a proof of its certainty, and the remaining Two Hundred Forty Thousand Pesos (P 240,000.00), shall be in kind component to the specified FMR project;
- 2.10The LGU shall open and maintain a separate trust account for the DIDP Food Security Project Funds with any government authorized depository bank;
- 2.11 The LGU shall issue the official receipts to the DA-RFU XI corresponding to the amount transferred and released to it;
- 2.12 The LGU shall be fully responsible for the disbursement of funds for the projects in accordance with the DIDP Guidelines, the approved program of work and cost estimates, as well as the government accounting and auditing rules and regulations;
- 2.13 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;
- 2.14The 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.
- 2.15The LGU shall finish the Road Section – Asphaltting of Road Project at Barangay La Filipina to Barangay San Agustin within 90 days as evidenced and supported by a submitted Program Of Work with the corresponding endorsement by the DIDP-PMO and with a receipted NOTICE TO PROCEED and duly approved by the DA-RFU XI Regional Executive Director.
- 2.16The 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. RESPONSIBILITIES OF THE DIDP-PMO

- 3.1 The DIDP-PMO together with the DA-RFU XI shall monitor and evaluate the progress of the project implementation;
- 3.2 The DIDP-PMO together with the DA-RFU XI shall ascertain that the project is implemented in accordance with the approved Program of Work (POW), Detailed Engineering Designs and Specifications and advise the LGU of its findings and recommendations from time to time until the completion of the project.
- 3.3 The DIDP-PMO, together with DA-RFU XI shall verify, review and evaluate project reports and submit recommendations as may be necessary to the DIDP Board; the DA Secretary and the Presidential Adviser for Economic Affairs;
- 3.4 The DIDP-PMO shall consolidate the monthly status report and furnish copies to the Office of the President through the Committee on Flagship Programs and Projects, DA RFU XI, DIDP Board and Technical Advisory Group/DA-RFU XI Engineering Division;

RESOLUTION NO. 723, s-2009, cont'd:

- 3.5 The DIDP-PMO, together with the DA-RFU XI shall validate the Completion Report and issue Certificate of Project Completion of validated completed projects; and
- 3.6 The DIDP-PMO shall facilitate the turn-over of completed projects to the LGU.

SECTION 4. EFFECTIVITY

4.1 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 5.

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
Regional Field Unit – XI
Represented by:

CITY GOVERNMENT OF TAGUM

Represented by:

ROGER C. CHIO, CESO III
Regional Executive Director

REY T. UY
City Mayor

DAVAO INTEGRATED DEVELOPMENT PROGRAM
Project Management Office (DIDP-PMO)
Represented by:

WENDEL E. AVISADO
Managing Director

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 _____

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(Excerpt from the Minutes of the 89th Regular Session/Apr 13, 2009)

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RESOLUTION NO. 723, s-2009, cont'd:

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: RN72309
*ffm****