

BEFORE THE 4TH CITY COUNCIL

EXCERPT FROM THE MINUTES OF THE 134TH REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON MARCH 08, 2010 AT THE SP SESSION HALL.

PRESENT:

Hon. MARIA LINA F. BAURA	Member	(Presiding Officer)
Hon. ROBERT L. SO,	Member	
Hon. DE CARLO L. UY,	Member	
Hon. VICENTE C. ELIOT, SR.,	Member	
Hon. JOEDEL T. CAASI,	Member	
Hon. ALAN D. ZULUETA,	Member	
Hon. NICANDRO T. SUAYBAGUIO, JR.,	Member	
Hon. REYNALDO T. SALVE,	Member	
Hon. FRANCISCO C. REMITAR,	Member	
Hon. ALFREDO R. PAGDILAO,	Member	(ABC Representative)
Hon. CYRIL LEONARD L. MURING,	Member	(SKF Representative)

ON OFFICIAL BUSINESS :

Hon. ALLAN L. RELLON, MPA	City Vice Mayor
Hon. RAYMOND JOEY D. MILLAN,	Member

RESOLUTION NO. 1072, s-2010

A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. REY T. UY TO ENTER INTO AND SIGN FOR AND IN BEHALF OF THE CITY GOVERNMENT OF TAGUM THE MEMORANDUM OF AGREEMENT (MOA) FOR THE IMPLEMENTATION OF THE DEPARTMENT OF AGRICULTURE REGIONAL FIELD UNIT XI – DAVAO INTEGRATED DEVELOPMENT PROGRAM – CITY OF TAGUM PARTNERSHIP FARM TO MARKET ROAD PROJECTS AT BARANGAYS LIBOGANON, SAN MIGUEL AND CANOCOTAN, TAGUM CITY.

WHEREAS, the Regional Executive Director of the Department of Agriculture Regional Field Unit XI Dr. Carlos B. Mendoza, CESO IV, through a letter dated 12 February 2010, received on 22 February 2010 by the Office of the City Mayor, Hon. Rey T. Uy, informing the City Government of Tagum of the successful conduct of the Consultative Meeting between the LGUs, the COA, the DIDP staff and the staff of the DA Director of the need to harmonize and update pertinent documents relative to the implementation of the CY 2010 infrastructure projects of DA-DIDP;

WHEREAS, said communiqué has spelled out the needed documents and requirements with its corresponding amendments and changes to suit the standards set by the Commission on Audit prior to any release of the CY 2010 project funding;

WHEREAS, the Department of Agriculture RFU XI has allocated Two Million Four Hundred Thousand Pesos (Php 2,400,000.00), to the City of Tagum for its priority Farm to Market Road Projects of which the Barangays Liboganon, San Miguel and Canocotan were identified;

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 through a resolution authorizing the city Mayor, Hon. Rey T. Uy, to enter into and sign for and in behalf of the City Government of Tagum the Memorandum of Agreement (MOA) for the implementation of the Department of Agriculture Regional Field Unit XI – Davao Integrated Development Program – City of Tagum partnership Farm to Market Road Projects at Barangays Liboganon, San Miguel and Canocotan, Tagum City.

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

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MEMORANDUM OF AGREEMENT
For the Implementation of Department of Agriculture RFU XI –
Davao Integrated Development Project (DIDP) –
Tagum City Partnership

KNOW ALL MEN BY THESE PRESENTS:

This **MEMORANDUM OF AGREEMENT** is made and entered into by and among:

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, CARLOS B. MENDOZA**, hereinafter referred to as the “**DA-RFU XI**”;

The City of Tagum, a Local Government Unit until created by law, with postal address at Rizal Street, Tagum City , Davao del Norte, represented by its City Mayor, Hon. 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 Presidential Order No. 144, with postal address at Ground Floor JMF Corporate Center, 848 Atis Street, Juna Subdivision, Matina, Davao City, represented by its **Executive Director WENDEL E. AVISADO**, hereinafter referred to as “**DIDP-PMO**”.

WITNESSETH

WHEREAS, the Davao Integrated Development Program (DIDP) 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 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 2010** the amount of **Thirty Eight Million Five Hundred Thousand Pesos (Php 38,500,000.00)** equivalent to 80% of the total sub-project cost as counterpart for the implementation of Farm to Market Roads which will be distributed equitably among the DIDP Local Government Unit members covered in the DIDP Area;

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;

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 XI

- 1.1 The DA-RFU XI shall ascertain that the list of projects and specific project cost corresponds to the list endorsed by the DIDP Executive Director;
- 1.2 The DA-RFU XI shall review the Program of Works (POW), plans and specifications prepared and submitted by the LGU based on Engineering Standards;

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- 1.3 The DA-RFU XI shall allocate Two Million Four Hundred Thousand Pesos (Php 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% of the project allocation as Administrative Cost to be used in monitoring and other related activities during the project implementation;
- 1.4 The DA-RFU XI therefore shall allocate and release to the LGU the total amount of Two Million Three Twenty-Eight Thousand Pesos (Php 2, 328,000.00), in accordance with SARO No. _____ dated _____ issued by the Department of Budget and Management (DBM), subject to the availability of Notice of Cash Allocation (NCA) based on the following tranches:

Tranches	Release (% of Total Project Allocation)	Requirements
1 st	40%	<ol style="list-style-type: none"> 1. Approved POW/Plans and Specifications 2. Approved Standard Project Profile 3. Notarized Memorandum of Agreement (MOA) 4. Bank Certificate of LGU counterpart (minimum cash counterpart equivalent to 12% of the total project cost) 5. Letter request for the fund transfer from LGU 6. Photos of the site before the implementation 7. Notice to Proceed signed by the DA-RFU XI Regional Executive Director
2 nd	40%	<ol style="list-style-type: none"> 1. Physical accomplishment of 40% 2. Partial liquidation equivalent to 90% of first tranche duly certified by the Provincial/City Accountant and approved by the Local Chief Executive 3. Letter request for the fund transfer from LGU 4. Inspection Report from the DA-RFU XI and DIDP 5. Photos of the on-going project 6. Installation of the Project Billboard (photos)
3 rd	20%	<ol style="list-style-type: none"> 1. Physical accomplishment of 100% 2. Full liquidation of 1st and 2nd tranche duly certified by the Provincial/City Accountant and approved by the Local Chief Executive 3. Letter request for the fund transfer from LGU 4. Photos of the on-going project Inspection Report from the DA-RFU XI and DIDP

- 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 XI 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 and the DA Secretary;
- 1.8 The DA-RFU XI shall facilitate the turn-over of completed projects to LGU.

SECTION 2. RESPONSIBILITIES OF THE LGU:

- 2.1 The LGU shall secure a Sangguniang Panlungsod Resolution authorizing the LCE to enter and sign a Memorandum of Agreement for and in behalf of the LGU with DA-RFU XI and DIDP-PMO 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;

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- 2.3 The LGU shall submit the POW, Plans and Specifications in accordance with Engineering Standards to the DIDP-PMO for endorsement and recommendation for approval by the DA-RFU XI;
- 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 Engineering Standards, the approved POW, plans and specifications with its PERT-CPM, and subject to government accounting and auditing rules and regulations. Project implementation may be undertaken by administration / contract;
- 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 Three Hundred Twenty-Eight Thousand Pesos (Php 2, 328,000.00) on the project to wit:

Name of Project	Location	Project Type	DA RFU XI Counterpart (Net 3%)	LGU Counterpart	Total Project Cost (Net of 3%)
1.Improvement of the Barangay Liboganon Road Section	Brgy. Liboganon, Tagum City	Road Asphaltting Project	P780,800.00	P195,200.00	P976,000.00
2.Improvement of the Barangay San Miguel-Visayan Village Road Section	Brgy. San Miguel, Tagum City	Road Asphaltting Project	P780,800.00	P195,200.00	P976,000.00
3.Improvement of the Barangay Canocotan Road Section	Brgy. Canocotan, Tagum City	Road Asphaltting Project	P780,800.00	P195,200.00	P976,000.00

- 2.9 The LGU shall appropriate Six Hundred Thousand Pesos (Php 600,000.00), as its counterpart funds to the said projects of which, Three Hundred Fifty-One Thousand Three Hundred Sixty Pesos (Php 351, 360.00), shall be in cash and supported with a Bank Certification using the standard format as a proof of its certainty, and the remaining Two Hundred Thirty-Four Thousand Two Hundred Forty Pesos (Php 234, 240.00), shall be in kind component to the specified FMR project;
- 2.10 The 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 receipt to the DA-RFU XI corresponding to the amount transferred and released;
- 2.12 The LGU shall be fully responsible for the disbursement of funds for the projects in accordance with the approved POW and cost estimates, as well as the government accounting and auditing rules and regulations;

- 2.13 The LGU shall submit Reports of Disbursement on the Project duly certified by its Chief Accountant and approved by its Local Chief Executive before the release of the succeeding tranche;
- 2.14 The LGU shall submit to DA-RFU XI the full liquidation report duly certified by the City/Provincial Accountant, verified by the LGU COA and approved by the Chief Executive within sixty (60) working days after project completion. Any unused DA RFU XI funds after completion of the project shall be returned to DA-RFU XI;
- 2.15 The 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 its agreement;
- 2.16 The LGU shall start the _____ located at _____, ten (10) calendar days upon receipt of the NOTICE TO PROCEED issued and approved by DA-RFU XI Regional Executive Director and shall complete the project within _____ calendar days;
- 2.17 The LGU shall be subjected to a penalty deduction of one tenth of one percent (.10%) of the cost of the unperformed portion of the DA-RFU XI allocation cost for every single day on 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-nature and/or other natural or man-made calamities;
- 2.18 The LGU shall submit to DA RFU XI Certificate of Completion and Acceptance as per agreed standard format and as-built plan of the completed project;
- 2.19 The LGU shall facilitate the turn-over of completed projects.

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 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 DA-RFU XI, DIDP Board and Technical Advisory Group/DA-RFU XI Engineering Division;
- 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.

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.

IN WITNESS WHEREOF, the parties hereof agreed to affix the signatures on this ____ day of _____ at _____.

DEPARTMENT OF AGRICULTURE
Regional Field Unit – XI

CARLOS B. MENDOZA, CESO IV
Regional Executive Director

CITY GOVERNMENT OF TAGUM

REY T. UY
City Mayor

**DAVAO INTEGRATED DEVELOPMENT PROGRAM
Project Management Office (DIDP-PMO)**

Represented by:

WENDEL E. AVISADO
Executive Director

Funds Available: _____

MARIFLOR S. GARCIA
Regional Accountant
DA-RFU XI

ACKNOWLEDGEMENT

Republic of the Philippines)
Province of _____) s.s.
)
x-----x

BEFORE ME, this _____ day of _____, 2010 at _____, Philippines personally appeared _____ 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, sealed with my notarial seal.

WITNESS MY HAND AND SEAL this _____ day of _____, at _____, Philippines.

NOTARY PUBLIC

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

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) ATTY. MARIA LINA F. BAURA, CPA
SP Member
OIC – City Vice Mayor