

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

BEFORE THE 5TH CITY COUNCIL

EXCERPT FROM THE MINUTES OF THE 2ND REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF TAGUM, PROVINCE OF DAVAO DEL NORTE HELD ON JULY 19, 2010 AT THE SP SESSION HALL.

PRESENT:

Hon. ALLAN L. RELLON, MPA,	City Vice Mayor (Presiding Officer)
Hon. DE CARLO L. UY,	Member
Hon. MARIA LINA F. BAURA,	Member
Hon. NICANDRO T. SUAYBAGUIO, JR.,	Member
Hon. ROBERT L. SO,	Member
Hon. JOEDEL T. CAASI,	Member
Hon. OSCAR M. BERMUDEZ,	Member
Hon. ALAN D. ZULUETA,	Member
Hon. GETERITO T. GEMENTIZA,	Member
Hon. TRISTAN ROYCE R. AALA,	Member
Hon. FRANCISCO C. REMITAR,	Member
Hon. ALFREDO R. PAGDILAO,	Member (ABC Representative)
Hon. CYRIL LEONARD L. MURING,	Member (SKF Representative)

RESOLUTION NO. 21, s-2010

“A RESOLUTION GRANTING AUTHORITY TO THE HONORABLE REY T. UY, CITY MAYOR TO ENTER INTO AND SIGN A MEMORANDUM OF AGREEMENT (MOA) RELATIVE TO THE AGRICULTURE POSTHARVEST FACILITIES WITH THE PHILIPPINE CENTER FOR POSTHARVEST DEVELOPMENT MECHANIZATION AND NATIONAL AGRIBUSINESS CORPORATION.”

WHEREAS, Section 16 of the Republic Act 7160, otherwise known as Local Government Code of 1991, expressly provides that on General Welfare – every local government unit shall exercise the power expressly granted those necessarily implied therefore, a well as powers necessary, appropriate or incidental for its efficient and effective governance and those which are essential to the promotion of the general welfare. Within their respective territorial jurisdictions, local government shall ensure and support among other things the preservation and enrichment of culture, promote health and safety, enhance the right of the people to a balanced ecology, encourage and support the development appropriate and self-reliant scientific and technological capabilities, improve public morals, enhance economic prosperity and social justice, promote full employment among their residents, maintain peace and order and preserve the comfort and convenience of their inhabitants;

WHEREAS, it is the concern of the implementing office as well as Members of the Sangguniang Panlungsod of Tagum that programs of the City Government and the regional or national offices be implemented without further delay;

WHEREAS, the Department of Agriculture through the PhilMech is desirous in encouraging, promoting, developing and uplifting the state of the art handling and processing technologies that shall preserve and extend the shelf for storage life and quality of primary or major high value agri-fishery products had developed the Project “Establishment of Cold Chain Facilities for Fruits, Vegetables, Livestock and Fisheries Products”;

WHEREAS, the National Agribusiness Corporation shall provide the one (1) unit of Liquid Quick Freeze (LQF) machine and assist the PhilMech in the technical maintenance of the machines;

WHEREAS, parties herein recognize that the Project shall address the preservation of the quality of agri-fishery products in the locality and shall definitely help farmers and fisherfolks in the city to improve their income;

NOW THEREFORE, BE IT RESOLVED, by the Sangguniang Panlungsod of Tagum to grant authority to the Honorable Rey T. Uy, City Mayor, to enter into and sign a Memorandum of Agreement (MOA) relative to the agriculture Postharvest Facilities with the Philippine Center for Postharvest Development Mechanization and National Agribusiness Corporation;

RESOLVED FURTHER, that copies of the Memorandum of Agreement shall read as follows:

MEMORANDUM OF AGREEMENT

KNOWN TO ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is entered into by and among:

The City Government of Tagum, a Local Government Unit registered with the (SEC/CDA/Gov't Agency), with office address at Rizal Street, Tagum City represented in this act by its **City Mayor, Honorable Rey T. Uy**, herein after referred to as **LGU – Tagum**;

The **PHILIPPINE CENTER FOR POSTHARVEST DEVELOPMENT AND MECHANIZATION**, a government agency under the Department of Agriculture with Provincial Office address at CLSU Compound, Maharlika Highway, Science City, Muñoz, Nueva Ecija represented herein by its Director IV **RICARDO L. CACHUELA** and herein after referred to as **"PhilMech"**;

-and-

The **NATIONAL AGRIBUSINESS CORPORATION**, a government –owned and controlled corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at Unit 2602 D, West Tower, Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City, represented in this act by its President, **ALAN A. JAVELLANA**, herein after referred to as **NABCOR**;

Witnesseth

WHEREAS, the Department of Agriculture through the PhilMech is desirous in encouraging, promoting, developing and uplifting the state of the art handling and processing technologies that shall preserve and extend the shelf or storage life and quality of major high value agri-fishery products, has developed the Project "Establishment of Cold Chain Facilities for Fruits, Vegetables, Livestock and Fisheries Products";

WHEREAS, the NABCOR is a government agency that supports the development and promotion of the agriculture sector in the countryside and was tasked under the Memorandum of Agreement executed on December 14, 2008, as the implementing arm of the Project, considering its corporate expertise to manage and administer similar undertakings;

WHEREAS, the Project shall provide a revolutionary technology which shall service and accommodate the pre-cooling requirements of fruits, vegetables, livestock and fishery products which suffered about forty (40%) percent quantitative and qualitative losses and may inevitably increase if not attended;

WHEREAS, in its initial implementation, the Project is geared on the provision of a Liquid Quick Freeze Machine that is capable to function both as an ice maker and as a quick freezer for agri-fishery products;

WHEREAS, the City Government of Tagum, has manifested its interest in fully supporting the development of agri-fishery sector in the locality through its participation in the implementation of the Project;

WHEREAS, the parties herein recognize that the Project shall address the preservation of the quality agri-fishery products in the locality and shall definitely help farmers and fisherfolk in the province of Davao del Norte, to improve their income;

NOW THEREFORE, for and in consideration of the foregoing premises and their mutual covenant herein after set forth, the parties herein hereby agree to the following terms and conditions:

ARTICLE 1.0 THE PROJECT

-over-

The parties shall implement the Project "Establishment of Cold Chain Facilities for Fruits, Vegetables, Livestock and Fisheries Products" in Tagum City, Province of Davao del Norte.

Generally, the Project aims to (a) extend the freshness and shelf life of perishable agri-fishery products, (b) meet the demand of the market for a year-round supply of commodities at affordable prices, and (c) increase income of farmers and fisherfolk.

ARTICLE 2.0
Responsibilities of the Parties

A. PhilMech shall:

1. Provide the over-all directions of the Project;
2. Provide post harvest related support to the City Government of Tagum during the implementation of the Project including the training on-site, technical utilization and maintenance of the LQF Machine;
3. Supervise the installation of said machine at the target site;
4. Conduct inspection during the installation and prior to acceptance of the machine by the City Government of Tagum.

B. NABCOR shall:

1. Provide the City Government of Tagum one (1) unit of LQF machine with accessories;
2. Ensure that the machine is delivered and installed at the target site of the City Government of Tagum;
3. Regularly monitor the utilization of the machine;
4. Assist the **PhilMech** in the technical maintenance of the machine as required;
5. Provide the necessary agribusiness related support to the City Government of Tagum including the formulation of a business plan;
6. Monitoring and report forms and the provision of guidance on management of the Project.

C. The City Government of Tagum shall:

1. Provide the required counterpart for the installation and operationalization of the machine, to include the following:

Utilities

- A. One unit transformer, single phase at least 37.5 KVA
- B. Main service electrical feeder line
- C. Circuit breaker, 150 amperes
- D. Potable water supply line

Area

- A. Covered and secured facility or existing warehouse, with minimum of 40 square meters floor area and a cleared height of at least 6 meters.
2. Make use of this machine conscientiously and in accordance with the purpose for which it was made;
3. Assure for the availability of the agri-fishery products that requires the LQF machine and ensure their marketability;
4. Care for the machine as provided for in the manual of operations;
5. Ensure the security/safety of the LQF machine;
6. Shoulder the manpower, operational and maintenance cost of the machine;
7. Keep and maintain records of transactions in the operations of the machine, following prescribed forms;
8. Submit regular reports to NABCOR, BPRE and/or DA RFU concerned on the utilization and status of the machine and its operations, following prescribed forms;
9. Allow the DA or its authorized representative to evaluate and inspect its book of accounts and records;

- 10. Not sell or mortgage the machine; and
- 11. Shoulder all local taxes, duties, fees, insurance, permits, etc. which may be levied and assessed against the machine and/or maybe due to the government as a consequence of this Project.

ARTICLE 3.0
Additional Provisions

- 1. The City Government of Tagum commits to provide its counterpart (Article 2.0 item C.1) before delivery or within one (1) month after the delivery of the LQF machine at the site;
- 2. The City Government of Tagum further agrees that violation of the aforementioned commitments shall be a ground to rescind this Agreement and as such the machine shall revert back to the **NABCOR**, after an appropriate investigation and validation has been made;
- 3. The City Government of Tagum shall allow PhilMech and NABCOR to evaluate the operations of the Project within reasonable time and frequency;
- 4. The parties warrant that they have secured the required authority to enter into Agreement from their respective Boards; and
- 5. The parties hereby agree to execute such additional documents, agreements and deeds as may be necessary to fully implement the Project and the common intentions of this Agreement.

IN WITNESS WHEREOF, the parties through their duly authorized representatives have hereunto affixed their signatures on this _____ day of _____, 2010 at _____.

**PHILIPPINE CENTER FOR
POSTHARVEST DEVELOPMENT AND
MECHANIZATION (PHILMECH)**

**NATIONAL AGRIBUSINESS
CORPORATION (NABCOR)**

By:

By;

RICARDO L. CACHUELA
Director IV

ALAN A. JAVELLANA
President

CITY GOVERNMENT OF TAGUM

BY:

REY T. UY
City Mayor

Witnesses:

ACKNOWLEDGEMENT

Republic of the Philippines
_____) SS

Before me this _____ day of _____, 2010 in the City of Tagum personally appeared:

NAME	CTC NO.	DATE/PLACE OF ISSUE
Ricardo L. Cachuela	12934195	Muñoz, Nueva Ecija/01-07-10
Alan A. Javellana	15586950	Pasig City/01-05-10
Rey T. Uy	_____	_____

Known to me and known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free act and deed. This instrument, consist of ____ () pages including this page in which the acknowledgement is written and is duly signed among the parties and their instrument witnesses in every page thereof.

WITNESS MY HAND AND SEAL, this ____ day of _____, 2010 at _____ City.

NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series of 2010

CARRIED AND APPROVED.

I HEREBY CERTIFY to the correctness of the foregoing.

REY A. BUHION
Secretary to the Sanggunian

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

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