

Republic of the Philippines
Province of Davao del Norte
Municipality of Braulio E. Dujali
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BEFORE OF THE SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE TWELFTH (12TH) REGULAR SESSION OF THE SANGGUNIANG BAYAN OF BRAULIO E. DUJALI, DAVAO DEL NORTE AND HELD AT THE SANGGUNIANG BAYAN SESSION HALL ON APRIL 4, 2013, THURSDAY.

PRESENT:

HON. SAMUEL F. PACRES	- Vice Mayor & Presiding Officer
HON. DONNA MAE B. BERNADAS	- Sangguniang Bayan Member
HON. RESTIE E. TABIRAO	- Sangguniang Bayan Member
HON. DANIEL G. HILARIO	- Sangguniang Bayan Member
HON. ALLAN. S. PARAGUYA	- Sangguniang Bayan Member
HON. JOELITO B. JURIANA	- Sangguniang Bayan Member
HON. JULIAN J. DUJALI, JR.	- Sangguniang Bayan Member
HON. RAMON D. MAGTULIS III	- Sangguniang Bayan Member
HON. EDUARDO M. ZAPATA	- ABC Pres./Ex-Officio Member
HON. MARCELINO O. FACULA	- SKF Pres./Ex-Officio Member

ABSENT:

HON. ROMULO S. ESMINO, JR.	- Sangguniang Bayan Member
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MUNICIPAL ORDINANCE NO. 2013-169

AN ORDINANCE AUTHORIZING THE PROPOSED BORROWINGS OF THE MUNICIPALITY OF BRAULIO E. DUJALI, DAVAO DEL NORTE IN THE AMOUNT OF TWENTY SIX MILLION FIVE HUNDRED FIFTY THOUSAND PESOS (P26,550,000.00) TO FUND THE PRIORITY PROGRAMS AND PROJECTS OF THE MUNICIPALITY.

BE IT ENACTED, as it is hereby ENACTED, by the Sangguniang Bayan of Braulio E. Dujali, in session assembled that:

SECTION 1. The Municipality of Braulio E. Dujali, hereinafter referred to as the "Municipality", is hereby authorized to enter into loan contract with Land Bank of the Philippines –Bajada, Davao City Branch in accordance with Section 297 of Republic Act No. 7160 or the Local Government Code, in the amount of Twenty Six Million Five Hundred Fifty Thousand Pesos (P26,550,000.00) under the terms and conditions herein set forth and such other terms and conditions as may be agreed upon with any person, corporation or entity for the purpose of funding priority project/s, and subject to the requirements under Section 123 of Republic Act No. 7653 as implemented by the Bangko Sentral ng Pilipinas Circular No. 402. In this connection, the Municipal Mayor shall have full power and authority to represent the Municipality of Braulio E. Dujali, in negotiating the terms and conditions for the said borrowing and in signing, executing and delivering such agreements, contracts, deeds, papers, and documents as may be necessary and proper for the full and total implementation of the authority herein granted;

SECTION 2. The said priority project/s is/are herein specified as the socio-economic development projects in accordance with the approved Local Development Investment Plan CY 2011-2015 and Annual Investment Plan for CY 2013 and Supplemental Annual Investment Plan No. 1 CY 2013 of the Municipality of Braulio E. Dujali and is supported by a final feasibility study prepared by the Municipal Planning and Development Office which has been approved under the Sangguniang Bayan Resolution No. 2013-28 dated March 11, 2013.

SECTION 3. Consistent with the covering loan contracts and assignment, mortgage contracts, and such other agreements as maybe entered into by the Municipality in connection with the borrowing, the features, terms and conditions shall be as follows and are hereby approved:

1.1. Amount : P26,550,000.00 or bid price or actual construction cost whichever is lower.

1.2. Purpose/s : To finance the following equipment and infrastructure projects:

<u>Infrastructure/Equipment</u>	<u>Amount</u>
I. Infrastructures:	
1. Construction of Food Terminal	P10,000,000.00
2. Construction of Cultural Center	<u>2,000,000.00</u>
Sub-total	<u>P12,000,000.00</u>
II. Lot Acquisition	<u>P 3,000,000.00</u>
III. Equipment and Vehicles Acquisition:	
1. Back Hoe (1)	P9,000,000.00
2. Administrative Support Vehicle (1)	1,300,000.00
3. Medical Service Vehicle (1)	850,000.00
4. Meat Van (1)	<u>400,000.00</u>
Sub-Total	<u>P11,550,000.00</u>
TOTAL	<u>P26,550,000.00</u>

1.3. Interest : At LBP prevailing rate subject to quarterly review (present rate is 6.60% per annum)

1.4. Term : For Infrastructure Projects and Lot Acquisition:
Ten (10) years, inclusive of two (2) quarters grace period on Principal payment.

For Heavy Equipment and Support Vehicles:
Up to seven (7) years for brand new units and up to three (3) Years term for reconditioned units.

1.5. Repayment : Interest – Quarterly in arrears to start at the end of the 1st quarter Quarter from initial drawdown.
Principal – In equal quarterly amortizations to start at the end of the grace period when applicable or after the 1st quarter from initial drawdown.

1.6 Availability Period:

- One year (1) from loan approval date

1.7. Drawdown :

- Releases shall be dependent on the contract that the LGU will enter in the implementation of individual project, subject to completion/submission of the required loan documentation and pre-release conditions.

-Under regular contract for construction, releases shall be on staggered basis based on progress billing subject to validation of LBP representative. Proceeds shall be directly credited to the LGU's account maintained with LANDBANK, provided:

1.7.1. Initial loan release shall not exceed 15% of the construction cost/awarded contract subject to completion of documentary requirements, and

1.7.2. Final release shall not be lower than 10% of the loan and subject to 100% completion of the project.

1.8. Pre-release Conditions:

1.8.1. Certified true copies of the Project Contract, BAC Resolution re: Winning Bidder and BAC's Notice to Proceed.

1.8.2. Contractor's All Risk (CAR) Insurance coverage duly endorsed to LBP, if applicable.

1.8.3. 2013 BLGF Certification

1.8.4. Submission of certification of the supplier/s as to the availability of spare parts and post delivery services in the local market of vehicles to be purchased.

1.8.5. Submission of the Monetary Board opinion on the borrowing of the LGU for the purpose of financing the project.

2. OTHER TERMS AND CONDITIONS:

2.1. Penalty of 24% per annum, in case of non-payment shall be charged to start on the day after due date of credit accommodation/amortization up to the date of actual settlement .

2.2. Any cost overrun shall be for the account of the LGU.

2.3. Implementation of the project shall be in accordance with the Revised Implementing Rules and Regulations of RA 9184 and the harmonized procurement guidelines of the special funder if funded a special financing program.

2.4. Insurance coverage of the project/s for financing including annual renewal shall be coursed through LIBI.

2.5. The bank reserves the right to withhold loan releases should there be:

2.5.1. A case filed against the LGU or any of its officials involving the project to be financed.

2.5.2. An adverse finding on the project or object of financing, and;

2.5.3. Withdrawal by the Sangguniang Bayan of the authority given to the Local Chief Executive to contract a loan.

2.6. The financed project shall be excluded from the pool of collaterals provided the LGU shall not mortgage, sell or dispose the same while the loan is outstanding.

2.7. LBP shall be authorized to debit the borrower's deposit account to cover any loan payment as they fall due.

3. SECURITY/COLLATERAL

Deed of Assignment of Internal Revenue Allotment.

SECTION 4. The Municipality hereby appropriates the entire proceeds of the borrowing exclusively to finance the aforementioned programs and projects and other financial obligations relative thereto.

SECTION 5. Any Ordinance or parts thereof, inconsistent with this enactment is hereby repealed or amended accordingly.

Section 6. This Ordinance shall take effect upon approval .

Adopted during the 12th Regular Session of the Sangguniang Bayan of Braulio E. Dujali, Davao del Norte held on April 4, 2013.

I HEREBY CERTIFY to the correctness of the foregoing ordinance.

JULIET E. DAANTON
Secretary to the Sanggunian

Attested to be duly adopted:

SAMUEL F. PACRES
Vice Mayor & Presiding Officer

Conformed:

DONNA MAE B. BERNADAS
Sangguniang Bayan Member

RESTIE E. TABIRAO
Sangguniang Bayan Member

DANIEL G. HILARIO
Sangguniang Bayan Member

ALLAN S. PARAGUYA
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Sangguniang Bayan Member

HON. EDUARDO M. ZAPATA
ABC Pres./Ex-Officio Member

MARCELINO O. FACULA
SKF Pres./Ex-Officio Member

Approved:

LOLITA A. MORAL
Municipal Mayor