



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

EXCERPT FROM THE MINUTES OF THE FIRST (1ST) REGULAR SESSION OF THE 8TH SANGGUNIANG BAYAN OF BRAULIO E. DUJALI, DAVAO DEL NORTE AND HELD AT THE SANGGUNIANG BAYAN SESSION HALL ON JANUARY 15, 2018.

PRESENT:

HON. DONNA MAE B. BERNADAS, Ed.D.	- Vice Mayor & Presiding Officer
HON. GREGORIO S. FACULA, MDMG	- Sangguniang Bayan Member
HON. ATTY. YASMIN V. CAMPION, REA, REB	- Sangguniang Bayan Member
HON. ADHEM F. FUNA	- Sangguniang Bayan Member
HON. RICKY T. DELCO	- Sangguniang Bayan Member
HON. NELSON C. BAER, RA	- Sangguniang Bayan Member
HON. EDUARDO M. ZAPATA	- Sangguniang Bayan Member
HON. ANGELITO P. ORILLOSA	- ABC Pres./Ex-Officio Member
HON. FRANCISCO D. BUCADON	- IPMR/Ex-Officio Member

ON OFFICIAL BUSINESS: NONE

ABSENT:

HON. MELFAR C. AGUILUZ (On Leave)	- Sangguniang Bayan Member
HON. ANNA C. CAGULADA (On Leave)	- Sangguniang Bayan Member

MUNICIPAL ORDINANCE NO. 2018-03

Sponsor: Hon. Gregorio S. Facula, MDMG

Co-Sponsors: Hon. Atty. Yasmin V. Campion, REA, REB, Hon. Adhem F. Funas, Hon. Ricky T. Delco, Hon. Nelson C. Baer, RA, Hon. Eduardo M. Zapata, Angelito P. Orillosa, Hon. Francisco D. Bucadon

CONFIRMING AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN OF MUNICIPALITY BRAULIO E. DUJALI, PROVINCE OF DAVAO DEL NORTE, WITH LAND BANK OF THE PHILIPPINES, AMOUNTING TO FORTY ONE MILLION, THREE HUNDRED FIFTY THOUSAND PESOS (PHP 41,350,000.00) AND AUTHORIZING HON. LEAH MARIE A. MORAL-ROMANO, MUNICIPAL MAYOR, TO SIGN ALL DOCUMENTS PERTAINING THERETO AND FOR OTHER RELATED PURPOSES.

BE IT ORDAINED by the Sangguniang Bayan of Braulio E. Dujali, Province of Davao del Norte that:

SECTION 1. Pursuant to Municipal Ordinance No. 2017-02, the Sangguniang Bayan has authorized HON. LEAH MARIE A. MORAL-ROMANO, to apply for a loan with Land Bank of the Philippines in the amount of FORTY ONE MILLION, THREE HUNDRED FIFTY THOUSAND PESOS (PHP41,350,000.00) for the ACQUISITION OF VARIOUS BRAND NEW HEAVY EQUIPMENT, SUPPORT VEHICLES AND AMBULANCE.

SECTION 2. In consideration of the financial loan granted by the Land Bank of the Philippines under Notice of Approval dated 25 September 2017, the Municipality of Braulio E. Dujali hereby ordains:

- To give authority to **HON. LEAH MARIE A. MORAL-ROMANO**, Municipal Mayor, to sign, execute and deliver agreements, contracts, deeds, papers and documents for

and on behalf of the Municipality of Braulio E. Dujali as may be necessary and proper, for the full and total implementation of the loan pursuant to Section 297 and 447 (iii) of R.A. 7160 otherwise known as Local Government Code of 1991;

- b) To confirm, approve and ratify all representations, acts and warranties and all terms and conditions of the loan, as herein stipulated;

APPROVED TERMS AND CONDITIONS

Term Loan 16

Amount	:	P35.75 Million or actual bid price and fees, whichever is lower
Loan Purpose	:	To finance the expansion of motor pool through acquisition of brand new heavy equipment
Interest Rate	:	At LANDBANK prevailing rate at the time of availment, subject to repricing (<i>Reference rate: At 4.25% per annum</i>).
Term	:	Seven (7) years inclusive of two (2) quarters grace period on principal
Repayment Principal	:	Payable in twenty six (26) equal quarterly amortizations to start the end of 3 rd quarter from date of initial loan drawdown;
Interest	:	Payable quarterly in arrears to start at the end of the 1 st quarter from date of initial loan

TERM LOAN 15

Amount	:	P2.60 Million or actual bid price whichever is lower
Loan Purpose	:	To finance the acquisition of brand new support vehicles
Interest Rate	:	At LANDBANK prevailing rate at the time of availment, subject to repricing (<i>Reference rate: At 4.25% per annum</i>).
Term	:	Five (5) years inclusive of one (1) quarter grace period on principal
Repayment Principal	:	Payable in nineteen (19) equal quarterly amortizations to start at the end of 2 nd quarter from date of initial loan drawdown;
Interest	:	Payable quarterly in arrears to start at the end of the 1st quarter from date of initial loan
Other Terms and Conditions	:	Clearance/Certification from the Department of Interior and Local Government (DILG) for the acquisition of vehicle

TERM LOAN 14

Amount	:	P3.00 Million or actual bid price whichever is lower
Loan Purpose	:	To finance the acquisition of ambulance
Interest Rate	:	At LANDBANK prevailing rate at the time of availment, subject to repricing (<i>Reference rate: At 4.25% per annum</i>).
Term	:	For Brand New Units – Five (5) years inclusive of one (1) quarter grace period on principal; For Reconditioned Units – three (3) years or remaining useful life whichever is shorter, without grace period on principal
Repayment Principal	:	For Brand New Units – Payable in nineteen (19) equal quarterly amortizations to start at the end of 2 nd quarter from date of initial loan drawdown; For Reconditioned Units – Payable in equal quarterly

Interest	: amortizations to start at the 1 st quarter from date of initial loan drawdown Payable quarterly in arrears to start at the end of the 1st quarter from date of initial loan
----------	---

Common Terms and Conditions for Term Loans 14, 15 and 16:

1. Submission of the following pre-release requirements:
 - a) Municipal Ordinance giving authority to the authorized signatory to negotiate for a loan with LANDBANK;
 - b) Municipal Ordinance confirming and ratifying the terms and conditions of the loan and authorizing the Local Chief Executive to sign documents pertaining to the loan;
 - c) Confirmation of Municipal Ordinance by Sangguniang Panlalawigan
 - d) Monetary Board Opinion on the probable effects of the proposed borrowing of the Borrower on monetary aggregates, the price level and the balance of payments;
 - e) BAC Certification that implementation of the project is in accordance with the Revised Implementing Rules and Regulations of RA 9184 (Government Procurement Reform Act), as well as COA rules and regulations;
 - f) Certified true copies of the BAC's Notice of Award and Contract/PO with the winning supplier/s;
 - g) Certification from the Supplier/s as to availability of spare parts and post delivery services in the local market.
2. Availability period is within one (1) year from date of loan signing.
3. Penalty Fee of 24% per annum, in case of non payment, to start on the day after due date of loan amortization up to date of actual settlement.
4. Cost overruns shall be for the account of the Borrower.
5. The Bank reserves the right to withhold loan releases should there be:
 - A case filed against the Borrower or any of its officials involving the project to be financed;
 - An adverse finding on the project or object of financing; or
 - Withdrawal by the SB of the authority given to the Local Executive Officer to contract this Loan.
6. The financed project shall not be included in the pool of collaterals provided the Borrower shall not mortgage, sell or dispose the same while the loan is outstanding.
7. Loan release/s shall be in lump sum or staggered, based on Supplier's pro-forma invoice/ price quotation on Equipment for financing. For local purchase, releases shall be based on accomplished Purchase Order subject to acceptance by the LGU and inspection by LBP Appraiser. In case of importation, LC shall be course through LANDBANK .
8. The financed project shall be insured for full appraised value through GSIS, to be endorsed in favour of LANDBANK.
9. LGU Certification as to budget allocation of at least 10% based on the cost of the equipment, for repairs and maintenance expense.
10. Proceeds of the loan shall be directly credited to LGU's account maintained with LANDBANK
11. LANDBANK shall remain as the major depository bank of the LGU.
12. The Borrower shall give its consent to LANDBANK to disclose credit information about the Borrower to other banks, financial institutions, the Bankers Association of the Phils- Credit Bureau (BAP-CB) and other credit bureaus or institutions.

Collaterals:

Assignment of 20% Internal Revenue Allotment (IRA)


- c) To authorize the assignment of LGU's 20% Internal Revenue Allotment (IRA) as collateral/security of the loan obtained and declaring them to be available and not restricted by law of obligations;
- d) To direct the Municipal Treasurer and Accountant to enter the loan in the appropriate books of the LGU;
- e) To appropriate the necessary amount for loan repayment in the LGU's annual budget until the loan, interest and other charges are fully paid.

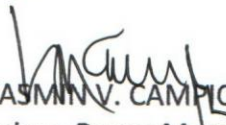
SECTION 3. This ordinance shall take effect upon approval.


CARRIED UNANIMOUSLY.

ENACTED AND APPROVED: This 15th day of January, 2018 during its First (1st) regular session.


SANGGUNIANG BAYAN CONCURRENCE:

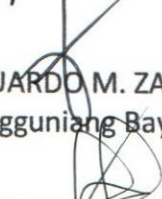

GREGORIO S. FACULA, MDMG
Sangguniang Bayan Member



ATTY. YASMÍN V. CAMPION REA, REB
Sangguniang Bayan Member



ADHEM F. FUNA
Sangguniang Bayan Member


RICKY T. DELCO
Sangguniang Bayan Member


NELSON C. BAER, RA
Sangguniang Bayan Member


EDUARDO M. ZAPATA
Sangguniang Bayan Member



ANGELITO P. ORILLOSA
ABC Pres./Ex. Officio Member


FRANCISCO D. BUCADON
IPMR/Ex. Officio Member

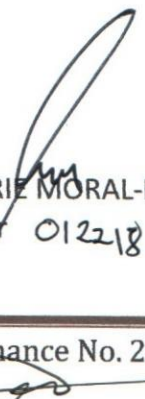
CERTIFIED TRUE AND CORRECT:


JULIET EVANGELISTA-DAANTON
Secretary to the Sanggunian
(MGDH) 7
1/16/18

Attested:


DONNA MAE B. BERNADAS, Ed.D.
Municipal Vice Mayor & Presiding Officer

Approved:


ATTY. LEAH MARIE MORAL-ROMANO
Municipal Mayor 012218