

Item No.: 23
Date: 03 MAR 2023

SP Records

MAR 01 2023

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SANGGUNIANG PANLALAWIGAN
10:45 am
2/28/23
PROVINCE OF LEYTE

Republic of the Philippines
PROVINCE OF LEYTE

PROVINCIAL LEGAL OFFICE

Province of Leyte
Legal Office
Released:
Time:
Date: 2-28-23

2nd INDORSEMENT
February 28, 2023

Respectfully returned to the Sangguniang Panlalawigan of Leyte, through the SP Secretary, the attached Ordinance No. 01, S. 2023 of the SB of Tolosa, Leyte, recommending for the declaration of its validity pursuant to its power under Section 56 (c) of R.A 7160, the same being, to the opinion of the Provincial Legal Office (PLO), an exercise of the power authorized under Section 447 (2), (iii) of the Code.


ATTY. JOSE RAYMUND A. ACOL
Asst. Provincial Legal Officer

*pls include for march 3
session. Thanks, Jille
2/28/23*

OFFICE OF THE SANGGUNIANG PANLALAWIGAN

Province of Leyte
Legal Office
No. *1024*
Date: *2-27-23*

1ST INDORSEMENT
23 February 2023

Respectfully indorsed to the **PROVINCIAL LEGAL OFFICE** the
herein **ORDINANCE NO. 01 series 2023** of the **MUNICIPALITY OF TOLOSA,**
LEYTE, for review and recommendations.

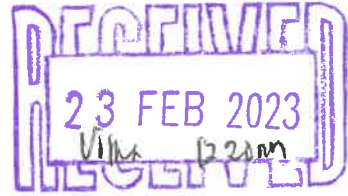

FLORINDA JILL S. UYVICO
Secretary to the Sanggunian

SP Records
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- Proposed Borrowing



Republic of the Philippines
Province of Leyte
Municipality of Tolosa
Office of the Sangguniang Bayan



EXCERPT FROM THE MINUTES OF THE 31ST REGULAR SESSION OF THE SANGGUNIANG BAYAN OF TOLOSA, HELD AT THE SESSION HALL ON FEBRUARY 20, 2023, AT 9:30 A.M.

PRESENT:

- Hon. Edilberto R. Zabala, Jr. - SB Member (Temporary Presiding Officer)
Hon. Felicito D. Beltran III - Sangguniang Bayan Member
Hon. Manny R. Martinez, RN, MPRM.- Sangguniang Bayan Member
Hon. Manuel B. Balledo - Sangguniang Bayan Member
Hon. Felipe V. Canonigo III - Sangguniang Bayan Member
Hon. Virman Jessie O. Pundavela- Sangguniang Bayan Member
Hon. Rolly A. Cinco - Sangguniang Bayan Member
Hon. Angelo R. Lumbre - Ex-Officio Member/SK Fed. President

ABSENT:

- Hon. Melanie Felisa M. Vivero - Ex-Officio Member/ABC President

RESOLUTION NO. 02-37-2023

A RESOLUTION ENACTING AN ORDINANCE AUTHORIZING THE PROPOSED BORROWING OF THE MUNICIPALITY OF TOLOSA IN THE AMOUNT OF SIXTY-THREE MILLION PESOS (Php63,000,000.00) TO FINANCE VARIOUS PROJECTS OF THE LOCAL GOVERNMENT UNIT AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND OTHER DOCUMENTS RELATED THERETO

WHEREAS, the Sangguniang Bayan in session assembled is hereby enacting AN ORDINANCE AUTHORIZING THE PROPOSED BORROWING OF THE MUNICIPALITY OF TOLOSA IN THE AMOUNT OF SIXTY-THREE MILLION PESOS (Php63,000,000.00) TO FINANCE VARIOUS PROJECTS OF THE LOCAL GOVERNMENT UNIT AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND OTHER DOCUMENTS RELATED THERETO;

WHEREFORE, on motion of Hon. Felicito D. Beltran III and duly seconded by the majority members present, be it;

RESOLVED, as it is hereby resolved, to enact, as it is hereby enacts: AN ORDINANCE AUTHORIZING THE PROPOSED BORROWING OF THE MUNICIPALITY OF TOLOSA IN THE AMOUNT OF SIXTY-THREE MILLION PESOS (Php63,000,000.00) TO FINANCE VARIOUS PROJECTS OF THE LOCAL GOVERNMENT UNIT AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND OTHER DOCUMENTS RELATED THERETO;

ORDINANCE NO. 01
Series of 2023

AN ORDINANCE AUTHORIZING THE PROPOSED BORROWING OF THE MUNICIPALITY OF TOLOSA IN THE AMOUNT OF PESOS: SIXTY THREE MILLION (Php 63,000,000.00) TO FINANCE VARIOUS PROJECTS OF THE LGU AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND OTHER DOCUMENTS RELATED THERETO

BE IT ENACTED, as it is hereby ENACTED, by the Sangguniang Bayan of Tolosa, Leyte in session assembled that:

(OFFICIAL TRAVEL)
HON. MENARDO M. MATE
Municipal Vice-Mayor

CONSUELO R. LUMBRE
SB Secretary

HON. FELICITO D. BELTRAN III
Sangguniang Bayan Member

HON. MANNY R. MARTINEZ, RN, MPRM
Sangguniang Bayan Member

HON. EDILBERTO R. ZABALA, JR.
Sangguniang Bayan Member

HON. MANUEL B. BALLEDO
Sangguniang Bayan Member

HON. FELIPE V. CANONIGO III
Sangguniang Bayan Member

HON. VIRMAN JESSIE O. PUNDAVELA
Sangguniang Bayan Member

(OIC-MUNICIPAL MAYOR)
HON. IRENEO ROLANDO A. LUMBRE
Sangguniang Bayan Member

HON. ROLLY A. CINCO
Sangguniang Bayan Member

(ABSENT)
HON. MELANIE FELISA M. VIVERO
Sangguniang Bayan Member
ABC President

HON. ANGELO R. LUMBRE
Sangguniang Bayan Member
PPSK President

SECTION 1. The Mayor, in representation of the Municipality, hereinafter referred to as the "Municipality", is hereby authorized to enter into a term loan with the DEVELOPMENT BANK OF THE PHILIPPINES in accordance with Section 297 of Republic Act No. 7160, or the Local Government Code, in the amount of **PESOS: SIXTY THREE MILLION (Php 63,000,000.00) or 100% of the winning bid price whichever is lower**, 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 Mayor shall have full power and authority to represent the Municipality 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 herein specified as follows:

Priority Projects	Amount
1. To finance the acquisition of the following: a. one (1) unit rescue vehicle – P2.80M b. two (2) units dump trucks – P10.60M c. one (1) unit excavator – P6.20M	Php19,600,000.00
2. To finance the acquisition of 18,231 sq.m. lot, site of the Regional Public Health Laboratory in Bry. Telegrafo, Tolosa, Leyte.	Php30,000,000.00
3. To finance the acquisition of 1,820 sq.m lot for the road right of way (RROW) to Tolosa Integrated Socio Medical Center.	Php3,400,000.00
4. To finance the construction of the following: a. Road widening to the Proposed Regional Public Health Laboratory in Bry. Telegrafo, Tolosa, Leyte. b. Road opening to the Tolosa Integrated Socio Medical Center in Bry. Telegrafo, Tolosa, Leyte.	Php2,000,000.00 Php8,000,000.00
TOTAL	Php63,000,000.00*

** or 100% of the actual acquisition cost or winning bid price whichever is lower*

is hereby certified to be local infrastructure and socio-economic development projects in accordance with the approved local development plan and public investment program for the year **2023** of the LGU.

SECTION 3. Consistent with the covering loan contract, deeds and assignment, 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:

3.1 Project Name

Borrower	: TOLOSA MUNICIPALITY, LEYTE
Loan Amount	: SIXTY THREE MILLION (Php 63,000,000.00) or 100% of the winning bid price whichever is lower
Purpose	: To finance following projects: 1. To finance the acquisition of the following: a. one (1) unit rescue vehicle – P2.80M b. two (2) units dump trucks – P10.60M c. one (1) unit excavator – P6.20M Amount: Php19,600,000.00 2. To finance the acquisition of 18,231 sq.m. lot, site of the Regional Public Health Laboratory in Bry. Telegrafo, Tolosa, Leyte. Amount: Php30,000,000.00 3. To finance the purchase of 1,820 sq.m lot for the road right of way (RROW) to Tolosa Integrated Socio Medical Center. Amount: Php3,400,000.00 4. To finance the construction of the following: a. Road widening to the Proposed Regional Public Health Laboratory in Bry. Telegrafo, Tolosa, Leyte. Amount: Php2,000,000.00 b. Road opening to the Tolosa Integrated Socio Medical Center in Bry. Telegrafo, Tolosa, Leyte. Amount: Php8,000,000.00

HON. FELIXITO D. BELTRAN III
 Sangguniang Bayan Member

HON. MANNY R. M. P. REYES, RN, MPRM
 Sangguniang Bayan Member

HON. EDILBERTO R. ZABALA, JR.
 Sangguniang Bayan Member

HON. MANUEL B. BALLEDO
 Sangguniang Bayan Member

HON. FELIPE V. CANONIGO III
 Sangguniang Bayan Member

HON. VIRMEN JESSIE O. PUNDAVELA
 Sangguniang Bayan Member

(OIC-MUNICIPAL MAYOR)
HON. IRENEO ROLANDO A. LUMBRE
 Sangguniang Bayan Member

HON. ROLLY CINCO
 Sangguniang Bayan Member

(ABSENT)
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 Sangguniang Bayan Member
 ABC President

HON. ANGELO R. LUMBRE
 Sangguniang Bayan Member
 PPSK President

		b. Road opening to the Tolosa Integrated Socio Medical Center in Bry. Telegrafo, Tolosa, Leyte.
Tenor:	:	<p>Term Loan I (Acquisition of Vehicle/Heavy Equipment): Seven (7) years, payable in eighty-four (84) equal monthly amortizations on principal to commence at the end of the 1st month from date of initial drawdown.</p> <p>Term Loan II to IV (Lot Acquisition and Road Construction Projects): Fifteen (15) years, with one (1) year grace period, payable in one hundred sixty-eight (168) equal monthly amortizations on principal to commence at the end of the 13th month from date of initial drawdown.</p>
Manner of Payment	of :	Principal and interest payable monthly
Principal	:	<p>Term Loan I (Acquisition of Vehicle/Heavy Equipment): Seven (7) years, payable in eighty-four (84) equal monthly amortizations on principal to commence at the end of the 1st month from date of initial drawdown.</p> <p>Term Loan II to IV (Lot Acquisition and Road Construction Projects): Fifteen (15) years, with one (1) year grace period, payable in one hundred sixty-eight (168) equal monthly amortizations on principal to commence at the end of the 13th month from date of initial drawdown.</p>
Funding	:	DBP Funds
Interest	:	<p>Option 1 Floating, based on the prevailing market rate at the time of drawdown, payable monthly and reviewable quarterly. GRT shall be for the account of the Borrower.</p> <p>Option 2 Fixed for one (1) year, based on the prevailing market rate at the time of drawdown, payable monthly commencing at the end of the 1st month from date of initial drawdown. Interest rate shall be reviewed annually based on the relevant benchmark rate plus applicable credit spread p.a., subject to a floor rate equivalent to the existing rate. GRT shall be for the account of the Borrower.</p>
Fees	:	<ol style="list-style-type: none"> 1. Front-end fee is waived. 2. Commitment fee is waived. 3. Default charge – 24% p.a. 4. Prepayment penalty – 3% of the amount to be prepaid. 5. GRT and other applicable taxes shall be for the account of the LGU.
Security	:	<ol style="list-style-type: none"> 1. Continuing Deed of Assignment of the LGU's deposit with hold-out and control agreement equivalent to at least three (3) monthly amortizations based on total maturing obligation of the term loan. 2. Contractor's All Risk insurance coverage shall be obtained prior to the release of the loan based on estimated cost of the entire project when completed. After completion of the project, appropriate insurance coverage shall be placed by DBP through GSIS and the policy shall be endorsed in favor of the Bank. (Construction Projects)

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HON. EDILBERTO R. ZABALA, JR.
Sangguniang Bayan Member

HON. MANUEL B. BALLEDO
Sangguniang Bayan Member

HON. FELIPE V. CANONIGO III
Sangguniang Bayan Member

HON. VIRMAN JESSIE O. PUNDAVELA
Sangguniang Bayan Member

(OIC-MUNICIPAL MAYOR)
HON. IRENEO ROLANDO A. LUMBRE
Sangguniang Bayan Member

HON. ROLLIN CINCO
Sangguniang Bayan Member

(ABSENT)
HON. MELANTE FELISA M. VVERO
Sangguniang Bayan Member
ABC President

HON. ANGELO R. LUMBRE
Sangguniang Bayan Member
PPSK President

(OFFICIAL TRAVEL)
HON. MENARDO M. MATE
Municipal Vice-Mayor

Consuelo R. Lumbre
SB Secretary

3. Continuing insurance coverage on all insurable financed projects by the Bank placed through GSIS and the policy endorsed in favor of the Bank. (Acquisition of Vehicle / Heavy Equipment Project)

SECTION 4. The Municipality hereby appropriates the entire proceeds of the borrowing exclusively to finance the following projects:

Priority Projects	Amount
1. To finance the acquisition of the following: a. one (1) unit rescue vehicle – P2.80M b. two (2) units dump trucks – P10.6M c. one (1) unit excavator – P6.2M	Php19,600,000.00
2. To finance the acquisition of 18,231 sq.m. lot, site of the Regional Public Health Laboratory in Bry. Telegrafo, Tolosa, Leyte.	Php30,000,000.00
3. To finance the purchase of 1,820 sq.m lot for the road right of way (RROW) to Tolosa Integrated Socio Medical Center.	Php3,400,000.00
4. To finance the construction of the following: a. Road widening to the Proposed Regional Public Health Laboratory in Bry. Telegrafo, Tolosa, Leyte. b. Road opening to the Tolosa Integrated Socio Medical Center in Bry. Telegrafo, Tolosa, Leyte.	Php2,000,000.00 Php8,000,000.00
TOTAL	Php63,000,000.00

and other financial obligations relative thereto.

SECTION 5. The Municipality hereby grants its Mayor authority to execute a letter waiving the right to confidentiality of information by authorizing DBP, our trustee bank and all banks or financial institutions with which we have transactions to disclose to the Bangko Sentral ng Pilipinas (BSP) all information pertaining to the deposits, investments, loans, or other transactions including the history or status of our dealings with said banks or financial institutions and for the BSP to make all inquiries as may be necessary regarding the same.

Furthermore, the BSP is likewise authorized to disclose and share any such information furnished or obtained from said banks or financial institutions to the Department of Finance in relation to the performance by said Department of its functions.

SECTION 6. The Term Loan Agreement, Deed of Assignment with Hold-Out Agreement and other collateral loan documents are now before the Sanggunian for its perusal, study, ratification and approval and the same are found fair, just, legal and in order;

SECTION 7. The Municipality is hereby authorized the following:

1. To open and maintain with DBP a Deposit Account where the proceeds of the loan shall be maintained during the term of the loan, and for the Mayor to execute the covering Deed of Assignment;
2. To undertake not to incur additional obligations/indebtedness without the prior written consent of DBP which consent will not be unreasonably withheld; and
3. To authorize DBP to debit the LGU's deposit account to cover loan payments of its obligation with the Bank.

SECTION 8. The Sanggunian undertakes, as it hereby undertakes to appropriate in the LGU's Annual Budget for the years 2023 to 2038 an amount sufficient to pay its loan with DBP including interest thereon and other charges.

SECTION 9. Any Ordinance or parts thereof, inconsistent with this enactment is hereby repealed or amended accordingly.

SECTION 10. The obligation shall not be subject to recall by the Sanggunian concerned for the whole term of the loan, regardless of any change in the composition of the Sanggunian. This ratification includes any and all subsequent requests by the Municipality concerned for modification/ revision/ reallocation and/ or amendment to be made on the project as well as on its approved terms and conditions.

SECTION 11. This Ordinance shall take effect upon its publication and compliance with all procedures required under Republic Act No. 7160 of an ordinance for its validity, including the affixation of

HON. FELICITO O. BELTRAN III
Sangguniang Bayan Member

HON. MANNY R. MARTINEZ, RN, MPPRM
Sangguniang Bayan Member

HON. EDILBERTO F. ZABALA, JR.
Sangguniang Bayan Member

HON. MANUEL B. BALLEDO
Sangguniang Bayan Member

HON. FELIPE J. CANONIGO III
Sangguniang Bayan Member

HON. VIRMAN JESSIE O. PUNDAVELA
Sangguniang Bayan Member

(OIC-MUNICIPAL MAYOR)
HON. IRENEO ROLANDO A. LUMBRE
Sangguniang Bayan Member

HON. ROLLON A. CINCO
Sangguniang Bayan Member

(ABSENT)
HON. MELANIE FELISA M. VIVERO
Sangguniang Bayan Member
ABC President

HON. ANGELO R. LUMBRE
Sangguniang Bayan Member
PPSK President

(OFFICIAL TRAVEL)
HON. MENARDO M. MATE
Municipal Vice-Mayor

CONSUELO R. LUMBRE
SB Secretary

signatures of the Sanggunian Bayan members, in concurrence thereto, composing at least a majority thereof, out of the total of eight (8) members, **on all the pages** of this Ordinance.


SO ORDAINED/ENACTED.

RESOLVED FURTHER, that copies of this Ordinance be furnished to the Honorable Mayor and the Auditor, all of this including the Bangko Sentral ng Pilipinas and the Development Bank of the Philippines, for their information and appropriate action.

ADOPTED this 20th day of **February, 2023**.


CONSUELO R. LUMBRE
Sangguniang Bayan Secretary

ATTESTED:


HON. EDIBERTO R. ZABALA, JR.
Sangguniang Bayan Member/
Temporary Presiding Officer


HON. FELICITIO D. BELTRAN III
Sangguniang Bayan Member


HON. MANNY R. MARTINEZ, RN, MPRM
Sangguniang Bayan Member



HON. MANUEL B. BALLEDO
Sangguniang Bayan Member


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HON. ROLLY A. CINCO
Sangguniang Bayan Member

(ABSENT)
HON. MELANIE FELISA M. VIVERO
Ex-Officio Member/ABC President


HON. ANGELO R. LUMBRE
Ex-Officio Member/SK Fed. President

APPROVED:


HON. IRENEO ROLANDO A. LUMBRE
Sangguniang Bayan Member/
OIC-Municipal Mayor

CERTIFIED TRUE AND CORRECT:

SP Secretary

HON. CARLOS JERICO L. PETILLA
Provincial Governor

Date Validated: _____