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Item No.: **22**

Date: **06 2024 MAR**

Republic of the Philippines  
PROVINCE OF LEYTE  
Palo, Leyte

**PROVINCIAL LEGAL OFFICE**

SANGGUNIANG PANLALAWIGAN

**RECEIVED**  
MAR 04 2024  
Bej  
PROVINCE OF LEYTE

Province of Leyte  
Legal Office  
Released: [Signature]  
Time: 9:00  
Date: 3-4-24

2<sup>nd</sup> INDORSEMENT  
March 1, 2024

Respectfully returned to the Sangguniang Panlalawigan of Leyte, through the SP Secretary, the attached Ordinance No. 487 - 190224 of the Sangguniang Bayan of Palompon, Leyte, recommending for the declaration of its validity, pursuant to its power under Section 56 (C) of R.A. 7160, to the opinion of the Provincial Legal Office (PLO), that though prior authority is needed, before entering into contracts or loan agreements in behalf of the municipality as provided for by Section 22 (c)<sup>i</sup>,

Such defect is cured when the contract entered into in the name of another by one who has no authority or legal representation, or who has acted beyond his powers, shall be unenforceable, unless it is ratified, expressly or impliedly, by the party on whose behalf it has been executed, before it is revoked by the other contracting party as provided for by Article 1317<sup>ii</sup> of the New Civil Code.

Furthermore, the opinions rendered herein are without prejudice to opinions rendered by higher authorities.

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

<sup>i</sup> (c) Unless otherwise provided in this Code, no contract may be entered into by the local chief executive in behalf of the local government unit without prior authorization by the sanggunian concerned. A legible copy of such contract shall be posted at a conspicuous place in the provincial capitol or the city, municipal or barangay hall.

<sup>ii</sup> Art. 1317. No one may contract in the name of another without being authorized by the latter, or unless he has by law a right to represent him.

A contract entered into in the name of another by one who has no authority or legal representation, or who has acted beyond his powers, shall be unenforceable, unless it is ratified, expressly or impliedly, by the person on whose behalf it has been executed, before it is revoked by the other contracting party.



Republic of the Philippines  
Province of Leyte  
Municipality of Palompon  
-o0o-

Office of the  
Legal Officer  
Received: [Signature]  
Time: 4:00 pm  
Date: 2/27/2024

OFFICE OF THE SANGGUNIANG BAYAN

PRESENT:

- Honorable Ferdinand T. dela Calzada . . . Municipal Vice-Mayor/Presiding Officer
- Honorable Margarito C. Bensig, Jr. . . . SB Member 1
- Honorable Emmanuel M. Laurente . . . SB Member 1
- Honorable Esperanza L. Sumalinog . . . SB member 1
- Honorable Ranulfo O. Gaspan, Sr. . . . SB Member 1
- Honorable Jonathan T. Yap . . . SB Member 1
- Honorable Consuelo J. Bonghanoy . . . SB Member 1
- Honorable But Mari M. Bregaudit . . . SB Member 1
- Honorable Edgar P. Pacaldo . . . SB Member 1
- Honorable Rene A. Camposano . . . Ex-Officio Member/Liga President
- Honorable Manuelene Laurette M. Tee . . . Ex-Officio Member/SK Fed. President

SANGGUNIANG PANLALAWIGAN  
**RECEIVED**  
FEB 27 2024  
Province of Leyte

ABSENT:  
None

Author: Hon. Emmanuel M. Laurente

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WHEREAS, the Municipal Government of Palompon has applied for a loan with LANDBANK OF THE PHILIPPINES (LBP) in the amount of Two Hundred Fifty Five Million Pesos [P255,000,000.00], to finance the Palompon Waterworks Improvement Project, Construction of Sanitary Landfill, Acquisition of Specialized Equipment for the Sanitary Landfill and Acquisition of Heavy Equipment;

WHEREAS, the LANDBANK OF THE PHILIPPINES approved the loan applied for by the Municipal Government of Palompon in the amount of Two Hundred Fifty Five Million Pesos [P255,000,000.00];

NOW THEREFORE, on motion of Sangguniang Bayan Member EMMANUEL M. LAURENTE, duly seconded *EN MASS* . . . . .

RESOLVED by the Sangguniang Bayan of the Municipality of Palompon, Province of Leyte, to enact the following ordinance:

**MUNICIPAL ORDINANCE NO. 487-190224**

**AN ORDINANCE RATIFYING THE LOAN AGREEMENT, ASSIGNMENT AND OTHER SUPPORTING DOCUMENTS PERTAINING TO THE LOAN/CREDIT FACILITY ENTERED INTO BY AND BETWEEN THE MUNICIPAL GOVERNMENT OF PALOMPON REPRESENTED BY THE MAYOR, HONORABLE RAMON C. OÑATE AND THE LANDBANK OF THE PHILIPPINES REPRESENTED BY THE HEAD OF THE LEYTE LENDING CENTER, IN THE AMOUNT OF TWO HUNDRED FIFTY FIVE MILLION PESOS [P255,000,000.00], TO FINANCE THE PALOMPON WATERWORKS IMPROVEMENT PROJECT, CONSTRUCTION OF SANITARY LANDFILL, ACQUISITION OF SPECIALIZED EQUIPMENT FOR THE SANITARY LANDFILL AND ACQUISITION OF HEAVY EQUIPMENT, AND TO BE SECURED BY THE DEED OF ASSIGNMENT OF 20% IRA, SUBJECT TO ALL LAWS, RULES AND REGULATIONS**

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED BY THE SANGGUNIANG BAYAN OF THE MUNICIPALITY OF PALOMPON, PROVINCE OF LEYTE, BY VIRTUE OF THE POWERS VESTED IN IT BY LAW, IN SESSION ASSEMBLED, to ratify all previous representations and warranties of the Honorable Mayor, Ramon C. Oñate and all the terms and conditions of the Loan Agreement, Assignment of 20% IRA and/or mortgage of properties, promisory notes and all other pertinent documents, contracts, undertaking, certifications, deeds, notes and papers entered into by and between the MUNICIPAL GOVERNMENT OF PALOMPON, represented by Honorable Mayor Ramon C. Oñate and the Landbank of the Philippines represented by the Head of the Leyte Lending Center.

RESOLVED FURTHER, that the MUNICIPAL GOVERNMENT OF PALOMPON shall:

- commit not to contract other loans/credits with other creditors/banks as to impair the LGU's paying capacity for the duration of the loan;
- direct the LGU's Treasurer and the Accountant to enter the loan in the appropriate books of the LGU;

ESPERANZA L. SUMALINOG  
SB Member

EMMANUEL M. LAURENTE  
SB Member

MARGARITO C. BENSIG JR.  
SB Member

DEBBY ANN C. DIGNOS  
SB Secretary- Designate

FERDINAND T. DELA CALZADA  
Municipal Vice-Mayor

RAMON C. OÑATE  
Municipal Mayor

RANULFO O. GASPAN SR.  
SB Member

JONATHAN T. YAP  
SB Member

CONSUELO J. BONGHANAY  
SB Member

BUKIT MARTIN BREGAUDIT  
SB Member

EDGAR P. PACALDO  
SB Member

RENE A. CAMPOSANO  
SB Member

MANUELENE LAURETTE M. TEE  
SB Member

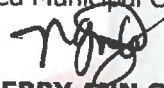
- designate the LBP as the LGU's official depository bank for Internal Revenue Allotment (IRA) and major depository bank for its other deposits, revenues and collections which designation shall not be revoked while the loan obligation remain outstanding and directing the LGU Secretary to provide a copy of this Ordinance to the Department of Budget and Management (DBM) and other IRA-administering office;
- appropriate the following amounts in the LGU's Annual Budget:
  - loan repayment until the principal, interest and other charges are fully paid;
  - the required LGU's equity;
  - the repairs and maintenance of the projects;
  - the Insurance premium payments; and
  - other statutory and contractual obligations.
- authorize LBP to deduct for set-off and/or deduct amounts from any deposits or funds of the LGU with LBP and apply the same to the payment of the loan or any portion thereof, or interests and penalties thereon as may be deemed necessary by LBP;
- authorize the Mayor to sign, execute, endorse and deliver any and all promisory notes and deed of assignments, loan agreements and other documents, papers and dees as may be necessary and proper for the implementation of the authorities and directive contained in the resolution;
- authorize the assignment of the LGU's portion of IRA and special deposit account as collateral of the loan obtained and declaring them to be available and not restricted by law or its other obligation.

RESOLVED FINALLY, that copy of this Ordinance be furnished to the Landbank of the Philippines, the treasurer, the Accountant, the Budget Officer, all of the said LGU and to the Sangguniang Panlalawigan, for information and guidance.

ENACTED this 19<sup>th</sup> day of February 2024 in the Municipality of Palompon, Leyte.

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I HEREBY CERTIFY to the correctness of the above-mentioned Municipal Ordinance.


  
**DEBBY ANN C. DIGNOS**  
 Sangguniang Bayan Secretary-Des.


Attested:

  
**FERDINAND T. DELA CALZADA**  
 Municipal Vice-Mayor / Presiding Officer

  
**MARGARITO C. BENSIG JR.**  
 SB MEMBER 1

  
**EMMANUEL M. LAURENTE**  
 SB MEMBER 1


  
**ESPERANZA L. SUMALINOG**  
 SB MEMBER 1

  
**RANULFO O. GASPAN, SR.**  
 SB MEMBER 1

  
**JONATHAN T. YAP**  
 SB MEMBER 1

  
**CONSUELO J. BONGHANOY**  
 SB MEMBER 1


  
**BURT MARIA M. BREGAUDIT**  
 SB MEMBER 1

  
**EDGAR P. PACALDO**  
 SB MEMBER 1

  
**RENE A. CAMPOSANO**  
 Ex-Officio Member - Liga President

  
**MANUELLA M. TEE**  
 Ex-Officio Member/SK Fed. President

Approved:

  
**RAMON C. OÑATE**  
 Municipal Mayor  
 Date Approved: 2-23-24

VALIDATED AS CONSISTENT WITH LAW:

\_\_\_\_\_  
 Sangguniang Panlalawigan Secretary

\_\_\_\_\_  
 Date Validated \_\_\_\_\_  
 Provincial Vice-Governor