



Republic of the Philippines
PROVINCE OF LEYTE
Provincial Capitol
Tacloban City

-oOo-

PROVINCIAL LEGAL OFFICE

2nd INDORSEMENT

August 30, 2025

Item No.: 09

Date: 03 2026 NOV

PROVINCE OF LEYTE
LEGAL OFFICE

RELEASED

By: [Signature]
Date: 10.26.26 Time: 9:26
Sangguniang Panlalawigan
Province of Leyte

RECEIVED

Date: OCT 26 2026
By: [Signature]

Respectfully returned to the Sangguniang Panlalawigan of Leyte, through SP Secretary, the attached Ordinance No. 10 of the Sangguniang Bayan of Barugo, Leyte.

Issues/concerns for review/recommendation/legal opinion is/are as follows:

- Ordinance No. 10 entitled: "An Ordinance Authorizing the proposed borrowing of the Municipality of Barugo in the amount of peso: P36,000,000.00 , etc."

REVIEW/RECOMMENDATION/LEGAL OPINION:

This office is of the opinion that the subject Ordinance is generally in accordance with its power under Section 297(a)¹ of the Local Government Code of 1991 (R.A 7160). Hence, we recommend for the declaration of its validity.

We hope to have assisted you with this request. Please note that the opinion rendered by this Office are based on facts available and may vary or change when additional facts and documents are presented or changed. This opinion is likewise without prejudice to the opinions rendered by higher and competent authorities and/or the courts.


ATTY. JOSE RAYMUND A. ACOL
Provincial Legal Officer

¹ (a) A local government unit may contract loans, credits, and other forms of indebtedness with any government or domestic private bank and other lending institutions to finance the construction, installation, improvement, expansion, operation, or maintenance of public facilities, infrastructure facilities, housing projects, the acquisition of real property, and the implementation of other capital investment projects, subject to such terms and conditions as may be agreed upon by the local government unit and the lender. The proceeds from such transactions shall accrue directly to the local government unit concerned.

Republic of the Philippines
PROVINCE OF LEYTE
Palo, Leyte
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OFFICE OF THE SANGGUNIANG PANLALAWIGAN

1ST INDORSEMENT
28 August 2026

PROVINCE OF LEYTE
LEGAL OFFICE

RECEIVED

By: 
Date: 9-1-26 Time: 9:40

The Provincial Legal Office is respectfully requested to review and submit recommendations on the herein enclosed **Ordinance No. 10, series of 2026** of the **Municipality of Barugo, Leyte**, entitled: **An Ordinance passed authorizing the Proposed Borrowing of the Municipality of Barugo in the amount of Thirty-Six Million Pesos (P36,000,000.00) pursuant to the Resolution No. 194, s. 2025 or 100% of the actual acquisition cost or winning bid price whichever is lower to finance the Solid Waste Management Facility Project and ratifying the terms and conditions of the Loan Agreement and other documents related thereto.**


FLORINDA JILL S. UYVICO
Secretary to the Sanggunian



OFFICE OF THE SANGGUNIANG BAYAN

August 27, 2026

HON. LEONARDO "SANDY" JAVIER, JR.
Vice-Governor/Presiding Officer
Sanggunian Panlalawigan
Province of Leyte

Sangguniang Panlalawigan
Province of Leyte
RECEIVED
Date: AUG 28 2026
By: [Signature] 10:35am

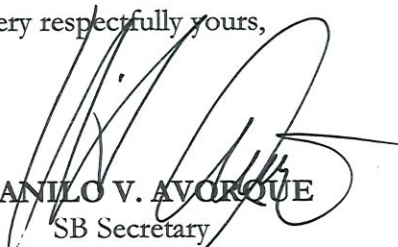
THRU: FLORINDA JILL S. UYVICO
Secretary to the Sanggunian
Province of Leyte

Sir:

Respectfully submitted to your good office for review the herein ORDINANCE NO. 10, S. 2026 ENTITLED "AN ORDINANCE PASSED AUTHORIZING THE PROPOSED BORROWING OF THE MUNICIPALITY OF BARUGO IN THE AMOUNT OF THIRTY-SIX MILLION PESOS (Php36,000,000.00) PURSUANT TO THE RESOLUTION NO. 194 S. 2025 OR 100% OF THE ACTUAL ACQUISITION COST OR WINNING BID PRICE WHICHEVER IS LOWER, TO FINANCE THE SOLIDWASTE MANAGEMENT FACILITY PROJECT AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND OTHER DOCUMENTS RELATED THERETO.

Anticipating your favorable action on this matter.

Very respectfully yours,


DANILO V. AVOROUÉ
SB Secretary

Barugo Padayon An Gugma!

Municipal Hall, Burgos St. Poblacion District I Barugo, Leyte

☎ 0960-294-93422

✉ lgu.barugo@yahoo.com

📘 Municipality of Barugo, Leyte

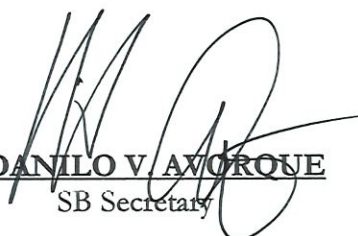


OFFICE OF THE SANGGUNIANG BAYAN

CERTIFICATION OF POSTING

THIS IS TO CERTIFY that ORDINANCE NO. 10, S. 2026 ENTITLED “AN ORDINANCE PASSED AUTHORIZING THE PROPOSED BORROWING OF THE MUNICIPALITY OF BARUGO IN THE AMOUNT OF THIRTY-SIX MILLION PESOS Php36,000,000.00) PURSUANT TO THE RESOLUTION NO. 194 S. 2025 OR 100% OF THE ACTUAL ACQUISITION COST OR WINNING BID PRICE WHICHEVER IS LOWER, TO FINANCE THE SOLIDWASTE MANAGEMENT FACILITY PROJECT AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND OTHER DOCUMENTS RELATED THERETO, was posted in three (3) conspicuous places in the Municipality of Barugo, Leyte in compliance with the provisions of RA 7160, otherwise known as Local Government Code of 1991.

This certification is issued this 27th day of August 2026, for whatever legal purpose this may serve.


DANILO V. AVOROU
SB Secretary

Barugo Padayon An Gugma!

Municipal Hall, Burgos St. Poblacion District I Barugo, Leyte

☎ 0960-294-93422

Y! lgu.barugo@yahoo.com

f Municipality of Barugo, Leyte

OFFICE OF THE SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE MEETING OF THE 12TH SANGGUNIANG BAYAN OF BARUGO, LEYTE ON ITS 27TH REGULAR SESSION HELD ON THE 18th DAY OF AUGUST 2026, AT THE MUNICIPAL SESSION HALL, LEGISLATIVE BUILDING, BARUGO, LEYTE.

Present:

Atty. Jesus B. Cabanacan

Hon. Felix A. Diloy

Hon. Josephine C. Tiu

Hon. Roselyn L. Baltar

Hon. Nikkos Rhet V. Astorga

Hon. Sonia A. Cañeda

Hon. Charee Mae M. Avila

Hon. Eduardo C. Calzita

Atty. Harold Edgar Apostol

Hon. Joemar Q. Acebo

Hon. Eric C. Hingpis

Municipal Vice Mayor

Presiding Officer

SB Member

SB Member

SB Member

SB Member

SB Member

SB Member

SB Member

SB Member

Liga Ng Mga Barangay President

Pederasyon Ng Mga Sangguniang Kabataan

Sangguniang Panlalawigan
Province of Leyte
RECEIVED
Date: AUG 28 2026
By: [Signature]

[Handwritten signature]

Absent:

ORDINANCE NO. 10, S. 2026

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#CA

AN ORDINANCE PASSED AUTHORIZING THE PROPOSED BORROWING OF THE MUNICIPALITY OF BARUGO IN THE AMOUNT OF THIRTY-SIX MILLION PESOS (Php36,000,000.00) PURSUANT TO THE RESOLUTION NO. 194 S. 2025 OR 100% OF THE ACTUAL ACQUISITION COST OR WINNING BID PRICE WHICHEVER IS LOWER, TO FINANCE THE SOLIDWASTE MANAGEMENT FACILITY PROJECT AND RATIFYING THE TERMS AND CONDITIONS OF THE LOAN AGREEMENT AND OTHER DOCUMENTS RELATED THERETO.

Sponsored by: Hon. Josephine C. Tiu

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

SECTION 1. The mayor, in representation of the Municipality of Barugo, Leyte 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 THIRTY SIX MILLION PESOS (Php36,000,000.00) or 100% of the actual acquisition cost or 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.

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SECTION 2. The said priority project herein specified as follows:

Priority Project	Amount
To finance solid waste management facility with the following components:	
1. Construction of Sanitary Landfill at Brgy. Duka, Barugo, Leyte	Php 7,500,000.00
2. Construction of Materials Recovery Facility (MRF)	Php 6,000,000.00
3. Construction of Access Road	Php 5,000,000.00
4. Purchase of 2 units Garbage Compactor	Php10,000,000.00
5. Purchase of 1 unit Backhoe	Php 5,000,000.00
6. Purchase of 1 unit Sorting and Loading Conveyor	Php 2,500,000.00
TOTAL	Php36,000,000.00

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OFFICE OF THE SANGGUNIANG BAYAN

Page 2
Ordinance no. 10, 2026 – terms & conditions 36,000,000.00

* 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 2026 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	BARUGO MUNICIPALITY, LEYTE
Loan Amount	THIRTY SIX MILLION (Php 36,000,000.00) or 100% of the winning bid price whichever is lower
Purpose	To finance the Procurement of solid waste management facility with the following components: 1. Construction of Sanitary Landfill at Brgy. Duka, Barugo, Leyte 2. Construction of Materials Recovery Facility (MRF) 3. Construction of Access Road 4. Purchase of 2 units Garbage Compactor 5. Purchase of 1 unit Backhoe 6. Purchase of 1 unit Sorting and Loading Conveyor
Tenor	Five (5) years with one (1) year grace period. Principal payable in 48 monthly installments on principal to commence at the end of the 13th month from date of initial drawdown.
Manner of Payment	Principal and interest payable monthly
Principal	Five (5) years with one (1) year grace period. Principal payable in 48 monthly installments on principal to commence at the end of the 13 th month from date of initial drawdown.
Funding	ODA or DBP Funds
Interest:	If under ODA Funds (JICA-EISCP II) - Fixed at 5.75%p.a. (3.75% plus 2.0% credit spread) for the entire term, payable monthly commencing at the end of the 1st month from initial drawdown. GRT for the account of the Borrower. If DBP Funds (should ODA Fund is unavailable)- Fixed for one (1) year based on 1-yr BVAL plus applicable credit spread with indicative rate of 5.75%p.a., payable monthly commencing at the end of the 1st month from initial drawdown. Reviewable annually, but not lower than original rate. GRT for the account of Borrower.
Fees	1. Front-end fee is waived. 2. Commitment fee is waived. 3. Extension Fee – waived 4. Default charge – 24% p.a. 5. Prepayment penalty – 3% of the amount to be prepaid. 6. GRT and other applicable taxes shall be for the account of the LGU.
Security	1. Assignment of deposit withhold-out and control agreement equivalent to three (3) months amortization. 2. Applicable Insurance coverage on all insurable financed asset based on sound value placed by DBP through GSIS and the policy endorsed in favor of DBP.



OFFICE OF THE SANGGUNIANG BAYAN

Page 3
Ordinance no. 10, 2026 – terms & conditions 36,000,000.00

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

Priority Project	Amount
To finance the Procurement of solid waste management facility with the following components:	
1. Construction of Sanitary Landfill at Brgy. Duka, Barugo, Leyte	Php 7,500,000.00
2. Construction of Materials Recovery Facility (MRF)	Php 6,000,000.00
3. Construction of Access Road	Php 5,000,000.00
4. Purchase of 2 units Garbage Compactor	Php 10,000,000.00
5. Purchase of 1 unit Backhoe	Php 5,000,000.00
6. Purchase of 1 unit Sorting and Loading Conveyor	Php 2,500,000.00
TOTAL	PHP 36,000,000.00

* or 100% of the actual acquisition cost or winning bid price whichever is lower 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 2026 to 2031 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.



OFFICE OF THE SANGGUNIAN BAYAN

Page 4

Ordinance no. 10, 2026 – terms & conditions 36,000,000.00

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 signatures of the Sanggunian Bayan members, in concurrence thereto, composing at least a majority thereof, out of the total of 11 members, on all the pages of this Ordinance.

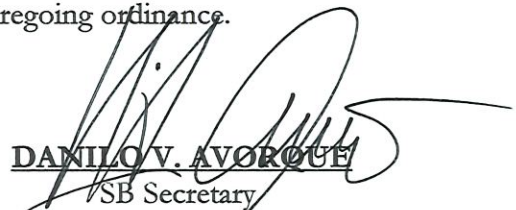
SO ORDAINED/ENACTED.

RESOLVED FURTHER, that copies of this Ordinance be furnished to the Honorable Aron C. Balais, MD. FPCEM, Municipal Mayor of Barugo, Leyte and the Auditor, all of this including the Bangko Sentral ng Pilipinas and the Development Bank of the Philippines and to all other offices concerned for their information and appropriate action.

ADOPTED this 18TH day of August 2026 in Barugo, Leyte.

I HEREBY CERTIFY to the correctness of this foregoing ordinance.


HON. FELIX A. DILOY
SB Member


DANILO V. AVOROUÉ
SB Secretary


HON. JOSEPHINE C. TIU
SB Member

HON. ROSELYN L. BALTAR
SB Member

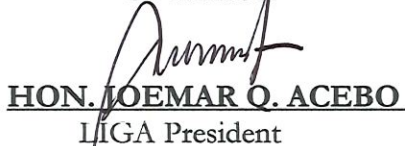

HON. NIKKOS RHET V. ASTORGA
SB Member

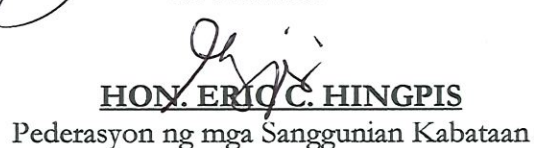

HON. SONIA A. CAÑEDA
SB Member


HON. CHAREE MAE M. AVILA
SB Member


HON. EDUARDO C. CALZITA
SB Member


ATTY. HAROLD EDGAR C. APOSTOL
SB Member


HON. JOEMAR O. ACEBO
LIGA President


HON. ERIC C. HINGPIS
Pederasyon ng mga Sanggunian Kabataan

ATTESTED BY:


ATTY. JESUS B. CABANACAN
Municipal Vice Mayor
Presiding Officer

APPROVED BY:


HON. ARON C. BALAIS, MD, FPCEM
Municipal Mayor