MUNICIPAL ORDINANCE NO. 2
Series of 2012

AN ORDINANCE AUTHORIZING THE MUNICIPAL MAYOR TO SIGN AND ENTER INTO A MEMORANDUM OF AGREEMENT OR LOAN AGREEMENT WITH THE LAND BANK OF THE PHILIPPINES TO FINANCE THE PHP 100,000,000.00 COUNTERPART FUND OF THE MUNICIPAL GOVERNMENT IN THE "MATCHING PROGRAM" OF THE DEPARTMENT OF EDUCATION FOR THE CONSTRUCTION OF NEW PUBLIC SCHOOL BUILDINGS IN BACOOR, CAVITE.


WHEREAS, the government is mandated by the Constitution and by international law to provide universal primary and secondary education to the public.

WHEREAS, the Department of Education (DepEd) launched its "Matching Program" that requires local government units to match the budget appropriated by the DepEd for the construction of public school buildings within the territorial limits of the former.

WHEREAS, the Local School Board (LSB) of Bacoor, Cavite passed Resolution No. 02-S-2012 dated 4 January 2012 authorizing the Municipal Mayor to enter into a loan agreement with a financial institution to generate funds for the construction of various public school buildings within the municipality amounting to One Hundred Million Pesos (PhP 100,000,000.00).

WHEREAS, Resolution No. 02-S-2012 was submitted by the LSB to the Sangguniang Bayan for its review and consideration.

WHEREAS, the Municipal Mayor negotiated with various banks and concluded that the best terms that can be had by the municipal government from any reputable financial institution in the country are the following terms and conditions being offered by the Land Bank of the Philippines (LBP), to wit:

<table>
<thead>
<tr>
<th>Facility</th>
<th>Term Loan</th>
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<tr>
<td>Amount</td>
<td>P100,000,000.00 or based on the requirement of the project but not to exceed the municipality's Net Borrowing Capacity</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>At LBP prevailing prime rate plus minimum spread of 0.50% (presently, the prime rate is 4.50%)</td>
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Address: Evangelista St., Barangay Tabing Dagat, Bacoor, Cavite
Telefax No.: (046) 434-6716
WHEREAS, the Sangguniang Bayan deliberated and conducted committee hearings on LSB Resolution No. 02-S-2012 and on the purported need to construct various public school buildings within the municipality and unanimously arrived at the conclusion that (1) the municipality needs more schools for the benefit of its youth, (2) the municipal government does not have sufficient funds to finance the said project, and (3) authorizing the Municipal Mayor to enter into a loan agreement or memorandum of agreement with the Land Bank of the Philippines is not contrary to law and is most advantageous to the municipal government.

NOW THEREFORE, upon motion of Hon. Reynaldo Palabrica, unanimously seconded by all its members, BE IT ORDAINED by the Sangguniang Bayan in regular session duly assembled THAT:

Section 1. Authority to the Municipal Mayor.-- The Municipal Mayor, Hon. Strike B. Revilla, in representation of the Municipality of Bacoor, Cavite, is hereby authorized to enter into a Loan Agreement with the Land Bank of the Philippines (LBP) involving the amount of One Hundred Million Pesos (Php 100,000,000.00) in accordance with Section 297 of Republic Act No. 7160 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 projects 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 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. **Description of Public School Buildings to be Constructed.**--The said priority projects herein specified as “the construction of new public school buildings within Bacoor, Cavite” more particularly described as follows:

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Talaba Elementary School - Talaba 4, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with six (6) classrooms</td>
<td>PhP9,800,000.00</td>
</tr>
<tr>
<td>2) Salinas (High School) - Salinas 2, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with nine (9) classrooms</td>
<td>PhP14,500,000.00</td>
</tr>
<tr>
<td>3) Camella Springville (Elementary) - Molino 3, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with six (6) classrooms</td>
<td>PhP9,800,000.00</td>
</tr>
<tr>
<td>4) Camella Springville (High School) - Molino 3, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with nine (9) classrooms</td>
<td>PhP14,500,000.00</td>
</tr>
<tr>
<td>5) Bahayang Pag-asa - Molino 5, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with six (6) classrooms</td>
<td>PhP9,800,000.00</td>
</tr>
<tr>
<td>6) Mabolo Elem. School - Mabolo 1, Bacoor, Cavite</td>
<td>Construction of 2-storey school building with four (4) classrooms</td>
<td>PhP5,500,000.00</td>
</tr>
<tr>
<td>7) Maliksi (High School) - Maliksi 1, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with six (6) classrooms</td>
<td>PhP11,600,000.00</td>
</tr>
<tr>
<td>8) Greenvalley (High School) - San Nicolas 3, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with six (6) classrooms</td>
<td>PhP11,400,000.00</td>
</tr>
<tr>
<td>9) Perpetual Village 6 (High School) - Marang-bag, Bacoor, Cavite</td>
<td>Construction of 3-storey school building with six (6) classrooms</td>
<td>PhP9,800,000.00</td>
</tr>
<tr>
<td>10) Ligas Elem. School - Ligas 1, Bacoor, Cavite</td>
<td>Construction of 2-storey school building with two (2) classrooms</td>
<td>PhP3,300,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PhP100,000,000.00</td>
</tr>
</tbody>
</table>

Section 3. **Certification of Priority.**-- It is hereby certified that the construction of the afore-mentioned public school buildings are development or livelihood projects pursuant to the priorities established in the approved

Address: Evangelista Sr., Barangay Tafteng Dugat, Bacoor, Cavite
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public investment program for the current year of the Municipality of Bacoor, Cavite.

Section 4. Proposed Loan Terms and Conditions.-- Consistent with the covering Loan Agreement and such other contracts as may be entered into by the Municipality of Bacoor in connection with the above-mentioned borrowing, the features, terms and conditions shall be as follows and are hereby approved:

<table>
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<td>Amount</td>
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<td>Interest Rate</td>
<td>At LBP prevailing prime rate plus minimum spread of 0.50% (previously, the prime rate is 4.50%)</td>
</tr>
<tr>
<td>Tenor</td>
<td>Ten (10) years with one (1) year grace period on principal</td>
</tr>
<tr>
<td>Repayment</td>
<td>Principal-payable in equal monthly or quarterly amortizations Interest-monthly interest payment in arrears</td>
</tr>
<tr>
<td>Security</td>
<td>Assignment of Special Education Fund (SEF) Assignment of RPT Share</td>
</tr>
<tr>
<td>Other Terms and Conditions</td>
<td>Gross Receipt Taxes (GRT) shall be for the account of the Municipal Government of Bacoor. Handling, commitment, appraisal and processing fee may be waived unless taken out by other banks. Prepayment fee of 3% of the outstanding balance to be paid shall be imposed in case of loan take-out by the other banks. All insurance assets financed by the loan with LBP shall be insured (Contractor’s All Risk Insurance or Fire Insurance, whichever is applicable) with Land Bank’s Insurance Brokerage Inc. (LIBI)</td>
</tr>
<tr>
<td>Documentation</td>
<td>This facility shall be governed by loan documents containing covenants, conditions, precedent and default provisions acceptable to all parties.</td>
</tr>
</tbody>
</table>

Section 5. Appropriation.-- The Municipality hereby appropriates the entire proceeds of the borrowing exclusively to finance the construction of the afore-mentioned public school buildings and other financial obligations relative thereto.

Section 6. Repealing Clause.-- Any ordinance or part thereof, inconsistent with this enactment is hereby repealed or amended accordingly.

Section 7. Effectivity.-- This Ordinance shall take effect upon its publication and compliance with all procedures required under RA 7160.

Section 8. Copy Furnished.-- The Municipal Accountant, the State Auditor assigned to the Municipality, and the Bangko Sentral ng Pilipinas shall be furnished with copies of this Ordinance for their information and appropriate action.

ENACTED this 6th day of February 2012 at Bacoor, Cavite in regular session duly assembled. Address: Evangelista St., Barangay Taping Dagat, Bacoor, Cavite. Telefax No.: (046) 434-6716
MUNICIPALITY OF BACOOR  
Office of the Sangguniang Bayan

I hereby certify that the foregoing Ordinance is true and correct and that it was enacted in compliance with the laws of the Philippines.

Certified by:

HON. ROSETTE M. FERNANDO  
Municipal Vice-Mayor / Presiding Officer

Attested by:

ATTY. KHALID A. ATEGA, JR.  
Sangguniang Bayan Secretary

Approved by:

HON. STRIKE B. REVILLA, PhD  
Municipal Mayor

BAGONG BACOOR!  
Tapat sa Serbisyo, Nagkakaisa sa Pagbabago...

Address: Evangelista St., Barangay Tabing Dagat, Bacoor, Cavite  
Telefax No.: (046) 434-6716
EXCERPTS FROM THE MINUTES OF THE MEETING OF THE LOCAL SCHOOL BOARD
OF BACOOR CAVITE HELD ON JANUARY 4, 2012 AT THE CONFERENCE ROOM,
OFFICE OF THE MAYOR MUNICIPAL HALL, BACOOR CAVITE.

PRESENT:
Hon. STRIKE B. REVILLA, PhD.
Dr. SUSAN S. GUINTO
Dr. MELINDA T. MANLANGIT
BELINDA C. REYES
Counc. REYNALDO PALABRACA
Engr. REDEL JOHN D. DIONISIO
EDENLITA MOJICA
ELVINIA GUERRERO
Dr. ANITA M. ROM
ELIZABETH OCAMPO
LEONCIO G. BATULA
GINA MEDINA
ADORANDO DARVIN

Chairman LSB
Co-Chairman Dep Ed Dist. II Supervisor
Co-Chairman, Dep Ed Dist. I Supervisor
Secretary
SB CHAIRMAN, Committee on Education

Municipal Administration
Municipal Treasurer
Municipal Budget Officer
Principal IV, BNHS
High School Teaching and Non-Teaching Personnel
PTA President
Teachers’ Club, Bacoor I
Teachers’ Club, Bacoor II

RESOLUTION NO. 02-S-2012

"A RESOLUTION AUTHORIZING THE MUNICIPAL MAYOR TO ENTER INTO A
LOAN AGREEMENT WITH A FINANCIAL INSTITUTION TO GENERATE FUNDS
FOR THE MUNICIPALITY’S INFRASTRUCTURE PROJECT IN PUBLIC SCHOOLS
AND REQUESTING THE SANGGUNIANG BAYAN FOR CONCURRENCE OF THE
SAME."

WHEREAS, the number of pupils and student enrolled in public schools in the
Municipality of Bacoor has increased by leaps and bounds over the years;

WHEREAS, such increase has resulted in serious shortage of classroom in public
schools, both in the primary and secondary levels;

WHEREAS, the problem of shortage of classrooms is a serious concern of the
Municipal Government of Bacoor that needs to be addressed immediately;

WHEREAS, old school buildings and infrastructures need to be repaired and
improved;

WHEREAS, during rainy days, flooding has been a problem in some of the
Municipality’s public school;

WHEREAS, there is an urgent need to build new buildings and improve and
repair other infrastructures in public schools to address above mentioned problems;

Page 1 of Local School Board Resolution No. 01-S-2012

Address: Evangelista St., Barangay Tafting Dagat, Bacoor, Cavite
Trunkline (046) 434-4466 Telefax, No. (046) 434-6716
Email: mayorstrikerevilla@bacoor.gov.ph Website: www.bacoor.gov.ph
WHEREAS, for the lack of funds, the Municipal Government needs to secure a loan totalling ONE HUNDRED MILLION PESOS (100,000,000.00) with a financial institution offering the lowest interest rates and/or the easiest payment terms to defray the various infrastructure project for public schools;

NOW THEREFORE, on motion duly made by Dr. Susan Guinto and seconded by Dr. Divinia Nario, the approval of Php 100 million loan for the construction of school buildings in the Municipality of Bacoor District 1 and District 2 from any government financial institution was unanimously approved.

BE IT RESOLVED AS IT IS HEREBY RESOLVED to authorize the Municipal Mayor of Bacoor, Cavite to enter into a loan agreement with a financial institution to generate much needed funds for the construction of additional school buildings or classrooms in public schools in the Municipality of Bacoor, both in the primary and secondary levels and requesting the Sangguniang Bayan for the concurrence of the same.

STRIKE B. REVILLA, PhD.
Mayor
LSB Chairman

DR. MELINDA T. MANLANGIT
Co-Chairman
District Supervisor Bacoor I

ENGR. REDEL JOHN DIONISIO
Municipal Administrator

COUN. REYNALDO D. PALABRICA
Sangguniang Bayan Chair. Committee

EDENLITA V. MOJICA
OIC, Municipal Treasurer

DR. ANITA ROM
Principal, BNHS

ELIZABETH OCAMPO
Non-Teaching Personnel

Hon. MA. ELIZA BAUTISTA
President
SK FEDERATION
Address: Evangelista St. Barangay Tabing Dagat, Bacoor, Cavite
Trunkline (046) 434-4466  Telefax, No. (046) 434-6716
Email: mayorstrike@bacoor.gov.ph Website: www.bacoor.gov.ph

BELINDA REYES
LSB Secretary

ELVINIA S. GUERRERO
Municipal Budget Officer

LEONCIO C. BATULA
PTA President

ADORANDO DARVIN
President, Teachers Club

GINA MEDINA
President
Teachers Club, Bacoor I