

s. 2014

Republic of the Philippines
SANGGUNIANG PANLALAWIGAN
PROVINCE OF NEGROS ORIENTAL

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Res. No. 21
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EXCERPTS FROM THE JOURNAL OF THE SANGGUNIANG PANLALAWIGAN SESSION ON:

Date: January 27, 2014 – 3:45 P.M.

Classification: Regular Session

RECORD OF ATTENDANCE:

HON. EDWARD MARK L. MACIAS
Vice Governor & Presiding Officer
Present

HON. LILAND ZOILA B. ESTACION	- Present	HON. ERWIN MICHAEL L. MACIAS	- Present
HON. JESSICA JANE V. KOPPIN	- Present	HON. MA. ANTONIA E. VILLEGAS	- Present
HON. MELLIEMOORE M. SAYCON	- Present	HON. GEORGITA F. MARTINEZ	- Present
HON. CLAYBORNE CLYDE L. LIM	- Present	HON. PEVE O. LIGAN	- Present
HON. EDMUND F. DY	- Present	HON. ROMMEL L. ERAMES	- Present
HON. ARNOLFO A. TEVES, JR. (LNMB)	- Present	HON. CHESTER V. LIM (PCL)	- O.B.

RESOLUTION NO. 21

"In the interest of public service;

"On motion of Honorable Member Ma. Antonia E. Villegas, seconded by Honorable Member Erwin Michael L. Macias and Honorable Member Liland Zoila B. Estacion, the Sangguniang Panlalawigan

"RESOLVES, To enact the following ordinance:

ORDINANCE NO. 46
Series of 2014

ORDINANCE ON THE BORROWING OF THE PROVINCE OF NEGROS ORIENTAL IN THE AMOUNT OF THREE HUNDRED FIFTY MILLION (₱350,000,000.00) PESOS OR WINNING BID PRICE, WHICHEVER IS LOWER, TO FUND THE COMPLETION OF THE CONSTRUCTION OF THE FOUR-STOREY CENTRAL BLOCK BUILDING INCLUDING THE MECHANICAL EQUIPMENT AT THE NEGROS ORIENTAL PROVINCIAL HOSPITAL (NOPH).

"Be it enacted, as it hereby enacted, by the Sangguniang Panlalawigan of Negros Oriental, in a session assembled that:

Section 1. The Provincial Governor, in representation of the Province, hereinafter referred to as the 'Province', is hereby authorized to enter into a TERM LOAN with the DEVELOPMENT BANK OF THE PHILIPPINES (DBP) in accordance with Section 297 of Republic Act No. 7160 or the Local

Government Code, in the amount of THREE HUNDRED FIFTY MILLION (₱350,000,000.00) PESOS 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 the herein specified priority project, 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 Provincial Governor shall have full power and authority to represent the Province 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 the COMPLETION OF THE CONSTRUCTION OF THE FOUR-STOREY CENTRAL BLOCK BUILDING INCLUDING THE MECHANICAL EQUIPMENT AT THE NEGROS ORIENTAL PROVINCIAL HOSPITAL (NOPH) is hereby certified to be a local infrastructure project in accordance with the approved local development plan for the current year 2014 of the Province of Negros Oriental and is supported by a final feasibility study prepared by the Provincial Planning and Development Office.

Section 3. Consistent with the covering Term Loan Contract, Deed of Assignment and such other agreements as may be entered into by the Province in connection with the borrowing, the features, terms and conditions shall be as follows and are hereby approved.

3.1. Project Name: COMPLETION OF THE CONSTRUCTION OF THE FOUR-STOREY CENTRAL BLOCK BUILDING INCLUDING THE MECHANICAL EQUIPMENT AT THE NEGROS ORIENTAL PROVINCIAL HOSPITAL (NOPH).

BORROWER	Province of Negros Oriental
AMOUNT	Three Hundred Fifty Million (₱350,000,000.00) Pesos or winning bid price, whichever is lower

PURPOSE/S:

	AMOUNT
A. Completion of the Construction of the Four-Storey Central Block Building at NOPH	307,590,000.00
B. Machineries and Equipment to be installed within or near the building (Fire Sprinkler System, Gen. Sets, Passenger and Bed Elevators, Airconditioning Units, Ceiling Fans, Dumbwaiter, Docklift, CCTV Camera and Monitors, etc.)	42,410,000.00
TOTAL	350,000,000.00

TERM	Fifteen (15) years inclusive of two (2) years grace period on principal payment, payable in one hundred fifty-six (156) equal monthly amortizations to reckon at the end of the 25 th month from initial drawdown
MANNER OF PAYMENT	Monthly amortization on principal and interest payments

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INTEREST RATE	Fixed for five (5) years based on prevailing market rate at the time of drawdown, presently at 4.5% p.a., payable monthly. Reviewable every five (5) years with minimum floor rate that is not lower than the initial drawdown rate. Provided, annual current/saving account average daily balance on deposit of Five Hundred Million (P500,000,000.00) Pesos is maintained throughout the term of the loan. Gross receipts tax (GRT) for the account of the Bank.
COLLATERAL/GUARANTEE	<ol style="list-style-type: none"> 1. Assignment on applicable portion of the Province's Internal Revenue Allotment (IRA) with hold-out provision equivalent to three (3) monthly amortizations (principal and interest) based on outstanding loan, in favor of DBP for the duration of the loan. 2. Appropriate insurance coverage/contractor's all risk (CAR) insurance coverage shall be obtained and endorsed in favor of DBP prior to release of the loan based on estimated cost of the entire project when completed. 3. At 90% project completion, appropriate insurance coverage shall be placed by DBP through Government Service Insurance System (GSIS) and the policy shall be endorsed in favor of the Bank.
FEES	<ol style="list-style-type: none"> 1. In case of prepayment, 3% on amount prepaid or breakfunding costs, whichever is higher shall be charged to the borrower and subject to sixty (60) days advance notice. 2. Borrower to maintain a minimum current/saving account average daily balance on deposit of Five Hundred Million (P500,000,000.00) Pesos, otherwise, a 1% p.a. service fee shall be imposed based on outstanding loan balance, payable together with interest. 3. Gross receipts tax on fees and other charges are for the account of the Province.

Section 4. The Province hereby appropriates the entire proceeds of the borrowing exclusively to finance the COMPLETION OF THE CONSTRUCTION OF THE FOUR-STOREY CENTRAL BLOCK BUILDING INCLUDING THE MECHANICAL EQUIPMENT AT THE NEGROS ORIENTAL PROVINCIAL HOSPITAL (NOPH).

Section 5. The Province hereby undertakes the following:

- 5.1. To appropriate in the Province's Annual Budget for the years 2014 to 2029 an amount sufficient to pay its loan from DBP including interest thereon and other charges.
- 5.2. It will not incur additional obligations/indebtedness without the prior written consent of DBP which consent will not be unreasonably withheld.

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for Province

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- 5.3. That the contracts herein entered shall be valid and binding to the Province and DBP and the same shall not be subject to recall by the Sanggunian for the whole term of the loan regardless of any change in its composition.

Section 6. The Province hereby grants its Provincial Governor authority to execute a letter waiving our rights 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 7. The Province hereby certified that the project to be financed by the loan is income-producing development project pursuant to the priorities established in the approved local development program and the public investment program.

Section 8. Any Ordinance or parts thereof, inconsistent with this enactment is hereby repealed or amended accordingly.

Section 9. 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 affixation of signatures of the Sangguniang Panlalawigan members, in concurrence thereto, composing at least a majority thereof, out of the total of 13 members, on all pages of this Ordinance.

"SO ENACTED.

"RESOLVED FURTHER, that copies of this Ordinance be furnished the Honorable Governor, the Provincial Accountant, and the Provincial Auditor, all of this Province of Negros Oriental, the Development Bank of the Philippines and the Bangko Sentral ng Pilipinas for their information and appropriate action.

"ADOPTED this 27th day of January, 2014."

SANGGUNIANG PANLALAWIGAN MEMBERS:

HON. LILAND ZOILA B. ESTACION

HON. ERWIN MICHAEL L. MACIAS


HON. JESSICA JANE V. KOPPIN

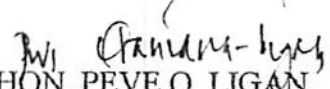
HON. MA. ANTONIA E. VILLEGAS


APPROVED:


HON. MELLIEMOORE M. SAYCON


HON. GEORGITA F. MARTINEZ


HON. CLAYBORNE CLYDE L. LIM



HON. PEVE O. LIGAN


HON. EDMUND F. DY



HON. ROMMEL L. ERAMES


HON. ARNOLFO A. TEVES, JR. (LNMB)

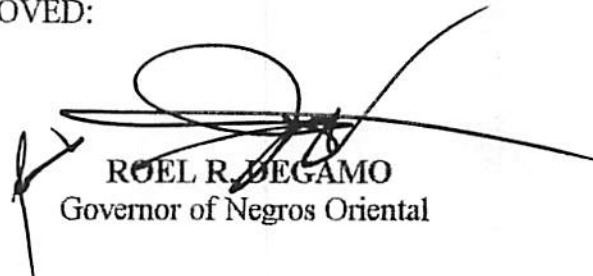
CERTIFIED TRUE AND CORRECT:


GEOFFREY P. VILLAHERMOSA
Provincial Secretary *vil*

ATTESTED:


EDWARD MARK L. MACIAS, M.D.
Vice Governor of Negros Oriental
Presiding Officer *SK*

APPROVED:


ROEL R. DEGAMO
Governor of Negros Oriental

Date: 'MAR 05 2014