



Republic of the Philippines  
Province of Ilocos Sur  
Municipality of Narvacan



**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA


  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

  
HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

EXCERPTS FROM THE MINUTES OF THE 35TH REGULAR SESSION OF THE SANGGUNIANG BAYAN OF NARVACAN, ILOCOS SUR HELD ON SEPTEMBER 14, 2020 AT THE MUNICIPAL SESSION HALL.

**ORDINANCE NO. 48**

Series of 2020

**AN ORDINANCE ADOPTING A PUBLIC-PRIVATE PARTNERSHIP (PPP) CODE FOR THE MUNICIPALITY OF NARVACAN, ILOCOS SUR, AND PROVIDING FOR THE PROCEDURE OF SELECTING THE PRIVATE SECTOR PROPONENT, ADOPTING A CONTRACT MANAGEMENT FRAMEWORK AND PROVIDING FOR APPROPRIATIONS AND OTHER RELEVANT PURPOSES**

**WHEREAS**, under Section 20, Article II of the 1987 Constitution, the "State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments";

**WHEREAS**, the private sector participates in infrastructure, development, and social service-related projects of the State and local government units (LGUs) through what is popularly known as Public-Private Partnerships (PPPs);

**WHEREAS**, the Department of the Interior and Local Government (DILG) Legal Opinion No. 8, S. 2014 declared that "there is no specific statute on PPP nor guidelines on joint ventures for local governments" and that a "duly enacted local legislation (PPP Code) must be complied with in undertaking (its) PPP projects";

**WHEREAS**, according to the Department of Justice (DOJ) Opinion No. 18, S. 2012, "x x x local governments may enact their own Public-Private Partnership (PPP) Code or omnibus ordinance outlining, among others, all applicable modalities. x xx A local government, through an enabling ordinance, is free to act to address local concerns, even without an enabling ordinance, provided no statute will be infringed";

**WHEREAS**, in its Legal Opinion No. 10, S. 2014, the DILG affirmed the above-quoted DOJ Opinion and further said that, "the LGUs' discretion x xx is consistent with the state policy of the local autonomy and is in line with the operative principle of decentralization and the national goal of propelling social, and economic growth and development through the active participation of the private sector";

**WHEREAS**, in furtherance of and in consistent with local autonomy, fiscal autonomy, the principle of subsidiarity, public good and welfare, general welfare, and full autonomy over proprietary powers, the LGU-Narvacan is free, provided no statute is violated, to adopt its definition of a joint venture undertaking and prescribe the requirements, procedures and conditions for LGU-Narvacan's joint venture projects, and incorporate these in an operative framework; and

**WHEREAS**, having a framework in ordinance form will ensure and facilitate consistency, integrity, reliability, sustainability, accountability and transparency, and enforceability;





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 2 -  
Ordinance No. 48, Series of 2020 ...

**NOW THEREFORE**, on motion duly seconded,

**BE IT ORDAINED**, by the Sanggunian Bayan in session assembled that:

**CHAPTER 1  
POLICY AND BASIC PRINCIPLES**

**SECTION 1. Short Title.** – This Ordinance shall be known and cited as "The PPP (Public-Private Partnership) CODE OF NARVACAN, ILOCOS SUR".

**SECTION 2. Declaration of Policy.** –

(a) It is hereby declared as a policy that the LGU-Narvacan shall advance the public good and general welfare and promote the interest of the community and the LGU-Narvacan within the framework of sustainable and integrated development, effective constructive engagement, and meaningful people's participation in local governance.

(b) Joint Ventures (JV or JVs) shall be pursued by the LGU-Narvacan consistent with and in furtherance of its vision and mission which state that:

**VISION:** To fast track the progress and development of the Municipality of Narvacan, by entering into partnership with and encouraging the meaningful participation of the private sector in order to uplift the living standards of the citizens of Narvacan and depart from the financial abuse and economic stagnation of the past. To institutionalize transparency, public accountability and social acceptability as norms of LGU conduct.

**MISSION:** *Panagduras iti panagbalbaliw ti wagas iti ili tapno iti NARVACAN ket agbalin nga pudno nga NAISANGSANGAYAN!*

**SECTION 3. Operative Principles.** – The accomplishment of the stated policy shall be guided by the following principles:

(a) The LGU-Narvacan, pursuant to Sections 1, 2, and 5, Article X of the 1987 Constitution, is a territorial and political subdivision which enjoys local and fiscal autonomy. Under Section 3, Article X of the 1987 Constitution, **local autonomy** means a more responsive and accountable local government structure instituted through a system of decentralization. **Fiscal autonomy** means that local governments have the power to create their own sources of revenue in addition to their equitable share in the national taxes released by the national government, as well as the power to allocate their resources in accordance with their own priorities.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 3 -  
Ordinance No. 48, Series of 2020 ...

- (b) The general welfare and the public good shall always be promoted and transparency, public accountability, and social accountability mechanisms and approaches shall be integrated in PPPs from inception to implementation;
- (c) The LGU-Narvacan exists and operates in its governmental and proprietary capacities, thereby making the LGU-Narvacan an agent of, and is therefore accountable to, the State and its community. The role of the LGU-Narvacan both as a regulator of a business and as implementor of a proprietary undertaking must be clearly delineated.
- (d) The LGU-Narvacan must develop into a self-reliant community, and as such, is in a better position to address and resolve matters that are local in scope. The LGU-Narvacan is under the supervision of the President and under the qualified control of Congress.
- (e) Under Section 18 of Republic Act (RA) No. 7160 or the Local Government Code of 1991 (1991 LGC), the LGU-Narvacan may acquire, develop, lease, encumber, alienate, or otherwise dispose of real or personal property held by them in their proprietary capacity and may apply their resources and assets for productive, developmental, or welfare purposes.
- (f) Under Sections 22(a)(5) and 22(a)(6) of the 1991 LGC, every LGU, as a corporation, and has the power to enter into contracts, among others, subject to limitations under the law.
- (g) Under Section 22(c) of the 1991 LGC, no contract may be entered into by the Local Chief Executive on behalf of the LGU-Narvacan without prior authorization by the LGU-Narvacan Sanggunian. The participation of the Sanggunian is indispensable in the adoption and implementation of a JV arrangement.
- (h) Under Section 22(d) of the 1991 LGC, the LGU-Narvacan enjoys full autonomy in the exercise of its proprietary functions and shall exercise the powers expressly granted, those necessarily implied therefrom, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, those not otherwise prohibited by law and those which are essential to the promotion of the general welfare.
- (i) Under Section 25(b) of the 1991 LGC, the LGU-Narvacan may collaborate or cooperate with other local governments, national government agencies, government-owned or controlled corporations, government instrumentalities, and government corporate entities for the implementation of local projects.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 4 -  
Ordinance No. 48, Series of 2020 ...

- (j) Under Sections 16, 17, 19 and 129 of the 1991 LGC, and other statutes, the LGU-Narvacan has been given responsibility and mandate to exercise devolved and delegated powers.
- (k) The LGU-Narvacan, under Section 106 of the 1991 LGC, is mandated to draw up and implement a comprehensive multi-sectoral development plan.
- (l) PPPs shall be pursued by the LGU-Narvacan consistent with its infrastructure, development, investment, environmental, and governance framework embodied in relevant policies, plans, ordinances and codes.
- (m) The LGU-Narvacan, as a partner in a PPP arrangement, may contribute money/capital, services, assets (including equipment, land, intellectual property or anything of value), or a combination of any or all of the foregoing, and the usage thereof for a PPP project shall be considered for public use and purpose.
- (n) Under Sections 34, 35, and 36 of the 1991 LGC and in the exercise of its powers, the LGU-Narvacan may enter into PPPs and such other cooperative arrangements with people's and non-governmental organizations (POs and NGOs) to engage in the delivery of certain basic services, capability-building and livelihood projects, and to develop local enterprises designed to improve productivity and income, diversity agriculture, spur rural industrialization, promote ecological balance, and enhance the economic and social well-being of the people; provide assistance, financial or otherwise, to such POs and NGOs for economic, socially-oriented, environmental, or cultural projects to be implemented within its territorial jurisdiction.
- (o) The LGU-Narvacan, under Section 3(l) of the 1991 LGC, is duly-bound to ensure the active participation of the private sector in local governance.
- (p) The right of the people to information on matters of public concern is guaranteed under Section 7, Article III of the 1987 Constitution. Furthermore, it is the policy of the State to allow full public disclosure of all its transactions involving public interest such as PPPs under Section 28, Article II of the 1987 Constitution under such guidelines and limitations necessary for the efficient and unhampered pursuit of its goals.
- (q) The people's right to effective and reasonable participation and public trust provision under Section 16, Article XIII and Section 1, Article XI, respectively of the 1987 Constitution guarantee and empower civil society organizations (CSOs) to have effective and meaningful participation in the regulation and management of PPP projects.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO T. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. RABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 5 -  
Ordinance No. 48, Series of 2020 ...

**SECTION 4. Rationale for JV/PPPs.** – JV/PPPs shall be promoted to provide better, affordable, and timely services to the community. In pursuing JV/PPPs, the LGU-Narvacan shall be guided by the following reasons and drivers:

- (a) JV/PPP projects shall be undertaken in furtherance of the LGU-Narvacan development and physical framework plan.
- (b) The JV/PPP project is an essential part of the overall local development plan of the LGU-Narvacan. Infrastructure and regulatory reform shall be achieved by: (i) encouraging performance-based management of the delivery of public services applying commercial principles and incentives whenever possible; (ii) introducing competition in and for the market; and (iii) involving users and stakeholders in the decision-making process.
- (c) JV/PPP projects should be adopted to address a public need. Under the principle of "additionality", the increased economic benefits to consumer welfare of having needed public services and infrastructure is now accessible because of the JV/PPP project, rather than having to wait for the LGU-Narvacan could provide the public services much later. JV/PPPs would also encourage the accelerated implementation of local projects.
- (d) JV/PPP projects can be adopted to avoid costs and public borrowing. By contracting with the private sector to undertake a new infrastructure project, scarce LGU-Narvacan capital budgets can be directed to other priority sectors such as social services, education, and health care.
- (e) The JV/PPP project allows for technology transfer and improved efficiency and quality of service. These could be valuable contribution of the private sector in local governance.
- (f) JV/PPP projects should be feasible and affordable. The need for the project, broad level project costs estimation, and indicative commercial viability should be demonstrated. The assessment of affordability shall be the cornerstone for all JV projects, both to the LGU-Narvacan and the general public.
- (g) JV/PPP projects should be bankable. High participation costs, unreasonable risk transfer, or lengthy and complex contract negotiations must be avoided. A cost recovery pricing policy attractive to the private sector must be in place; Provided, That the same will not be disadvantageous to government and public interest.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. FABITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 6 -  
Ordinance No. 48, Series of 2020 ...

- (h) JV/PPP projects should provide value-for-money and good economic value as far as practicable, including allocation of risks to the party best able to control, manage, mitigate, or insure these risks, and maximization of the benefits of private sector efficiency, expertise, flexibility and innovation.
- (i) JV/PPP projects must provide economic and social benefits and should be evaluated on this basis rather than on purely financial considerations. The LGU-Narvacan remains responsible for services provided to the public, without necessarily being responsible for corresponding investment.
- (j) JV/PPP projects must give consideration for empowerment of Filipino citizens as a strategy for economic growth and sustainability and must thus provide for the participation of local and other qualified investors to the furthest extent practicable given the nature of the project. The LGU-Narvacan shall also ensure the hiring and employment of local labor in JV/PPP projects.
- (k) Procurement of JV/PPP projects must be competitive and must be undertaken through open competitive bidding. Competition must be legitimate, fair, and honest. In the field of government contract law, competition requires, not only bidding upon a common standard, a common basis, upon the same thing, the same subject matter, the same undertaking, but also that it be legitimate, fair and honest, and not designed to injure or defraud the government. Where competitive bidding cannot be applied, a competitive process ensuring both transparency and economically efficient outcome must be employed.
- (l) The regulation of JV/PPPs shall be pursuant to the JV/PPP contract and exercised by the appropriate regulatory authority. A duly executed and legal JV/PPP contract shall be respected and not impaired and shall be binding on the successor administration pursuant to the provision on corporate succession. Procedures, activities, and steps duly undertaken by the Local Chief Executive, the JV/PPP-Selection Committee (PPP-SC), and the LGU-Narvacan Sanggunian pursuant to this Ordinance shall be continued by all successor Administrations. Any amendment or revision to this Ordinance by succeeding Administrations shall not in any way prejudice vested and contractual rights of the LGU-Narvacan and the private sector participants (PSP or PSPs) or JV/PPP partner as to the substance of agreements signed, certifications issued, resolutions issued, and procedures undertaken.
- (m) To provide efficient public service, the LGU-Narvacan must ensure, through stronger performance management and guidance, proper implementation of JV/PPP contracts that will result in value for money, on-time delivery of quality services to the public, achievement of government policy goals, all within sustainable and integrated development.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 7 -  
Ordinance No. 48, Series of 2020 ...

**CHAPTER 2  
JOINT VENTURE PROJECTS**

**SECTION 5. Joint Venture.** – A joint venture is an arrangement whereby a private sector entity or a group of private sector entities on one hand, and an LGU, or a group of LGUs on the other hand, contribute money, capital, services, assets (Including equipment, land, intellectual property or anything of value), or a combination of any or all of the foregoing, to undertake an investment activity. The JV/PPP involves a community or pooling of interests in the performance of an investment activity, and each party shall have the right to direct and govern the policies in connection therewith with the intention of sharing both profits and risks and losses, subject to agreement by the parties.

The goal of the JV/PPP's investment activity shall be specific and shall facilitate private sector initiative in a particular industry or sector. The activity shall eventually be transferred to either the private sector entity or group of private sector entities, under competitive market conditions, or to the LGU or group of LGUs.

A JV/PPP may be undertaken either through: **(i)** the formation of a JV/PPP company, incorporated and registered under the Revised Corporation Code of the Philippines (RA No. 11232), its Implementing Rules and Regulations (IRR), and Securities and Exchange Commission (SEC) rules and regulations; or **(ii)** the execution of a JV/PPP contract under which the parties shall perform the functions and obligations, and derive their respective rights without the need to form a PPP company.

The determination of the appropriateness and viability of the JV/PPP mode shall be specified, explained, and justified in the feasibility or project study weighing all the relevant value drivers and reasons for pursuing a JV/PPP project.

Parties to the JV/PPP arrangement shall undertake an activity in order to accomplish either an integrated or multi-use arrangement or specific goal or purpose with the end view of serving the public good or generating revenues: **Provided, That** the recovery of private investments shall not be through availability payments: **Provided further,** that for the purposes of this Ordinance, availability payment shall refer to payments made by the LGU -Narvacan over the lifetime of a contract in return for the PSP making the infrastructure available.

In case of a JV/PPP company, ownership and nationality requirements under the Constitution and other pertinent laws should be complied with: **Provided, that** the LGU-Narvacan's equity contribution in the PPP company shall be fifty percent (50%) or less of the outstanding capital stock of the latter. The LGU-Narvacan's contribution shall be subject to a third party independent evaluation, depending on the nature of the contribution.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. FABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

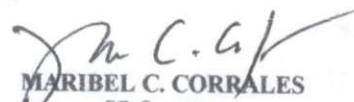
ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 8 -  
Ordinance No. 48, Series of 2020 ...

No JV/PPP project shall bear the name of any past or incumbent national or local official.

**SECTION 6. JV/PPP Projects.** – The LGU-Narvacan, through the appropriate and viable JV/PPP mode, may undertake developmental projects, including but not limited, singly or with other related components, to power plants, energy and power, renewable energy, waste-to-energy, roads, bridges, waterways, highways, ports, wharfs, terminals, airports, canals, dams, desilting, dredging, mining and exploration, hydropower projects, water supply and distribution, sewerage, irrigation, drainage, water conservation such as impoundment areas and rainwater harvesting, telecommunications, railroad and railways, traffic control and management, parking facilities, transport systems, land reclamation projects, industrial estates or townships, commercial/real estates, housing, government buildings, tourism projects, parks and open space development, pocket parks, public art, libraries, heritage and historical conservation, preservation and development, central business and industrial park development, hotels and resorts, socialized housing, public markets, slaughterhouses, warehouses, solid waste management, sanitary landfill, meeting and convention centers, health facilities, hospitals, prisons, agriculture related facilities and structures, information technology networks and database infrastructure, education and health facilities, sewerage, drainage, dredging, and other development projects.

**SECTION 7. List of JV/PPP Priority Projects.** – The LGU-Narvacan shall identify specific priority development projects in its Comprehensive Development Plan (CDP), Local Development Investment Plan, and Annual Investment Plan that may be undertaken under the PPP modality.

In undertaking a specific JV/PPP Project, the municipality may adopt and pursue the modalities provided for under then the BOT law variants in R.A. 6957 as amended by RA NO. 7718.

**SECTION 8. Government-to-Government Joint LGU JV/PPP Undertakings.** – The LGU-Narvacan by the mutual agreement in a Government-to-Government arrangement with other LGUs, national government agencies, government-owned and controlled corporations, government instrumentalities, and government corporate entities, may implement JV/PPP projects for projects located within Narvacan's territory or those projects that will benefit the LGU-Narvacan and its community even if the project site is outside the LGU-Narvacan's territory. **Provided, That** the collaborating or partner government entity jointly undertakes with the LGU-Narvacan the selection of the PSP for the joint LGU JV/PPP project.

**SECTION 9. Approval of Projects.** – All projects to be implemented in accordance with this Ordinance shall be evaluated and approved by the LGU-Narvacan Sanggunian prior to the conduct of competitive selection;





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABERTO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 9 -  
Ordinance No. 48, Series of 2020 ...

**Provided, That** in the case of unsolicited PPPs, no original proponent status shall be conferred without the approval of the LGU-Narvacan Sanggunian. The PPP project shall be evaluated on its technical, financial, economic, legal, and institutional aspects. The LGU-Narvacan Sanggunian shall likewise ensure that the project is compliant with existing laws, rules, regulations, and related issuances.

**CHAPTER 3  
SELECTION PROCEDURES**

**RULE 1  
SELECTION COMMITTEE**

**SECTION 10. JV/PPP Selection Committee.** – There is hereby created the LGU-Narvacan JV/PPP-SC for purposes of selecting a PSP for a specific JV/PPP project. The JV/PPP-SC, to be constituted and convened by the Local Chief Executive, shall be composed of the following voting members:

- (a) Chairperson – The Administrator of LGU-Narvacan;
- (b) The Treasurer;
- (c) The Planning and Development Coordinator;
- (d) The Legal Officer, as applicable;
- (e) One (1) representative from and selected by the Sanggunian designated in an appropriate resolution; and
- (f) Two (2) representatives from and chosen by the accredited CSOs, POs, and NGOs who are members of the Local Development Council

In the case of LGUs that do not have legal officers, item (d) will not apply. However, the municipality may seek legal advice from either an external legal advisor or the provincial legal officer to assist the PPP-SC or a member of the Sanggunian, or other LGU Narvacan agency who is a member of the Philippines bar and competent to give legal advice on the issue at hand.

A quorum of the PJV/PP-SC shall be composed of a simple majority of all voting members. The Chairperson shall vote only in case of a tie.

The JV/PPP-SC shall be assisted by a Secretariat to be headed by the LGU-Narvacan Planning and Development Coordinator.

The PPP-SC, with the approval of the Local Chief Executive, may invite the following to observe on a non-voting capacity in its proceedings:

- (a) One (1) technical officer knowledgeable with aspects of requirements of the project from a concerned regulatory body, who is to be invited by the LGU-Narvacan on a project-to-project basis;





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

  
HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA


SK Federated President:

  
HON. JOEMAR GREY A. CADICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 10 -  
Ordinance No. 48, Series of 2020 ...

- (b) One (1) representative from the Commission on Audit;
- (c) One (1) representative from the DILG regional Office or field units;
- (d) One (1) representative from the National Economic and Development Authority (NEDA) regional office;
- (e) One (1) representative from the PPP Center; and
- (f) Two (2) representatives from the private sector.

The PPP-SC may, with the approval of the Local Chief Executive, form a support staff composed of employees and staff of the LGU-Narvacan.

The JV/PPP-SC shall be responsible for all aspects of the pre-selection and selection process, including, among others:

- (a) the preparation of the feasibility or project study and selection/tender documents;
- (b) determination of the minimum designs, performance standards/specifications, economic parameters, and reasonable rate of return or tariff setting mechanism appropriate to the JV project;
- (c) drafting or evaluation of the JV/PPP contract;
- (d) publication of the invitation to apply for eligibility and submission of proposals or comparative proposals;
- (e) defining the eligibility requirements, appropriate form and amount of proposal securities, and schedules of the selection and challenge processes;
- (f) pre-qualification of prospective PSPs, bidders, or challengers;
- (g) conduct of pre-selection conferences and issuance of supplemental notices;
- (h) interpretation of the rules regarding selection process;
- (I) conduct of the selection or challenge process;





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 11 -  
Ordinance No. 48, Series of 2020 ...

- (j) evaluation of the legal, financial and technical aspects of the proposals;
- (k) resolution of disputes between PSPs and challengers;
- (l) defining the appeals mechanisms; and
- (m) recommendation for the acceptance of the proposal and/or for the award of the contract.

**RULE 2  
SOLICITED JOINT VENTURE PROJECTS**

**Article 1  
Selection/Tender Documents**

**SECTION 11. Selection/Tender Documents.** – The LGU-Narvacan JV/PPP-SC shall prepare the selection/tender documents which shall include the following:

- (a) Instructions to PSPs;
- (b) Minimum design, performance standards/specifications, key performance indicators, and other financial and economic parameters, where applicable, among others;
- (c) Feasibility study or a business case/pre-feasibility study of the project, which, at the minimum, shall contain the following: (i) market study; (ii) technical analysis; (iii) legal analysis; (iv) environmental impact assessment; (v) social impact assessment; (vi) project costs (investment costs, operation and maintenance expenses); (vii) economic analysis; (viii) financial analysis; (ix) implementation plan; and (x) risk analysis (identification and mitigating measures);
- (d) Draft contract reflecting the terms and conditions in undertaking the PPP, including, among others, the contractual obligations of the contracting parties and the ownership of the PPP project or property after the termination of the JV/PPP agreement and other provisions as provided in Section 14 herein;
- (e) Selection form reflecting the required information to properly evaluate the technical and financial proposal;
- (f) Forms of technical and financial proposals and performance securities; and





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEX V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 12 -  
Ordinance No. 48, Series of 2020 ...

- (g) Other documents as may be required by the LGU-Narvacan and other requirements of concerned regulatory agencies as may be pertinent or applicable to the JV.

**SECTION 12. Instruction to PSPs.** – The instructions to PSPs, which establish the rules of the selection process, shall be clear, comprehensive, and fair to all PSPs, and shall, as far as necessary and practicable, include the following information:

- (a) General description and objectives of the PPP project;
- (b) Proposal submission procedures and requirements, which shall include information aoon the manner of proposal submission, the number of copies of the technical and financial proposal to be submitted, where the proposals are to be submitted, the deadline for the submission of proposals, and permissible mode of transmission of technical and financial proposals, etc.;
- (c) Cost of eligibility and bidding documents;
- (d) Amount and form of proposal security and proposal security validity period;
- (e) Milestones;
- (f) Method, parameters, and criteria for the evaluation of the proposals;
- (g) Minimum amount of equity of the PSP;
- (h) Requirements of concerned regulatory bodies/agencies as may be pertinent or applicable to the JV project;
- (i) Revenue sharing arrangement, if any; and
- (j) Nationality and ownership requirements as required by law.

**SECTION 13. Minimum Designs, Performance Standards/ Specifications and Economic Parameters.** - Minimum design and performance standards/specifications, including key performance indicators and appropriate environmental standards by the Department of Environment and Natural Resources (DENR), and standards by the concerned regulatory agencies as may be pertinent or applicable to the JV/PPP project, shall be clearly defined and shall refer to the desired quantity and quality of the outputs of the PPP project and should state that non-conformity with any of these minimum requirements shall render the proposals as non-responsive.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. FABRITO V. SANIDAD SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VITORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. GABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 13 -  
Ordinance No. 48, Series of 2020 ...

Likewise, for the purpose of evaluating proposals, the following economic parameters, among others, and where applicable, shall be prescribed:

- (a) Discount rate, foreign exchange rate, and inflation factor;
- (b) Maximum period of project construction;
- (c) Fixed term and price indices to be used in the adjustments of tolls/fees/rentals/charges, if applicable; and
- (d) Minimum period of repayment, if applicable.

**SECTION 14. Draft Contract.** – The draft contract should clearly define the basic and legal relationship between the parties and their rights and responsibilities including specific government undertakings to be provided by the LGU-Narvacan relative to the PPP project, if any. Specifically, the draft contract shall also contain provisions on the following matters:

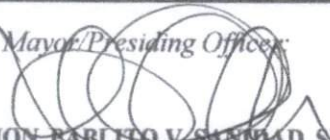
- (a) The date on which the agreement is established, executed, and considered effective;
- (b) The names, addresses, and identification of the parties, including the type of business of each party to the JV/PPP;
- (c) The name under which the JV/PPP company, if, any, will do business;
- (d) The principal place of business of the JV/PPP company, if any;
- (e) Clearly defined purpose and objective/s, contractual/agreement mode (whether JV company/corporate JV/PPP or contractual JV/PPP), term and scope of the JV/PPP contract;
- (f) Estimated cost of the JV/PPP project, project specifications, and features;
- (g) Minimum designs, performance standards/specifications, key performance indicators, and other financial and economic parameters, where applicable;
- (h) The relationship between the parties, management roles of each party in the JV/PPP project, and a statement that the parties are actually co-venturers for the project, whether or not the contract is in the name of all members;
- (i) The establishment of a fund by the parties to finance the work, together with the amount, type (cash, assets, etc.), and valuation of committed contributions of each party and when such





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 14 -  
Ordinance No. 48, Series of 2020 ...

contributions will be mad, with the fund being deposited in a special bank account under dual control and all progress payments and other revenues being deposited in such account. If the equity/contribution of the PSP is to be borrowed, a statement that there shall be no government guarantee for said loan;

- (j) Procedure for additional capital infusions, if required, and a statement that there shall be no government guarantee for loans to be incurred by the PSP in case the additional contribution of the PSP is to be borrowed;
- (k) In contractual JV/PPPs, a declaration of the participation of the parties and percentage in which profits and losses are shared, which can be increased or decreased, depending on the agreement of the parties;
- (l) Specified termination/liquidation of the PPP company, buy-out provisions, and details on the transfer of ownership of the JV/PPP facility, including provisions on what happens to the PPPs assets after the expiration of the JV/PPP agreement or end of the JV/PPP period. If equity other than cash is to be contributed, a statement as to how the property will be valued and the ownership of the property during and after the effectivity of the JV/PPP agreement;
- (m) Designation of one of the parties as general manager of the project, with authority to bind the JV company/partnership/parties, or in the alternative, the constitution of a management committee, with a provision for remuneration. Management duties, other duties of he co-ventures, and procedures to be followed in dealing with unusual situations or problems that may develop, should be specified;
- (n) Implementation milestones, regular meeting schedules, financial and periodic PPP, and progress reporting procedure;
- (o) Establishment of a JV/PPP bank account, and the appointment of a certified public accountant and lawyer;
- (p) Provide for the acquisition of licenses in the name of the JV/PPP or each co-venturer, as required;
- (q) Type of insurance carried by the JV/PPP and clearly defined liabilities to be insured against by each participant;
- (r) Definition of items which are to be considered as costs to the JV/PPP for the purpose of determining profit or loss, and a description of items which are not reimbursable to members of the JV and specified division of the profits and risks and losses;





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. FABILITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

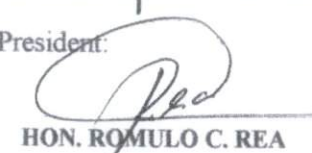
  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 15 -  
Ordinance No. 48, Series of 2020 ...

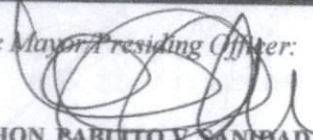
- (s) Confidentiality of trade information passed between the co-venturers;
- (t) Ownership or retention of patents, technology, and consultant reports;
- (u) Performance security requirements of the project and the bonding obligations of the co-venturers;
- (v) undivided pro-rata interests held by the co-venturers on all assets of the JV/PPP;
- (w) Restriction regarding assignment of PSP's undivided pro-rata interests in assets of the JV/PPP;
- (x) Cost recovery scheme, including payment to the government of royalties/rights, the form/description and amount of earnings (cash, asset, etc.), whether it is in absolute amounts of variable, and the period and timing such earnings and payment shall be received. In case of non-cash payment or payment in form of asset, a statement/ provision on how it will be valued, the minimum value of the asset, and the determination/selection of asset such as how and who will determine/select the asset;
- (y) Indemnification and liquidated damages;
- (z) Performance and warranty bonds;
- (aa) Minimum insurance coverage;
- (bb) Acceptance tests and procedures;
- (cc) Validity of the performance security, warranty period, and procedures;
- (dd) Grounds for and effect of contract termination/default including modes for settling disputes, procedure for handling guarantees, defects and insurance after termination, and threshold (in terms of amount, time/period, or both) for which non-payment or delay in payment and delay in starting the project/s shall be grounds for termination/rescission of the JV contract/agreement;
- (ee) The manner and procedures for the resolution of warranty against corruption;
- (ff) Compliance with all other laws, rules and regulations, including those related to social and environmental safeguards;





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. FABILITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

  
HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 16 -  
Ordinance No. 48, Series of 2020 ...

- (gg) Procedure and/or period for withdrawal by the LGU-Narvacan of its contribution to the JV/PPP, or exit divestment by the LGU-Narvacan of its interest in the JV/PPP, and substitution or addition of parties;
- (hh) Payout of funds;
- (ii) Alternative dispute resolution (ADR) mechanisms, pursuant to EO No. 78 dated 04 July 2012, to avoid management impasses that may produce deadlock or litigation;
- (jj) Provision defining how user fees, quality of public service, and other matters affecting public interest shall be regulated;
- (kk) Creation of a Contract Management Unit (CMU);
- (ll) Procedures for monitoring the JV/PPP project; and
- (mm) Procedures for amendments to the JV/PPP agreement.

**Article 2  
Invitation to Apply for Eligibility  
And Submission of Proposals**

**SECTION 15. Publication of Invitation to Apply for Eligibility and to Submit a Proposal (IAESP).** – Prior to issuance/publication of the IAESP, the LGU-Narvacan shall submit a copy of the draft JV/PPP agreement, instructions to PSP, and minimum designs, performance standards/specifications and economic parameters to the LGU-Narvacan Sanggunian and the JV/PPP Center, for information.

The IAESPs shall be advertised once in a newspaper of general nationwide circulation, and posted continuously for a period of seven (7) calendar days, starting on date of advertisement, at the following:

- (a) Website of the LGU-Narvacan, if available; and
- (b) Website of the LGU-Narvacan's service provider, if any; and
- (c) Any conspicuous place within the premises of the LGU-Narvacan's procuring entity.

PSPs shall be given at least thirty (30) calendar days from the last date of publication of the IAESP to apply for eligibility and to submit a proposal. Notwithstanding, the LGU-Narvacan may adjust said period as may be appropriate for the nature, scope, size, and complexity of the JV/PPP project, provided that the principles of transparency, competition and accountability are observed.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. FABILITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

  
HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 17 -  
Ordinance No. 48, Series of 2020 ...

**Article 3  
Qualification of PSPs**

**SECTION 16. Who may participate.**— Any individual, partnership, corporation or firm, or consortium, whether local or foreign, may participate, subject to the requirements set below.

**SECTION 17. Eligibility Requirements. —**

(a) Legal Requirements. — If the JV/PPP requires a public utility franchise, the PSP must be duly registered with the SEC and be at least sixty percent (60%) Filipino-owned. For projects other than these, PSPs shall comply with nationality and ownership requirements under the Constitution and other applicable laws and issuances.

For JV/PPP activities to be operated by the PSP or a facility operator where operation of the facility does not require a public utility franchise, the PSP or facility operator or concessionaire may be Filipino or foreign-owned, as may be allowed under applicable laws, rules and regulations.

(b) Technical Requirements. — The PSP must have completed a project similar or related to the JV/PPP whose value, adjusted to current prices using the Philippine Statistics Agency (PSA) Consumer Price Index (CPI), must be at least fifty percent (50%) of the cost of the JV/PPP subject of the selection process within the relevant period as determined by the LGU-Narvacan. The PSP shall submit a statement of all its ongoing and completed government and private contracts similar or related to the JV/PPP subject of the selection process, including contracts awarded but not yet started, if any. For clarity, one project is sufficient to meet this requirement.

(c) Financial capability. — The LGU-Narvacan shall determine, before evaluation of eligibility, the minimum amount of equity needed for the JV. For this purpose, the following documents shall be submitted by the PSP:

(i) Audited financial statements for the past three (3) calendar years. If the PSP is Filipino, the audited financial statements to be submitted must be stamped "received" by the Bureau of Internal Revenue or its duly accredited and authorized institutions; and

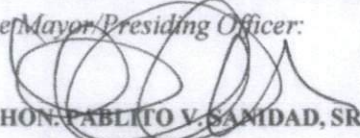
(ii) Latest tax returns, if the PSP is Filipino.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VITORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 18 -  
Ordinance No. 48, Series of 2020 ...

Financial capability shall be measured in terms of:

- (i) Proof of ability of the PSP to provide a minimum amount of equity to the JV, measured in terms of the net worth of the company, or a deposit equivalent to the minimum equity required set aside or ear-marked for the JV project; and
- (ii) A letter from a domestic universal/commercial bank, or an international bank with a subsidiary/branch in the Philippines, or any international bank recognized by the Bangko Sentral ng Pilipinas (BSP), attesting that the PSP is one of its current clients, and is in good financial standing.
- (d) In case of consortia, all member-entities of the PSP shall also submit the above legal, technical, and financial eligibility requirements to determine the overall capability of the consortia for the JV/PPP undertaking.
- (e) Acceptance of Criteria and Waiver of Rights to Enjoin JV/PPP. – In addition to the above, all PSPs shall be required to submit, as part of their qualification documents, a statement stipulating that the PSP:
  - (i) has accepted the qualification criteria established by the LGU-Narvacan JV/PPP-SC; and
  - (ii) waives any right it may have to seek and obtain a writ of injunction or prohibition or order against the LGU-Narvacan or its JV/PPP-SC to prevent or restrain the qualification proceedings related thereto, the award of the contract to a successful PSP, and the carrying out of the awarded contract. However, such waiver shall be without prejudice to the right of a disqualified or losing PSP to question the lawfulness of its disqualification or the rejection of its proposal by appropriate administrative or judicial processes not involving the issuance of a writ of injunction or prohibition or restraining order.

The LGU-Narvacan may require the PSP to submit additional documents or information necessary as required under existing laws, rules and regulations.

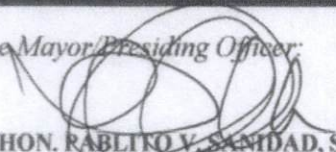
**SECTION 18. Eligible and Ineligible.** – The LGU-Narvacan, through its JV/PPP-SC, shall within a period of fifteen (15) calendar days after the deadline set for the submission of the eligibility documents, complete the





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. RABILTO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA


  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMARGREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 19 -  
Ordinance No. 48, Series of 2020 ...

evaluation of the eligibility documents of the PSP, and determine which among them are "eligible" and "ineligible". Accordingly, the JV/PPP-SC shall duly inform the eligible PSPs within seven (7) calendar days after approval thereof. Ineligible PSPs shall be similarly given notice of such ineligibility, stating therein the grounds for ineligibility within the same period.

**SECTION 19. Issuance of Tender Documents.** – The LGU-Narvacan shall make available the related competitive selection documents to all eligible PSPs as soon as practicable to provide respective PSPs ample time to examine the same and to prepare their respective proposals prior to the date of opening of the proposals. The time period from the last day of the issuance of tender documents to the date of opening of the proposal shall not exceed sixty (60) calendar days for JV facility/project costing Five Hundred Million Pesos (PhP 500M) and above, and thirty (30) calendar days for JV/PPP facility/project costing less than Five Hundred Million Pesos (PhP500M).

The proposal parameters for the JV/PPP project should be transparent and fair. It should not, in any way, be tailor-made for or meant to favour or give advantage to a particular PSP.

**Article 4  
Supplemental Competitive Selection Bulletins  
And Pre-Selection Conferences**

**SECTION 20. Responsibility of the PSP.** – The PSP shall be solely responsible for having taken all the necessary steps to carefully examine and acquaint himself with the requirements and terms and conditions of the selection documents with respect to the cost, duration, and execution/operation of the project as it affects the preparation and submission of its proposal. The LGU-Narvacan shall not assume any responsibility regarding erroneous interpretations or conclusions by the prospective PSP out of data furnished or indicated in the competitive selection documents.

**SECTION 21. Supplemental Notices.** – A PSP may submit a written request to the LGU-Narvacan on or before the pre-selection conference as to the meaning of any data or requirements or any part of the selection documents. Any substantive interpretation given by the LGU-Narvacan shall be issued in the form of a Supplemental Notice and furnished to all PSPs. The LGU-Narvacan may also issue Supplemental Notices to all PSPs at any time for purposes of clarifying any provisions of the selection documents, provided that the same are issued within a reasonable period to allow all PSPs to consider the same in the preparation of their proposals. Receipt of all Supplemental Notices shall be duly acknowledged by each PSP prior to the submission of his proposal and shall be so indicated in the proposal.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

- page 20 -  
Ordinance No. 48, Series of 2020 ...

**SECTION 22. Pre-Selection Conference.** – For JV/PPP activities with facility/project cost amounting to less than Five Hundred Million Pesos (PhP500M), a pre-selection conference shall be conducted by the LGU-Narvacan JV/PPP-SC at least fifteen (15) calendar days before the deadline for the submission of proposals. For JV/PPP activities with facility/project cost amounting to Five Hundred Million Pesos (PhP500M) and above, the pre-selection conference shall be conducted at least thirty (30) calendar days before the deadline for the submission of proposals. Notwithstanding, the LGU-Narvacan JV/PPP-SC may adjust said period as may be appropriate for the nature, scope, size, and complexity of the proposed JV/PPP; **Provided, That** the principles of transparency, competition and accountability are observed.

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

**Article 5**

**Submission and Receipt of Proposals**

**SECTION 23. Requirements for Submission of Proposals.** – PSPs shall be required to submit their proposals on or before the deadline stipulated in the "Instruction to PSPs." For eligible PSPs, proposals shall be submitted in two (2) separate sealed envelopes, the first being the technical proposal and the second the financial proposal.

The technical proposal shall contain the following, as applicable:

- (a) Compliance statements with regard to the technical parameters as stated in the tender documents;
- (b) Operational feasibility;
- (c) Technical soundness, including proposed project timeline;
- (d) Preliminary environmental assessment;
- (e) Cost of the JV project;
- (f) Proposal Security in the form as required by the LGU-Narvacan which may be in cash, certified check, manager's check, letter of credit, or bank draft/guarantee issued by a reputable local/foreign bank, or a surety bond callable on demand issued by the Government Service Insurance System (GSIS) or any entity duly registered and recognized by the Office of the Insurance Commissioner, or any combination thereof payable to the LGU-Narvacan concerned in accordance with the following schedule:





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 21 -  
Ordinance No. 48, Series of 2020 ...

Total Contribution of the PSP as estimated by the LGU	Required Proposal Security
Less than P 5.0 Billion	2.0% of the PSP contribution as estimated by the LGU-Narvacan
Php 5.0 Billion to less than Php 10.0 Billion	1.5% of the PSP contribution as estimated by the LGU-Narvacan
Php 10.0 Billion and more	1.0% of the PSP contribution as estimated by the LGU-Narvacan

- (g) Other documents to support the PSP's technical proposal, as may be required by the LGU-Narvacan.

The financial proposal shall contain the following, as the case may be:

- (a) Compliance statements with regard to the financial parameters stated in the tender documents;
- (b) Proposed cost of the JV/PPP, operation and maintenance cost, the amount of equity to be infused and debt to be obtained for the project, sources of financing, and all other related costs; and
- (c) Financial proposal corresponding to the parameters set by the LGU-Narvacan.

The LGU-Narvacan is not precluded from specifying other requirements for the technical and financial proposals that are best suited for the specific JV/PPP.

**SECTION 24. Submission of late proposals.** – Proposals submitted after the deadline for submission prescribed in the "Instructions to PSPs" shall be considered late and shall be returned unopened.

**Article 6**

**Opening and Evaluation of Proposals**

**SECTION 25. Opening of the Envelope for the Technical Proposal.** – At the date and time of the proposal opening stipulated in the "Instructions to PSPs", the LGU-Narvacan JV/PPP-SC shall open only the first envelope containing technical proposal and ascertain the following:

- (a) whether the same is complete in terms of the data/information required under Section 23 above; and
- (b) whether the same is accompanied by the required proposal security in the prescribed form, amount, and period of validity.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSOY  
Municipal Mayor

- page 22 -  
Ordinance No. 48, Series of 2020 ...

All PSPs, or their representatives, present at the opening of the envelopes containing the technical proposal shall sign a register of the proposal opening.

**SECTION 26. Evaluation of the Technical Proposal.** – The evaluation of the first envelope containing the technical proposal shall involve the assessment of the technical, operational, environmental, and financing viability of the proposal, vis-a-vis the prescribed requirements and criteria/minimum standards, and basic parameters prescribed in the competitive selection documents.

The LGU-Narvacan JV/PPP-SC shall complete the evaluation of the technical proposal within thirty (30) calendar days from the date the proposals are opened. Only those proposals that have been determined to have positively passed the evaluation of the technical proposal shall be qualified and considered for the evaluation of the financial proposal.

**SECTION 27. Opening of the Envelope for the Financial Proposal.** – Only the financial proposals of PSPs who passed the evaluation described in this Code, shall be opened for further evaluation. The financial proposals tendered by the PSPs who failed the technical proposal evaluation under Section 26 of this Code, shall not be considered further, and shall be returned unopened, together with a notice stating the reasons for disqualification from further consideration.

The LGU-Narvacan JV/PPP-SC shall notify the PSPs qualifying for the second stage of evaluation of the date, time and place of the opening of the envelopes for the financial proposal. The opening thereof shall follow the same procedure prescribed for the opening of the envelopes containing technical proposals.

**SECTION 28. Evaluation of the Financial Proposal.** – The evaluation of the financial proposal shall involve the assessment and comparison of the financial proposals against the financial parameters stated in the tender documents and proposal parameters set by the LGU-Narvacan JV/PPP-SC. The proposed financing plan must show that the same adequately meets the costs relative to the JV/PPP. The evaluation of financial proposals shall be completed by the JV/PPP-SC within fifteen (15) calendar days.

**SECTION 29. Simultaneous Evaluation of the Technical and Financial Proposals.** – In cases where the nature of the JV/PPP project shall warrant the appreciation of both the technical and financial proposals as a whole in order to determine the best proposal, simultaneous evaluation of the technical and financial proposals may be resorted to; Provided, That said evaluation procedure is subject to the determination of the Local Chief Executive and is explicitly stated in the proposal documents. Simultaneous evaluation of the technical and financial proposals shall be completed within thirty (30) calendar days from the date the proposals are opened.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 23 -  
Ordinance No. 48, Series of 2020 ...

**SECTION 30. Prescriptive periods.** – The periods stated for the evaluation of the technical and financial proposals are prescriptive. The LGU-Narvacan JV/PPP-SC may adjust said periods as may be appropriate for the nature, scope, size, and complexity of the proposed JV/PPP, provided that the principles of transparency, competition and accountability are observed.

**SECTION 31. Rejection of proposals.** – Non-compliance to the information required on either the first or second envelope shall be grounds for rejection of proposals.

**SECTION 32. Withdrawal and/or modification of proposals.** – Withdrawal and/or modification of proposals may be allowed upon written notice by the PSP concerned, to the LU-Narvacan prior to the time and date set for the opening of the envelope containing the technical proposal as specified in the "Instruction to PSPs". No proposals shall thereafter be modified or withdrawn. Proposal modifications received after said period shall be considered late and will be returned unopened. Withdrawal of proposals after the proposal opening date shall cause the forfeiture of the PSP's proposal security.

**SECTION 33. Right to Reject All Proposals.** – The LGU-Narvacan reserves the right to reject any or all proposals, waive any minor defects therein and accept the offer it deems most advantageous to the government.

**SECTION 34. Breaking tie bids.** – In case tie bids occur under competitive selection or competitive challenge, the procedure for breaking tie bids shall be done through drawing of lots or similar methods that are non-discretionary and non-discriminatory such that it is based on sheer luck or chance.

**SECTION 35. Simultaneous or Single-stage Qualification and Bidding.** – In the exigency of service, the LGU-Narvacan may opt to do a simultaneous qualification instead of a pre-qualification of proponents. In case of simultaneous qualification, the publication of the invitation, following the requirements in Articles 2, 3, and 4 of Rule 2 hereof, shall be for the submission of qualification requirements and bid proposals. The bidders shall be asked to submit their proposal in three (3) envelopes; the first envelope – the qualification documents corresponding to the requirements so stated in Section 17 herein; the second envelope – the technical proposal; and third envelope – the financial proposal. The requirements for bid submission are covered under Article 5 of Rule 2 hereof. The period for the preparation of the qualification documents shall be subsumed under the time allotted for bid preparation.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SAMBAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSO  
Municipal Mayor

- page 24 -  
Ordinance No. 48, Series of 2020 ...

**Article 7  
Award and Approval of Contract**

**SECTION 36. Recommendation to Award.** – Within seven (7) days from the date the evaluation procedure adopted is completed, the LGU-Narvacan JV/PPP-SC shall submit the recommendation of award to the Local Chief Executive. The JV/PPP-SC shall include as part of its recommendation, a detailed evaluation/assessment report on its decision regarding the evaluation of the proposals, and explain in clear terms the basis of its recommendations.

**SECTION 37. Decision to Award.** – Within seven (7) calendar days from the submission by the LGU-Narvacan JV/PPP-SC of the recommendation to award, the Local Chief Executive shall approve or reject the same. The approval shall be manifested by signing and issuing the "Notice of Award" to the winning PSP within seven (7) calendar days from approval thereof.

All participating PSPs shall be informed of the award in writing. Such decision shall be made available to the public upon request.

**SECTION 38. Notice of Award.** – The "Notice of Award" to be issued by the Local Chief Executive shall contain, among others, an instruction to the winning PSP to comply with conditions precedent for the execution of the JV/PPP agreement and to submit compliance statements with regard thereto, within thirty (30) calendar days from receipt of the "Notice of Award", unless otherwise specified or extended by the Local Chief Executive.

Conditions precedent for the execution of the contract shall include, among others, the posting of a performance security in favour of the LGU-Narvacan, proof of commitment of the required equity contribution, and proof of firm commitments from reputable financial institution to provide sufficient credit lines to cover the total estimated cost of the project. The LGU-Narvacan shall determine which form of performance security it will require, which may be in the form of cash, bank draft, or guarantee confirmed by a local bank (in the case of foreign bidders bonded by a foreign bank), letter of credit issued by a reputable bank, surety bond callable on demand issued by the Government Service Insurance System (GSIS), or by a surety or insurance companies duly accredited by the Office of the Insurance Commissioner, or a combination thereof, in accordance with the following schedules:

- (a) Cash, manager's check, irrevocable letter of credit, bank draft – a minimum of two percent (2%) of the PSP's contribution to the JV.
- (b) Bank Guarantee – a minimum of five percent (5%) of the PSP's contribution to the JV.
- (c) Surety Bond – a minimum of ten percent (10%) of the PSP's contribution to the JV.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA


  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 25 -  
Ordinance No. 48, Series of 2020 ...

Failure to comply with the conditions precedent for the execution of the contract within the prescribed thirty (30)-calendar day period or as specified or extended by the Local Chief Executive will result in confiscation of the proposal security. Within seven (7) calendar days from receipt of the compliance statements from the winning PSP, the Local Chief Executive shall determine the sufficiency of the same and notify the winning PSP accordingly.

**SECTION 39. Validity and Return of Proposal and Performance Securities.** – The execution of the JV/PPP agreement shall be made within the period of the validity of the proposal security. The required proposal security shall be valid for a reasonable period, but in no case beyond one hundred eighty (180) calendar days following the opening of the proposals. Proposal securities shall be returned to the winning PSP and unsuccessful PSPs upon signing of the JV agreement by the winning PSP.

The performance security shall be valid within the period of one (1) year after the expiration of the JV agreement or end of the JV/PPP period, or as may be stipulated in the JV/PPP agreement. Upon certification by the Local Chief Executive that there are no claims filed against the winning PSP after the expiration of the JV/PPP agreement or end of the JV/PPP period, the performance security shall be released by the former. As may be agreed upon in the JV/PPP agreement, a portion of the performance security shall be released upon compliance with corresponding milestones.

**SECTION 40. Extension of Validity of Proposals.** – When an extension of validity of proposals is considered necessary, those who submitted proposals shall be requested in writing, to extend the validity of their proposals before the expiration date of the same. However, PSPs shall not be allowed to modify or revise the price or other substantial aspect of their proposals.

PSPs shall have the right to refuse such an extension without forfeiting their proposal security. As a condition of the extension of the validity of their proposals, participating PSPs must correspondingly extend the validity of their proposal security.

**SECTION 41. Single Responsive Bid.** – A single and responsive bid shall be considered for award if it falls under any of the following circumstances:

- (a) If after advertisement, only a single PSP submits eligibility documents within the deadline stipulated in the IAESP, and it meets the eligibility requirements, after which it submits a bid which is responsive to the technical and financial requirements;





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN


ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 26 -

Ordinance No. 48, Series of 2020 ...

- (b) If after advertisement, more than one PSP submits eligibility documents in accordance with the Rule 2, Article 3 of this Ordinance, but only one (1) meets the eligibility requirements, after which it submits a bid which is responsive to the technical and financial requirements;
- (c) If after the eligibility check, more than one PSP meets the eligibility requirements but only one PSP submits a bid, and its bid is found to be responsive to the technical and financial requirements; or
- (d) If after qualification/evaluation of proposals, only one PSP meets the technical requirements but is not able to comply with financial requirements, after which a negotiation on the financial terms/proposal in accordance with Section 43 hereof is conducted and is successful.

**SECTION 42. Prospective Bidder/s Compliant with the Technical Requirements.** – In case of a single technically qualified PSP but is not able to comply with financial requirements or, in case of technically qualified PSPs but are not able to comply with financial requirements, the LGU-Narvacan may conduct negotiation on the financial terms/proposal in accordance with the next Section.

**SECTION 43. Negotiation on the Financial Terms/Proposal Under the Competitive Selection Process.** – In case the PSPs, whose technical proposals are rated "passed", are not able to comply with the financial requirements, the LGU-Narvacan JV/PPP-SC shall request said PSPs to submit their new financial proposals. Thereafter, the LGU-Narvacan shall notify and negotiate with the PSP on the financial proposal/terms with the most advantageous financial proposal. The technical proposal shall remain valid and binding. In the event the LGU-Narvacan fails to successfully negotiate with said PSP within thirty (30) calendar days reckoned from the date of notification, the LGU-Narvacan shall negotiate with the next ranked most advantageous financial proposal, and so on and so forth, until a successful negotiation has been concluded.

In case a single technically qualified PSP, the LGU-Narvacan may conduct negotiation on the financial terms or on the financial proposal and shall conclude said negotiation within thirty (30) calendar days. The technical proposal shall remain valid and binding.

In the event that there is no successful negotiation, the LGU-Narvacan shall conduct another competitive selection.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 27 -  
Ordinance No. 48, Series of 2020 ...

**SECTION 44. Failure of Competitive Selection.** – There shall be a failure of competitive selection in any of the following instances:

- (a) No prospective PSP/s is/are eligible;
- (b) No bids or proposals are received;
- (c) No prospective PSP/s is/are able to comply with technical requirements; or
- (d) No successful negotiation on the financial terms/proposal, as provided under Section 43 hereof.

In the event of a failed competitive selection brought about by instances stipulated above, the LGU-Narvacan shall review the Terms of Reference (TOR)/bidding documents and conduct another competitive selection.

**Section 45. Execution/Approval of the JV/PPP Agreement.**- The authorized signatory/ies of the winning PSP and the LGU-Narvacan, shall execute and sign the JV agreement, within seven (7) calendar days after the Local Chief Executive notifies the winning PSP of its compliance to the conditions or requirements precedent to the execution of the contract.

Consistent with Article 1159 of the New Civil Code, said JV/PPP agreement is considered the law between the parties, and the parties shall perform their respective representations, obligations, and undertakings thereunder with utmost good faith, with a view to attaining the objective thereof.

In the event of refusal, inability or failure of the winning PSP to enter into contract with the LGU-Narvacan within the time provided therefore, the LGU-Narvacan shall forfeit its proposal Security. In such event, the LGU-Narvacan shall consider the PSP with the next-ranked complying proposal as the winning PSP, and notify said PSP accordingly. If the next ranked complying PSP shall likewise refuse or fail to enter into contract with the LGU-Narvacan, its proposal security shall likewise be forfeited and the LGU-Narvacan shall consider the next ranked complying proposal, and so on, until a contract shall have been entered into. In the event that the LGU-Narvacan is unable to execute the contract with any of the complying PSPs, a failure of competitive selection will be declared and the JV/PPP may be subjected to a competitive selection again.

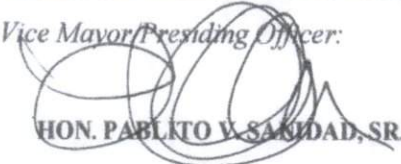
**SECTION 46. Other Approval for Contract.** – The entity tasked under the JV/PPP agreement shall, as may be required under existing laws, rules, and regulations, secure any and all other approval for the contract, or the implementation thereof, from government agencies or bodies including the regulator, in the case of public utility projects. This includes securing the assistance to its JV/PPP partner in securing all the required clearances. The contract shall provide milestones in securing such other approvals required for the implementation of the contract.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

  
HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXIA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 28 -  
Ordinance No. 48, Series of 2020 ...

Prior to the execution of the JV/PPP agreement, the local legal office, as the chief legal counsel of LGU-Narvacan, shall issue the corresponding counsel's opinion. In case the LGU-Narvacan does not have its own counsel, it may seek legal opinion from the legal counsel of the provincial government.

**SECTION 47. Presidential Approval, When Required.** – Subject to the charter of the LGU-Narvacan, no further higher approval is necessary, unless the same is required by law to be acted upon by the President of the Philippines. In which case, as deemed applicable, the provisions of existing laws, guidelines, rules and regulations shall be followed and adhered to by the LGU-Narvacan.

**SECTION 48. Contract Effectivity.** – The JV/PPP contract shall be effective upon signing thereof by the Local Chief Executive unless another date is stipulated therein.

**RULE 3  
UNSOLICITED JOINT VENTURE PROJECTS**

**Article 1  
Receipt and Initial Evaluation  
of the Unsolicited Proposal**

**SECTION 49. Submission of Complete Unsolicited JV Proposal.** A PSP submits an unsolicited proposal accompanied by a Feasibility or Project Study and draft JV contract to the LGU-Narvacan for a projected JV project.

**SECTION 50. Receipt and Evaluation of the Unsolicited JV Proposal.** – If there is more than one unsolicited proposal submitted for the same project, the LGU-Narvacan, upon recommendation of its JV-SC, may reject all proposals and pursue competitive selection, or accept the unsolicited proposal that is complete and provides greater advantage and benefits to the community and revenues to the LGU-Narvacan.

The JV-SC shall make an initial evaluation to determine the completeness of the unsolicited proposal, the eligibility of the PSP pursuant to Section 17, the necessity for the proposed project, the consistency of the terms of the draft JV contract with the LGU-Narvacan PPP Code, and the appropriateness of the project under a JV modality. The initial evaluation shall be completed within thirty (30) calendar days upon submission of the documents by the PSP including the eligibility requirements; Provided, that longer period may be allowed as determined by the LGU-Narvacan considering the complexity of the project but shall in no case exceed sixty (60) calendar days.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 29 -

Ordinance No. 48, Series of 2020 ...

Upon completion of the initial evaluation, the Head of the LGU\_Narvacan shall issue either a letter of acceptance or non-acceptance of the proposal. An acceptance shall not bind the LGU-Narvacan to enter into the JC activity, but shall mean that authorization is given to proceed with detailed negotiations on the terms and conditions of the JV activity. In case of non-acceptance, the private sector entity shall be informed of the reasons/ grounds for non-acceptance.

**Article 2  
Detailed Negotiation**

**SECTION 51. Negotiation with the PSP.**— The LGU-Narvacan and the PSP (Parties, for brevity) shall negotiate and agree on the terms and conditions of the project as well as all of its legal, technical, and financial aspects. The negotiation shall be completed within thirty (30) calendar days upon acceptance by the LGU-Narvacan of the proposal; **Provided, That** a longer period may be allowed as determined by the LGU-Narvacan considering the complexity of the project but shall in no case exceed ninety (90) calendar days.

Within seven (7) days after the successful negotiation, the JV-SC shall submit the negotiated contract to the LGU-Narvacan Sanggunian for approval. Such approval shall be issued in the form of a resolution which also authorizes the Local Chief Executive to enter into the JV contract on behalf of the LGU-Narvacan. Once approval has been obtained, the Head of the LGU-Narvacan and the authorized representative of the private sector entity shall issue a signed certification providing that:

- a. An agreement has been reached by both parties and that both agree to submit the proposal to competitive challenge;
- b. The LGU-Narvacan has found the PSP and technical and financial aspects of the project, as agreed upon, eligible; and
- c. The LGU-Narvacan confers to the PSP the original proponent (OP) status.

The issuance of the certification commences the activities for the solicitation for comparative proposals.

However, should negotiations not result to an agreement acceptable to both parties, the LGU-Narvacan shall have the option to reject the proposal by informing the PSP, in writing, the grounds for rejection. Thereafter, the LGU-Narvacan may accept other proposals from PSPs or decide to pursue the proposed activity through other means of procurement.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. RABILITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA


  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA


SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 30 -  
Ordinance No. 48, Series of 2020 ...

**Article 3  
Competitive or Swill Challenge Proper**

**SECTION 52. Tender Documents.** – The JV-SC shall prepare the tender documents. The eligibility criteria used in determining the eligibility of the PSP shall be the same as those stated in the tender documents. Proprietary information shall, however, be respected and protected, and treated with confidentiality. As such, it shall not form part of the tender and related documents.

The Local Chief Executive shall approve all tender documents including the draft contract before the publication of the invitation for comparative proposals.

**SECTION 53. Invitation for Comparative Proposals.** – The JV-SC shall publish the invitation for comparative proposals.

Prospective comparative PSPs or challengers shall be given at least one hundred twenty (120) calendar days from the issuance of tender/bidding documents to develop and submit comparative proposals. If no comparative proposal is received by the LGU-Narvacan, the JV project shall be immediately awarded to the OP.

**SECTION 54. Evaluation of Comparative Proposals.** - The procedure for the determination of eligibility of comparative proponents/PSPs, issuance of supplemental competitive selection bulletins and pre-selection conferences, submission and receipt of proposal, opening and evaluation of proposals shall follow the procedure stipulated under Rule 2.

If another qualified comparative PSP submits a superior counter-financial proposal, and it is accepted by the JV-SC, both the OP and the best-ranked comparative proponent shall be required to offer their best and final financial bid using the same bid parameter within a period not exceeding thirty (30) calendar days from the receipt of notice. Both bids shall be opened at the same time and neither of them shall have information on the bid of the other. The winning bid shall be determined based on the best financial proposal submitted.

Within seven (7) calendar days from the date of completion of the competitive challenge, the JV-SC shall submit the recommendation of award to the Local Chief Executive. Succeeding activities shall be in accordance with appropriate sections of Rule 2.

**SECTION 55. Posting of Bid Bond by the OP.** – The OP shall post the proposal security at the date of the first day of the publication of the invitation for comparative proposals in the amount and form stated in the tender documents.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 31 -  
Ordinance No. 48, Series of 2020 ...

**RULE 4  
ALTERNATIVE JOINT VENTURE PROCESS**

**SECTION 56. Alternative JV Process.** – Under the alternative JV/PPP process, the LGU-Narvacan's role in project development phase shall be limited to defining project requirements which shall serve as a guide to the PSP in further developing the project proposal. Such project requirements would consist of, but are not limited to:

- a. Project description;
- b. Project objectives;
- c. Project scope (geographic coverage, population coverage);
- d. Period of the Joint Venture;
- e. Minimum performance standards and specifications and key performance indicators;
- f. Economic and financial viability indicators and their corresponding hurdle rates;
- g. Government contributions; and
- h. Draft Joint Venture Agreement.

It shall be the task of the PSP to conduct the feasibility study based on the above requirements and according to a template that shall be provided by the LGU-Narvacan. The template shall describe the contents of the feasibility which shall, at the minimum, consist of the following:

- a. Market Study;
- b. Technical analysis;
- c. Legal analysis;
- d. Environmental impact assessment;
- e. Social impact assessment;
- f. Project costs (Investment costs, operation and maintenance expenses);
- g. Economic analysis;
- h. Financial analysis;
- i. Implementation plan; and
- j. Risk analysis (identification of risk and mitigating measures).

**SECTION 57. Selection Process.**– The LGU-Narvacan shall publish an IAESP which shall additionally include the invitation to submit a feasibility study based on the project requirements as stated in Section 56. The succeeding selection process as described in the following table shall be conducted in accordance with the provisions under Rule II, as applicable:





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. FABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 32 -  
Ordinance No. 48, Series of 2020 ...

ALTERNATIVE JOINT VENTURE SELECTION PROCESS	
PROCESS	RESPONSIBLE PARTY
1. Submission of pre-qualification documents and project proposal	Private Proponent
2. Short-listing of pre-qualified bidders	JV-SC
3. Conduct of pre-bid meetings with short-listed proponents	JV-SC
4. Publishing the Instructions to Bidders and the final JV agreement	JV-SC
5. Submission of financial bids	Pre-qualified PSP
6. Evaluation of financial bids based on the bid parameter	JV-SC
7. Selection of winning bidder	JV-SC
8. Approval of Joint Venture and JV Partner	Local Sanggunian
9. Signing of JV	Local Chief Executive (LCE) and Winning PSP

**CHAPTER 4  
APPEALS MECHANISM**

**SECTION 58. Appeals During the Pre-Qualification Stage.-** PSPs found ineligible by the JV/PPP-SC during the pre-qualification stage may appeal their ineligibility to the Local Chief Executive or his authorized representative, within seven (7) calendar days from receipt of the notice of ineligibility. The selection process will be suspended for a maximum period of thirty (30) calendar days while the appeal is being evaluated. The Local Chief Executive or his authorized representative shall act on the appeal within the thirty (30) calendar-day period of suspension of the selection process. The decision of the Local Chief Executive, or his authorized representative, on the appeal shall be final and immediately executory. If the appeal is not resolved within said period, the appeal is deemed denied, and the selection process will proceed.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. RABILTO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 33 -  
Ordinance No. 48, Series of 2020 ...

**SECTION 59. Appeals After the Competitive Process.** – Decisions of the JV/PPP-SC with respect to conduct of the competitive selection process may be appealed in writing to the Local Chief Executive concerned: Provided, however, That a prior motion for reconsideration should have been filed by the party concerned seven (7) days from notice of the JV-SC recommendation, and the same has been resolved by the JV/PPP-SC within fifteen (15) days from the filing of the same. The appeal must be filed within seven (7) calendar days from receipt by the party concerned of the resolution JV/PPP-SC denying its motion for reconsideration. The Local chief Executive shall resolve the appeal within fifteen (15) days from receipt thereof. An appeal may be made by filing a verified position paper with the Local Chief Executive concerned, accompanied by the payment of a non-refundable appeal fee. The non-refundable appeal fee shall be in an amount equivalent to no less than one-half (1/1) of one percent (1%) of the project cost.

**CHAPTER 5  
REGULATION AND CONTRACT MANAGEMENT**

**SECTION 60. Regulation of Tolls/Fees/Rentals/Charges.** – Pursuant to Section 154 and 155 of the Local Government Code, the LGU-Narvacan Sanggunian shall prescribe the terms and conditions and fix the rates for the imposition of tolls/fees/rentals/charges. Such regulation shall be in consultation with the concerned stakeholders.

**SECTION 61. Contract Management Unit.** – The CMU created under this Code shall ensure the successful implementation of the JV project. It shall likewise perform the following functions:

- a. Develop the contract management manual as contemplated in Section 62 hereof;
- b. Manage the day-to-day implementation of the JV/PPP contract pursuant to the contract management manual;
- c. Monitor and measure performance of the JV/PPP partner against the contract's key performance indicators;
- d. Report issues encountered during implementation of the contract to the Local Chief Executive and LGU-Narvacan Sanggunian;
- e. Act as the administrator of documents and correspondence relating to the JV project and JV /PPP contract;
- f. Evaluate requests for amendment/s to the JV/PPP contract; and
- g. Such other functions as may be necessary for the successful implementation of the JV/PPP project.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 34 -  
Ordinance No. 48, Series of 2020 ...

For purposes of executing this Code, the CMU may be formed by the Local Chief Executive through an Executive Order composed of the following qualified employees of the LGU-Narvacan:

- a. Project team leader, who holds a permanent position in the LGU-Narvacan;
- b. Technical representative;
- c. Financial representative;
- d. Legal representative; and
- e. Other relevant personnel as may be assigned by the Local Chief Executive.

The LGU-Narvacan may supplement the CMU with external consultants who shall assist the CMU in the performance of their duties.

The CMU may seek the assistance of the PPP Center for guidance on the performance of its functions under this Code.

**SECTION 62. Contract Management Manual.**— The CMU shall prepare a contract management manual for each executed JV/PPP contract. The contract management manual is a tool that will be used by the CMU to plan the accomplishment of each and every obligation under the JV/PPP contract. At the minimum, this manual shall identify the following:

- a. A description of the JV/PPP project and its history;
- b. The CMU and their roles in the execution of the manual;
- c. The obligations of the parties as provided in the JV/PPP contract, including the responsible person/s for each obligation
- d. The targeted due dates for the accomplishment of each obligation;
- e. The optimal sequencing of the accomplishments of the obligations (e.g., Gantt chart, PERT-CPM);
- f. The assessment of the risk of not meeting each obligation and the risk mitigating measure/s;
- g. The protocols of reporting and monitoring of the accomplishment of each obligation, performance against KPIs, and contingent liabilities;
- h. The protocols for resolving issues and disputes that may arise during project implementation; and
- i. The documents and correspondences that must be retained by the LGU-Narvacan, including the protocols for storage, logging, accountability, disclosure, and access by the parties and the public.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. RABELTO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

  
HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 35 -  
Ordinance No. 48, Series of 2020 ...

In drafting the contract management manual, the CMU may seek the assistance of external experts such as contract management specialists and the JV/PPP Center.

The contract management manual shall be submitted to the Local Chief Executive for approval within thirty (30) calendar days from the execution of a JV/PPP contract; Provided, That for outstanding JV/PPP contracts executed prior to the effectivity of this Code, the contract management manual shall be submitted to the Local Chief Executive within one hundred and twenty days (120) days from the effectivity of this Code and the provisions of this Code shall apply *mutatis mutandis*.

The CMU may propose the revision of the contract management manual at any time during the life of the JV project, subject to the approval of the Local Chief Executive.

**SECTION 63. Post-Award Conference.**— Immediately after the JV/PPP contract is awarded, the Local Chief Executive shall convene a post-award conference to ensure that the LGU-Narvacan and JV partner have a clear and mutual understanding of the terms and conditions of the JV contract and to determine the responsibilities of parties. Notice of the post-award conference shall be sent by the LCE at least five (5) working days before the scheduled date thereof.

The post-award conference shall be attended by the members of the LGU-Narvacan Sanggunian, the CMU, and key personnel of the JV/PPP partner. The Local Chief Executive may also invite other concerned parties such as DILG regional offices or field units and the PPP Center to attend the conference.

**SECTION 64. Post-Contract Review.**— A post-contract review shall be conducted at the end of a contract period, which shall include a post-contract analysis, evaluation and reporting of the JV/PPP project, the JV/PPP partner's performance, and the LGU-Narvacan's contract management system. The post-contract review shall likewise include financial audit JV/PPP project and determination of good practices and lessons learned. LGU-Narvacan policies and procedures shall be updated where required. Notwithstanding the requirement herein, if the JV/PPP contract is subject to renewal or extension, the post-contract review shall be conducted within a reasonable time before the deadline for such renewal or extension.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VILORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEXA V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 36 -  
Ordinance No. 48, Series of 2020 ...

**SECTION 65. Amendments to the JV/PPP agreement.** – Any amendment to a JV/PPP Agreement after award and signing of contract may be allowed by the Local Chief Executive; Provided, That:

- a. There is no impact on the basic parameters, terms and conditions as approved by the LGU-Narvacan Sanggunian; or
- b. There is no increase in the agreed fees, tolls and charges or a decrease in the LGU-Narvacan's revenue or profit share derived from the project, except as may be allowed under a parametric formula in the contract itself; or
- c. There is no reduction in the scope of works or performance standards, or fundamental change in the contractual arrangement nor extension in the contract term, except in cases of breach on the part of the LGU-Narvacan obligations under the contract; or
- d. There is no additional government undertaking, or increase in the financial exposure of the LGU-Narvacan under the project.

Upon due diligence and recommendation of the Local Chief Executive, amendments to the JV agreement not covered by the above instances shall undergo approval by the LGU-Narvacan Sanggunian in terms of the impacts on the financial exposure of the LGU-Narvacan, performance standards, and service charges.

Failure to secure clearance/approval of the Local Chief Executive or the LGU-Narvacan Sanggunian as provided in this Section shall render the contract amendment void. The LGU-Narvacan shall report to the LGU-Narvacan Sanggunian and the PPP Center on any contract amendments, including those approved by the Local Chief Executive.

**SECTION 66. Alternative Dispute Resolution (ADR).** – All JV/PPP contracts of the LGU-Narvacan shall include a provision on the use of ADR mechanisms in resolving disputes arising from the JV/PPP contract. ADR mechanisms may include mediation, conciliation, and the establishment of a Project Dispute Resolution Board.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA


  
HON. JOVENIANO B. AMPO, JR.

  
HON. CHARITO C. VITORIA

  
HON. BERNADETTE C. LIM

  
HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

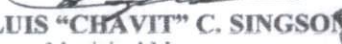
SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 37 -  
Ordinance No. 48, Series of 2020 ...

**CHAPTER 6**

**ACCOUNTABILITY, INFORMATION, EDUCATION AND MONITORING**

**SECTION 67. Code of Conduct.** – Members of the JV/PPP-SC and CMU and the contract manager, in the performance of their duties, shall act at all times in accordance with RA No. 6713 or the "Code of Conduct and Ethical Standards for Public Officials and Employees" and other related laws, rules, and regulations;

**SECTION 68. Disciplinary Action.** – Violation of this Code and the Code of Conduct insofar as the LGU-Narvacan's elective officials are concerned shall constitute a ground for disciplinary action or amount to loss of confidence under the 1991 LGC and relevant laws, and with regards local appointive officials, such violation shall render them administratively liable. Officials may also be rendered criminally liable under applicable laws and ordinances. Representatives of the PSP shall be held liable for damages, offenses, and crimes depending on the nature of their participation and involvement in the lawful act or omission.

**SECTION 69. Liability.** – The LGU-Narvacan and its officials, in undertaking a JV/PPP projects, selecting a JV partner and implementing a JV contract, shall not be exempt from liability for death or injury to persons or damage to property. Failure to respect a duly-executed JV/PPP Contract by successor officials shall render them liable without prejudice to the application of Alternative Dispute Resolution mechanisms under Section 66 hereof.

**SECTION 70. Social Accountability.**– The LGU-Narvacan shall ensure, promote, and eliminate all obstacles to social accountability and allow and enhance constructive engagement between citizens' groups, academe, consumers, rate-payers, general public, LGU-Narvacan, national government agencies, regulatory agencies, and JV partner.

**SECTION 71. Transparency and Right to information.** – The JV/PPP Contract, feasibility or project studies, bidding documents, terms of reference, results of the PSP selection process, Code of Conduct, contract management manual, minutes of the post-award conference, and other relevant documents and instrument shall be posted in two conspicuous places of the LGU-Narvacan and uploaded in a dedicated website of the LGU-Narvacan which can be freely accessed by the public. The LGU-Narvacan shall also implement a strategic communication plan addressed to all stakeholders.

**SECTION 72. Capability-building Program.** – The LGU-Narvacan shall design and implement a continuing education and capacity-building program on JV for its officials and the members of the JV/PPP-SC and CMU.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

HON. RABELLE V. SANIDAD, SR.

Sangguniang Bayan Members:

HON. EDNA C. SANIDAD

HON. JOSEPH A. TEJADA

HON. JOVENNIANO B. AMPO, JR.

HON. CHARITO C. VITORIA

HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

HON. EMILIANO C. CLARIN

HON. REINA ALEX V. ANTOLIN

ABC President:

HON. ROMULO C. REA

SK Federated President:

HON. JOEMAR GREY A. CABICO

Attested:

MARIBEL C. CORRALES  
SB Secretary

Approved:

HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 38 -  
Ordinance No. 48, Series of 2020 ...

The LGU-Narvacan shall also undertake a comprehensive and sustained education and governance campaign aimed at informing all stakeholders and CSOs, POs, and NGOs about JV projects of the LGU-Narvacan and allowing them to participate in the overall JV program of the LGU-Narvacan. The program shall include strategic and annual evaluation and planning sessions, workshops, seminars, focus-group discussions on JV/PPP, market opportunities, projects, management of contracts and regulation of JV/PPP, and other JV/PPP-related topics.

The LGU-Narvacan may tap consultants to assist them in implementing JV and in building capability for JV/PPP.

**SECTION 73. Monitoring and Governance Audit Program.** – The LGU-Narvacan, in order to ensure transparency and accountability, shall encourage CSOs, Pos, NGOs, and civic aggrupations to establish a JV/PPP monitoring, evaluation, and governance audit body functionally and fiscally independent from the LGU-Narvacan and other government institutions.

**SECTION 74. Technical and Financial Assistance.** - The Department of Finance, Department of Budget and Management, NEDA, Office of the Solicitor General, and the PPP Center may extend technical and financial assistance to the LGU-Narvacan and such assistance may be extend technical and financial assistance to the LGU-Narvacan and such assistance may be embodied in a memorandum of understanding or agreement. The DILG may also provide trainings and capacity-building activities to the LGU-Narvacan.

**CHAPTER 7  
FINAL PROVISIONS**

**SECTION 75. Appropriations.** – To carry out the provisions of this Code, necessary appropriations shall be made, which shall be included in the Annual Budget of the municipality or such Supplemental Budgets that may be necessary for the continuous implementation of this Code shall be included in the annual budget of the LGU-Narvacan.

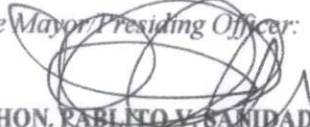
**SECTION 76. Implementing Rules.** – While this Code and the provisions hereof are already operative upon the Code's effectivity, the Local Chief Executive may issue the appropriate and relevant rules and regulation for the proper implementation of the Code or its provisions, including the issuance of relevant mechanisms to insure competition, manuals, guidelines, sample contract and bid documents, JV/PPP indexes and comparators, and performance scorecards.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA

SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 39 -

Ordinance No. 48, Series of 2020 ...

**SECTION 77. Confirmation of Executed JV/PPP Contracts and Procedures Commenced.**– JV/PPP contracts entered into prior to the enactment of this Code in strict compliance with the provisions hereof are hereby confirmed.

JV/PPP contracts entered into prior to the enactment of this JV/PPP Code without strictly complying with the applicable procedures set forth herein for the selection of the PSP shall be considered as negotiated agreements this Code which must be subjected to competitive challenge: **Provided, That** after publication and no expression of interest is submitted by an interested qualified party at the designated time, the subject JV/PPP contract shall be deemed perfected, and vested and contractual rights shall continue to subsist and operate.

JV/PPP contracts entered into prior to the enactment of this JV/PPP Code may be amended; **Provided, That** the terms of the original JV/PPP contract allow for amendments, or the amendments do not tend to increase the financial exposure, liabilities, and risks of the LGU-Narvacan or any other factors that would cause disadvantage to LGU-Narvacan and any deviation that will cause prejudice to losing PSPs; Provided further, That the amendments are approved by the Local Chief Executive with prior authorization from the Sanggunian, and the revised terms are approved or confirmed by the Sanggunian through the enactment of an ordinance.

Procedures and steps commenced and undertaken for the selection of, and statuses and rights conferred on a PSP prior to the effectivity of this Ordinance shall be operative, confirmed, and recognized, and shall henceforth be continued under this Ordinance.

**SECTION 78. Application of Other PPP/JV Laws and Regulations.** – Whenever relevant and appropriate as determined by the Local Chief Executive, upon recommendation of the JV/PPP-SC, and in the absence of a specific provision to the contrary, other relevant laws and guidelines may apply in a suppletory manner.

Whenever they may become relevant the provisions and definition of terms under Republic Act No. 6957 as amended by RA No. 7718 (BOT Law) are adopted under this Ordinance.

**SECTION 79. Separability Clause.** – If, for any reason, any section or provision of this Code or any part thereof, or the application of such section, provision or portion is declared invalid or unconstitutional, the remainder thereof shall not be affected by such declaration.





**OFFICE OF THE SANGGUNIANG BAYAN 2019-2022**

Vice Mayor/Presiding Officer:

  
HON. PABLITO V. SANIDAD, SR.

Sangguniang Bayan Members:

  
HON. EDNA C. SANIDAD

  
HON. JOSEPH A. TEJADA

  
HON. JOVENNIANO B. AMPO, JR.

  
HON. CHARITO C. VILORIA

  
HON. BERNADETTE C. LIM

HON. LORETO C. CABALLES

  
HON. EMILIANO C. CLARIN

  
HON. REINA ALEXA V. ANTOLIN

ABC President:

  
HON. ROMULO C. REA


SK Federated President:

  
HON. JOEMAR GREY A. CABICO

Attested:

  
MARIBEL C. CORRALES  
SB Secretary

Approved:

  
HON. LUIS "CHAVIT" C. SINGSON  
Municipal Mayor

- page 40 -  
Ordinance No. 48, Series of 2020 ...

**SECTION 80. Repealing Clause.** – All ordinances and resolutions or parts thereof inconsistent with the provisions of this Code are hereby repealed or modified accordingly.

This Ordinance takes precedence and thus hereby modifies the relevant procedures and approval processes outlined in other ordinances of the LGU-Narvacan relating to the implementation of JV/PPP projects or the modalities provided herein.

**SECTION 81. Effectivity.** – Upon Urgent Certification of the Mayor and on motion unanimously approved suspending the rule of the 3-day reading and calendar of the Ordinance, this Ordinance is effective immediately upon its approval.

**ENACTED.**