



# Sangguniang Panlalawigan

BATAAN CAPITOL, BALANGA CITY



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN OF BATAAN HELD AT THE BATAAN LIBRARY, CAPITOL COMPOUND, CITY OF BALANGA, BATAAN ON JULY 9, 2018

**PRESENT:**

Hon. Manuel N. Beltran, Acting Vice Governor and Presiding Officer

**FIRST DISTRICT:**

- Hon. Benjamin C. Serrano, Jr., Board Member
- Hon. Aristotle J. Gaza, Board Member
- Hon. Rolando Z. Tigas, Board Member
- Hon. Reynaldo T. Ibe, Jr., Board Member

**SECOND DISTRICT:**

- Hon. Edgardo P. Calimbas, Board Member
- Hon. Dante R. Manalaysay, Board Member
- Hon. Jose C. Villapando, Sr., Board Member
- Hon. Doroteo M. Austria, Board Member (FABC President)
- Hon. Noel Joseph L. Valdecañas, Board Member (PCL President)
- Hon. Danilo B. Salonga, Board Member (IPM Representative)

**ABSENT:**

- Hon. Dexter B. Dominguez, Board Member
- Hon. Jovy Z. Banzon, Board Member (On Leave)
- Hon. Precious D. Manuel, Board Member (SKF President) (O.B.)

**RESOLUTION NO. 299**

RESOLUTION APPROVING ORDINANCE NO. 05 ENTITLED, "ORDINANCE AUTHORIZING THE BORROWING OF THE PROVINCE OF BATAAN FROM THE LAND BANK OF THE PHILIPPINES FOR A TERM LOAN IN THE AMOUNT OF FIVE HUNDRED MILLION PESOS (P500,000,000.00) TO FINANCE THE DESIGN AND CONSTRUCTION OF THE NEW BATAAN PROVINCIAL/DISTRICT JAIL (PHASE II) IN THE MUNICIPALITY OF ORANI, PROVINCE OF BATAAN, AND HEREBY AUTHORIZING THE PROVINCIAL GOVERNOR, HONORABLE ALBERT S. GARCIA, TO ENTER INTO THE LOAN AGREEMENT WITH THE SAID BANK AND TO SIGN OTHER DOCUMENTS NEEDED FOR THIS PURPOSE".

WHEREAS, pursuant to Section 296 of the Local Government Code of 1991, any Local Government Units may create indebtedness, and avail of credit facilities to finance local infrastructure and other socio-economic development projects in accordance with the approved local development plan and public investment program;

MA. CRISTINA M. GARCIA  
Acting Provincial Governor

**"EXCELLENT PUBLIC SERVICE TOWARDS A BETTER QUALITY OF LIFE FOR ALL"**

WHEREAS, the Bataan Provincial/District Jail, in its present location at the Capitol Compound, is already congested with the number of detainees therein and without space for further expansions;



WHEREAS, the transfer of the Bataan Provincial/District Jail to the bigger 3-hectare lot in Orani, Bataan is in line with the development of the Capitol Compound;



WHEREAS, the Land Bank of the Philippines (LBP) approved to finance the Design and Construction of the New Bataan Provincial/District Jail (Phase II) in Orani, Bataan through a term loan of FIVE HUNDRED MILLION PESOS (P500,000,000.00);

WHEREAS, the Provincial Government of Bataan is willing to avail of the term loan of FIVE HUNDRED MILLION PESOS (P500,000,000.00) from LBP to finance the Design and Construction of the New Bataan Provincial/District Jail (Phase II) in Orani, Bataan;

NOW THEREFORE, on motion of Board Member Rolando Z. Tigas, duly seconded by Board Member Jose C. Villapando, Sr., Board Member Edgardo P. Calimbas and Board Member Dante R. Manalaysay, be it;

RESOLVED, as it is hereby resolved, to approve the following Ordinance:



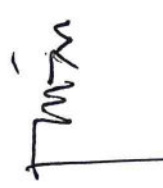
ORDINANCE NO. 05  
Series of 2018

ORDINANCE AUTHORIZING THE BORROWING OF THE PROVINCE OF BATAAN FROM THE LAND BANK OF THE PHILIPPINES FOR A TERM LOAN IN THE AMOUNT OF FIVE HUNDRED MILLION PESOS (P500,000,000.00) TO FINANCE THE DESIGN AND CONSTRUCTION OF THE NEW BATAAN PROVINCIAL/DISTRICT JAIL (PHASE II) IN THE MUNICIPALITY OF ORANI, PROVINCE OF BATAAN, AND HEREBY AUTHORIZING THE PROVINCIAL GOVERNOR, HONORABLE ALBERT S. GARCIA, TO ENTER INTO THE LOAN AGREEMENT WITH THE SAID BANK AND TO SIGN OTHER DOCUMENTS NEEDED FOR THIS PURPOSE.

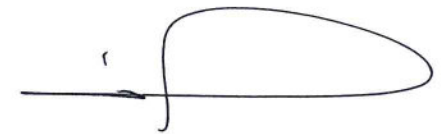


BE IT ENACTED, as it is hereby ENACTED, by the Sangguniang Panlalawigan of Bataan, in a session assembled that:

SECTION I. The Provincial Governor, Hon. Albert S. Garcia, in representation of the Province of Bataan, is hereby authorized, to enter into the LOAN AGREEMENT with the LAND BANK OF THE PHILIPPINES (LBP) in accordance with Section 297 of Republic Act No. 7160 or the Local Government Code for a term loan in the amount of FIVE HUNDRED MILLION PESOS (P500,000,000.00) under the terms and conditions herein set forth and such other terms and conditions as may be agreed upon with LBP for the purpose of funding the Design and Construction of the New Bataan Provincial/District Jail (Phase II), subject to the requirements under Section 123 of Republic Act No. 7653 and BSP Circular No. 402 as implemented by the Bangko Sentral ng Pilipinas. In this connection, the Provincial Governor shall have full power and authority to represent the Province of Bataan in signing, executing and delivering such agreements, contracts, deeds, papers,



  
MA. CRISTINA M. GARCIA  
Acting Provincial Governor



and documents as may be necessary and proper for the full and total implementation of the authority herein granted;

SECTION 2. The said priority project of the Design and Construction of the New Bataan Provincial/District Jail (Phase II) is hereby certified to be a local infrastructure and/or socio-economic development project in accordance with the approved local development plan and public investment program of the Province of Bataan;

SECTION 3. Terms and conditions of the loan:

- A. Borrower: Provincial Government of Bataan;
- B. Lender: Land Bank of the Philippines;
- C. Term Loan Amount: FIVE HUNDRED MILLION PESOS (P500,000,000.00);
- D. Purpose: To finance the Design and Construction of the New Bataan Provincial/District Jail (Phase II);
- E. Interest Rate: Variable rate at the time of release (currently at 4.00% per annum, subject to quarterly repricing);
- F. Term: Twelve (12) years with two (2) years grace period on principal payment;
- G. Fees and other charges:
  - 1. Handling fee of 0.50 based on the approved amount shall be waived;
  - 2. Commitment fee of 1/2 of 1% based on the unavailed portion of the loan shall be waived;
  - 3. Application, appraisal and inspection fees shall be waived;
  - 4. Gross Receipt Tax (GRT) shall be for the account of LBP;
  - 5. Prepayment fee shall be waived, however, a prepayment fee of 3% based on outstanding loan balance shall be imposed in case of loan take-out by other bank.
- H. Penalty charge: Twenty-four percent (24%) per annum, in case of non-payment, shall be charged to start on the day after the due date of loan amortization/credit accommodation up to the date of settlement;
- I. Collateral: Assignment of Internal Revenue Allotment;
- J. Other terms and conditions:
  - 1. Opening of Debt Servicing Reserve Account with equivalent deposit for any amortization is not required;

*[Handwritten signature]*  
2/11/18

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Signature]*  
MA. CRISTINA M. GARCIA  
Acting Provincial Governor

*[Handwritten signature]*

- 2. Up to 95% of total cost of development shall be funded by LBP;
- 3. Subject further to the terms and conditions/documentary requirements that may be imposed by the Lender's Approving Committees and Legal Services Department.



K. Mode of Release:

By billing statement provided releases were used for the intended purposes as validated by Land Bank of the Philippines Appraisers.



First Release – Equivalent of 15% of approved amount;

Succeeding Releases – Based on percentage of completion on a per project basis provided that the LGU's equity participation is in place;

Final Release – Ten percent (10%) of the approved amount upon 100% completion.

- L. Documentation: The facility will be governed by the loan documents containing covenant conditions precedent and default provisions acceptable to all parties to the transactions.

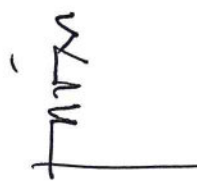
SECTION 4. The Province hereby appropriates the entire proceeds of the borrowing exclusively to finance the Design and Construction of the New Bataan Provincial/District Jail (Phase II) and other financial obligations relative thereto. Provided, however, that the Provincial Governor, with the concurrence of the Land Bank of the Philippines, may cause the substitution of the project as the need may arise.



SECTION 5. The Province will appropriate and provide for any amount of expenses which will be incurred in the construction of the said project which will exceed the amount of the proceeds of the loan agreement with the Land bank of the Philippines.

SECTION 6. Any Ordinance or parts thereof, inconsistent with this enactment is hereby repealed or amended accordingly.

SECTION 7. This Ordinance shall take effect upon its publication and compliance with all procedures required under Republic Act No. 7160 of an ordinance for its validity, including the affixation of signatures of the Sangguniang Panlalawigan Members, in concurrence thereto.



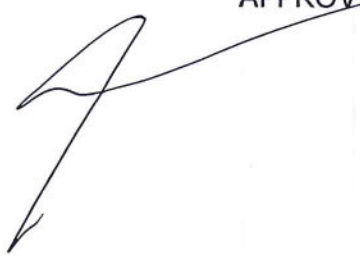
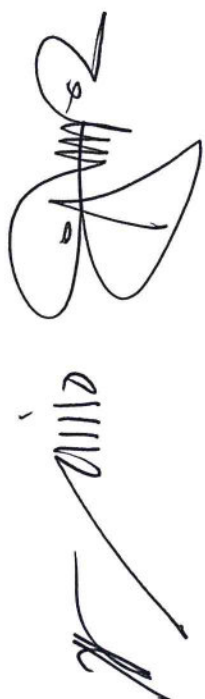
SO ORDAINED.

ADOPTED this 9<sup>th</sup> day of July 2018.

APPROVED UNANIMOUSLY.

SEVERINO P. SALAZAR  
Secretary to the SP


MA. CRISTINA M. GARCIA  
Acting Provincial Governor



  
BENJAMIN C. SERRANO, JR.  
Board Member

  
ARISTOTLE J. GAZA  
Board Member

  
ROLANDO Z. TIGAS  
Board Member

  
REYNALDO T. IBE, JR.  
Board Member

  
EDGARDO P. CALIMBAS  
Board Member

  
DANTE R. MANALAYSAY  
Board Member

  
JOSE C. VILLAPANDO, SR.  
Board Member

  
DOROTEO M. AUSTRIA  
Board Member  
(FABC President)


  
NOEL JOSEPH L. VALDECAÑAS  
Board Member  
(PCL President)

  
DANILO B. SALONGA  
Board Member  
(IPM Representative)

ATTESTED:

  
MANUEL N. BELTRAN  
Acting Vice Governor  
(Presiding Officer)

APPROVED:

  
MA. CRISTINA M. GARCIA  
Acting Provincial Governor  
Date: 7-13-18