



EXCERPT FROM THE MINUTES OF THE CY 2024 – 11th REGULAR SESSION OF THE HONORABLE SANGGUNIANG BAYAN TIGBAUAN, ILOILO HELD AT THE S.B. SESSION HALL, TIGBAUAN MUNICIPAL BUILDING ON MARCH 13, 2024, 9:25 O’CLOCK IN THE MORNING

PRESENT:

HON. LUGEN T. ORTILANO,	-	Vice Mayor & Presiding Officer
HON. ADRIAN S. CAMPOSAGRADO	-	SB Member & Temp. Pres. Officer
HON. NERI T. CAMIÑA	-	SB Member
HON. REYNALDO E. TUMABOTABO	-	SB Member
HON. JULIUS T. LEDESMA	-	SB Member
HON. NORBERTO T. TURALBA	-	SB Member
HON. JERRY T. TUARES	-	SB Member
HON. JOEL L. SAYSON	-	SB Member
HON. ANA ROWENA A. PERERA	-	SB Member
HON. GAYLORD T. TRASPORTO	-	Liga President
HON. FLORENCE JOY V. CABALONGA	-	SKMF President

ABSENT: NONE

Resolution No. 2024-031

RESOLUTION AUTHORIZING ATTY. VIRGILIO T. TERUEL, MUNICIPAL MAYOR, TO SIGN FOR AND IN BEHALF OF THE MUNICIPALITY OF TIGBAUAN, THE SERVICE AGREEMENT WITH JOINT VENTURE WITH THE CITY OF PASSI REPRESENTED BY ITS CITY MAYOR, HON. STEPHEN A. PALMARES AND BASIC ENVIRONMENTAL SYSTEMS AND TECHNOLOGIES REPRESENTED BY ITS PRESIDENT, ISABELITA MERCADO, FOR THE FINAL REPOSITORY AND DISPOSAL OF RESIDUAL SOLID WASTE TO THE PASSI CITY INTEGRATED WASTE MANAGEMENT FACILITY

WHEREAS, the said Service Agreement shall be made and entered into by, and between the following parties:

- **MUNICIPALITY OF TIGBAUAN**, a public corporation, being a local government unit and political subdivision of the Government of the Republic of the Philippines, with a seat of government at Barangay 9, Poblacion, Tigbauan, Iloilo, represented herein by **ATTY. VIRGILIO T. TERUEL**, Municipal Mayor, as the **FIRST PARTY**;
- **PASSI CITY INTEGRATED WASTE MANAGEMENT FACILITY**, a **Joint Venture** between the City of Passi, a public corporation, a local government unit and a political subdivision of the Government of the Republic of the Philippines, with a seat of government at Passi City Hall, corner Monfort Avenue, Casamayor St., Passi City, represented herein by **HON. STEPHEN A. PALMARES**, Passi City Mayor as authorized by Resolution No. 2019-069-A of its Sangguniang Panglungsod and **BASIC ENVIRONMENTAL SYSTEMS & TECHNOLOGIES, INC.**, a corporation duly organized and existing under the laws of the Republic of the Philippines, with its principal office at Penthouse, The Taipan Place, F. Ortigas Jr. Road, Ortigas Center, Barangay San Antonio, Pasig City, represented herein by its President, **ISABELITA P. MERCADO** acting pursuant to Board Resolution No. 020 Series of 2019, the Joint Venture hereinafter referred to as the **SECOND PARTY**;

WHEREAS, Republic Act No. 9003 or the Ecological Solid Waste Management Act of 2000 declares that it is the policy of the State to adopt a systematic, comprehensive and ecological solid waste management program which shall ensure the protection of public health and the environment;

WHEREAS, Section 37, in relation to Sections 40 and 41 of R.A. No. 9003, mandates Local Government Units (LGUs) to close down and discontinue the use of open dumpsites and controlled dumpsites in their jurisdiction, and to utilize sanitary landfills as final disposal site for municipal solid wastes (MSW);

WHEREAS, the FIRST PARTY is mandated under Section 458 (5) (xiii) of RA 7160, the Local Government Code of 1991 to provide for an efficient and effective system of solid waste and garbage collection and disposal, prohibit littering and the irresponsible placing and throwing of garbage, refuse and other filth and wastes materials. Rule V Article 25 (f) of its IRR further enjoined local government units to provide a "solid waste disposal or environmental management systems and services or facilities related to general hygiene and sanitation";

WHEREAS, the City of Passi, Province of Iloilo and Basic Environmental Systems and Technologies, Inc. ("BEST, Inc.") entered into a Public-Private Partnership (PPP) with Joint Venture as a modality on September 25, 2019 and is now operating the Passi City Integrated Waste Management Facility, an engineered sanitary landfill, located in Barangay Aglalana, Passi City;

WHEREAS, the Bids and Awards Committee ("BAC"), under its Resolution No. 2024-021 resolved to award the contract for final repository and disposal of the FIRST PARTY's residual Solid Waste to the PASSI CITY INTEGRATED WASTE MANAGEMENT FACILITY ("Facility"), an engineered Sanitary Landfill and a Joint Venture between the City of Passi and BEST, Inc. in the amount of SEVEN HUNDRED NINETY-TWO and TWENTY-FOUR CENTAVOS (P792.24) per metric ton of solid wastes, which was declared as the single/lowest calculated responsive bid;

WHEREAS, the SECOND PARTY agreed and accepted the award to undertake the project;

WHEREAS, for and in consideration of the foregoing premises, the above-mentioned parties agree stipulate the following terms and conditions:

I. TERM OF THE CONTRACT

- 1. This Contract shall take effect from date of contract onwards.*
- 2. The term may be extended at the option of the FIRST PARTY and for such period of time allowed under the procurement laws and such other laws, rules and regulations.*
- 3. It is understood that after the expiration of this contract, the SECOND PARTY shall continue to extend its services until a new bidding is conducted and a contract is awarded.*

II. DUTIES AND RESPONSIBILITIES

- 1. The FIRST PARTY shall utilize the Passi City Integrated Waste Management Facility as the final disposal area of its residual Solid Waste.*
- 2. The FIRST PARTY shall deliver or cause to be delivered the residual Solid Waste within its jurisdiction to the Facility. Such delivery shall be compliant with the agreed volume, delivery schedule, size, type of delivery equipment, and such other agreed conditions for the delivery and acceptance of the Solid Waste to the Facility.*
- 3. The delivery equipment to be used by the FIRST PARTY to transport the waste to the Facility shall undergo an accreditation process before it can be allowed to deliver waste to the Facility.*
- 4. The SECOND PARTY shall accept the residual Solid Waste of the FIRST PARTY delivered to the Facility. Residual Solid Waste shall not include Hazardous, Unacceptable and Special Waste.*
- 5. The SECOND PARTY warrants that the operation and maintenance of the Facility shall be in accordance with the Ecological Solid Waste Management Act of 2000 or Republic Act 9003.*

III. CONSIDERATION AND MODE OF PAYMENT

- 1. In consideration of the services of the SECOND PARTY, the FIRST PARTY undertakes to pay a **Tipping Fee** in the amount of **Seven Hundred Ninety-Two & 24/100 Pesos (Php 792.24)** disposed to the Facility. For this purpose, the quantity shall be based on the waste volume as recorded in the Facility's weigh bridge, however in instances where the weigh bridge is not available for whatever reason, the*

waste volume has to be estimated by determining the approximate capacity of each waste transport vehicle and the bulk density of the solid waste.

2. The total contract price is SEVENTY NINE THOUSAND TWO HUNDRED TWENTY FOUR (79, 224.00).
3. At the end of each billing month, the SECOND PARTY shall submit to the FIRST PARTY a Statement of Account (SOA). The SOA shall be reviewed and approved by the FIRST PARTY within fifteen (15) calendar days from the receipt of the SOA. Written requests for any revisions and/or re-computations of the SOA shall be submitted to the SECOND PARTY within the aforementioned fifteen (15) calendar day period. If no written request is received within the given period, the FIRST PARTY shall be deemed to have accepted the billing and shall pay the amount due as indicated in the SOA on or before the due date.

If a written request for a revision and/or re-computation of a SOA is received within the provided period, the SECOND PARTY shall review the request and shall, within five (5) calendar days from receipt thereof, either: (1) issue a revised SOA, in case a revision is warranted; or (2) provide a written response explaining why no revision and/or re-computation is needed. If a revised SOA is issued, the FIRST PARTY shall pay the amount due within ten (10) calendar days from the receipt of the revised SOA.

4. The FIRST PARTY shall endeavor to pay the SECOND PARTY within fifteen (15) calendar days from the receipt of the SOA. If the last day for payment of the Tipping Fee is not a working day, then payment shall be made on the next working day.
5. Any amount due which is not paid by the FIRST PARTY within the period provided in this Section shall bear Interest at the penalty rate of one percent (1%) per month or twelve percent (12%) per annum counted from its due date until payment is received. However, if without any fault on the part of the FIRST PARTY, payment for Tipping Fee is still not made within sixty (60) calendar days from the due date, the FIRST PARTY shall be charged a penalty surcharge equivalent to thirty percent (30%) of the amount due and unpaid.

IV. CANCELLATION OR TERMINATION OF CONTRACT

It is understood and agreed between the Parties that should either party breach the terms of this Contract, or should either party unreasonably fail or refuse to perform the work and services in such a manner consistent with the achievement of the result herein contracted, the innocent party at its option shall have the right to cancel or terminate this Contract upon giving the defaulting party due notice in writing, or to compel the defaulting party to fulfill its obligations under this Contract and pay all direct or indirect damages for the delay, without prejudice to the payment/settlement of billings, charges, and other payables that each party may have against the other.

V. MISCELLANEOUS PROVISIONS

1. **Confidentiality.** Unless required by law or by order from a court of competent jurisdiction, each Receiving Party shall hold in strict confidence and shall not disclose to any third party without the other party's consent, any documents and information concerning the Disclosing Party or any of its affiliates furnished to the former or its employees, representatives, consultants, contractors, or agents by the latter in connection with this Contract or the transactions contemplated hereby ("Confidential Information"). Confidential Information of one Party shall include but not be limited to: its business information (such as methods, policies, and procedures), technical information (such as any research, process, or invention), financial information, commercial information, industrial information, intellectual property, and trade secrets. Such confidential data or information shall not be divulged by the Receiving Party, their employees or agents to any third party without the written consent of the Disclosing Party. The foregoing obligation on confidentiality shall survive and subsist even after the termination or cancellation of this Contract.
2. **Amendment or Modification.** Any 98 amendment or modification of this Contract shall not be effective unless in writing and signed by the Parties.
3. **Non-Waiver.** No relaxation, waiver, forbearance, delay or indulgence by either Party in enforcing any of the terms and conditions of this Contract or the granting of time by either Party to the other shall prejudice, affect or restrict the rights of that Party under this Contract, nor shall any waiver by either Party of any breach of the provisions of this Contract shall operate as waiver of any subsequent or continuing breach of the said provision or any other provision of this Contract.
4. **Force Majeure.** Neither party shall be held liable or deemed to be in default for any failure to perform its obligation under this Agreement if such failure results directly or indirectly from force majeure or fortuitous event. Either party is thus precluded from performing its obligation until such force majeure or fortuitous event shall terminate.

For the purpose of this paragraph, force majeure shall mean circumstances beyond the control of the party involved including, but not limited to, any law, order, regulation, direction or request of the Government of the Philippines, strikes or other labor difficulties, insurrection riots, national emergencies, war, acts of public enemies, fire, floods, typhoons or other catastrophes or acts of God.

5. **Assignment of Agreement.** The SECOND PARTY, upon written notice to the FIRST PARTY, shall be allowed to assign or transfer any and all of its rights and interest in and under this Agreement to any person designated by the SECOND PARTY.
6. **Severability.** If any provision of this Contract is held to be unenforceable, in whole or in part, by a tribunal of competent jurisdiction, such holding shall not affect the validity of the other provisions of this Contract which are capable of severance and which will continue unaffected. The Parties shall then agree on such alternative provisions in replacement of the unenforceable provision(s) as closely aligned with the original intent of the Parties as possible.
7. **Counterparts.** This Contract may be executed in one or more duplicate counterparts and when signed by each of the Parties, shall constitute an original and a single binding contract. Any Party hereto may execute this Contract by signing any such counterpart. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same counterpart.
8. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof, superseding and canceling all previous negotiations, agreements and commitments in connection to the same, and is a complete, final and full disposition of all matters pertaining to, arising from or connected therewith.
9. **Governing Law and Venue.** This Contract shall be governed by, and interpreted in accordance with laws of the Republic of the Philippines. In case of any dispute arising from this Agreement, the parties also agree to submit to the exclusive jurisdiction of the appropriate courts of Pasig City, Metro Manila

NOW, THEREFORE, on motion of Hon. of HON. NERI T. CAMIÑA, Chairperson, Committee on Environmental Protection, Housing, Land Utilization, Zonification, Assessment & Expropriation, and duly seconded by Hon. Reynaldo E. Tumabotabo, Hon. Julius T. Ledesma, Hon. Norberto T. Turalba, Hon. Jerry T. Tuares, Hon. Joel L. Sayson, Hon. Ana Rowena-Perera, Hon. Gaylord T. Trasporto and Hon. Florence Joy Cabalonga;

RESOLVED, to authorize Atty. Virgilio T. Teruel, Municipal Mayor, To Sign For And In Behalf Of The Municipality Of Tigbauan, The Service Agreement With Joint Venture With The City Of Passi Represented By Its City Mayor, Hon. Stephen A. Palmares And Basic Environmental Systems And Technologies Represented By Its President, Isabelita Mercado, For The Final Repository And Disposal Of Residual Solid Waste To The Passi City Integrated Waste Management Facility,

RESOLVED FURTHER, to forward copies of this Resolution to Hon. Mayor Virgilio T. Teruel, Municipal Mayor, to the Passi City Integrated Waste Management Facility, represented by Hon. Stephen A. Palmares, Passi City Mayor and Basic Environmental Systems & Technologies Inc., represented by Isabelita P. Mercado, President and to all concerned for their information and/or appropriate action.

APPROVED.

CERTIFIED CORRECT:


MARLENE TAYO-NAVA
 S.B. Secretary

ATTESTED:


ADRIAN S. CAMPOSAGRADO
 S.B. Member & Temporary Presiding Officer

HON. LUGEN T. ORTILANO
 Municipal Vice Mayor

Sangguniang Bayan Members:

HON. ADRIAN S. CAMPOSAGRADO
 HON. NERI T. CAMIÑA
 HON. REYNALDO E. TUMABOTABO

HON. JULIUS T. LEDESMA, O.D.
 HON. NORBETO T. TURALBA
 HON. JERRY T. TUARES, C.E.
 HON. JOEL L. SAYSON

HON. ANA ROWENA ARIAS-PERERA, R.N. M.A.N.
 HON. MARIBETH LEDESMA-TUPINO, LNB President
 HON. FLORENCE JOY V. CABALONGA, PPSK President