## CITY ORDINANCE NO. 16-11 (GENERAL)

Author

: SP Member Florencio D. Ayos

Chair, Committee on Commerce,

Trade and Industry

Sponsors

: SP Member Constancia S. Felizardo

SP Member Mario C. Amante

SP Member Jowie S. Carampot

SP Member Vivencio Q. Lozares, Jr.

SP Member Hernando M. Granados

SP Member Kerby J. Salazar

SP Member Jonas Glyn P. Labuguen

SP Member Gary A. Grepo

SP Member Walter C. Martinez

SP Member Christopher N. Custodio

RENEWING THE TERM OF THE FRANCHISE GRANTED TO GENERAL TRIAS WATER CORPORATION (GTWC) DATED 23 OCTOBER 1995 EXTENDING THE SAME FOR THIRTY (30) YEARS BEGINNING 23 OCTOBER 2020 UNTIL 23 OCTOBER 2050 AND AUTHORIZING THE LOCAL CHIEF EXECUTIVE TO NEGOTIATE THE TERMS OF THE CONCESSION AND SIGN THE MEMORANDUM OF AGREEMENT WITH GTWC ON BEHALF OF THE CITY OF GENERAL TRIAS PROVINCE OF CAVITE.

WHEREAS, General Trias Water Corporation (GTWC) is a domestic corporation duly organized and existing under the laws of the Republic of the Philippines, engaged in the business of providing sound water supply;

WHEREAS, the Local Government Unit of General Trias, through Sangguniang Bayan Resolution No. 72-95, granted in favor of GTWC a franchise for the supply of a sound water system in the LGU;

WHEREAS, as a consequence of Sangguniang Bayan Resolution No. 72-95, a Memorandum of Agreement was entered into between the LGU and GTWC, which MOA shall expire on 23 October 2020;

WHEREAS, as the provisions of the MOA have been found in compliance with the objectives set forth therein and an adequate and safe water supply at a reasonable rate is a basic need of all people and communities, and considering that the social and economic activities and its promotion in the City of General Trias need to be supported by the provision of additional sound water supply to sustain its development for the next decades to come, and given that GTWC has been a willing partner of the City in the operation and distribution of water supply and system in the LGU, the extension of the MOA by and between the LGU and GTWC will redound to the benefit of the people in the City;

WHEREAS, Article 99, paragraph 3 of the Implementing Rules and Regulations of the Local Government Code of 1991 subject to the provisions of Book II of the said Code confers upon the City Government through the Sangguniang Panlungsod the power to enact ordinances granting franchises and authorizing the issuance of permits or licenses, upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the city;

WHEREFORE, on motion of SP Member Florencio D. Ayos duly seconded by all Members present,



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BE IT ORDAINED, AS IT IS HEREBY ORDAINED to grant in favor of General Trias Water Corporation (GTWC), an extension of its franchise subject to any existing laws and regulations and subject to the foregoing limitations:

SECTION 1. NATURE AND SCOPE OF FRANCHISE. Subject to the provisions of the Constitution and applicable laws, rules and regulations, there is hereby granted to General Trias Corporation (GTWC) hereunder referred to as the grantee, an extension of its franchise, which will expire on 22 October 2020, to construct, install, operate and maintain for commercial purposes and in the public interest, a water supply and system for the purpose of distributing water within the City of General Trias and for such purpose, the grantee shall have the rights and privileges to:

(a) Construct, maintain and operate water mains, pipes, conduits, reservoirs on land owned or duly acquired or obtained by the grantee for the said purpose;

(b) Supply, sell, furnish such water to any person, corporation, or public or private concern within the limits of the said City for domestic or manufacturing uses and for any other use to which water may be put, and to charge and collect a schedule of prices and conventional rates for the use of said water, which schedule of prices and rates shall at all times be subject to regulation by the National Water Resources Board, or any other government agency concerned thereon;

(c) Purify the sources of the water supply, the reservoirs and the dams subject to the approval of the Department of Health and/or any other government agency concerned thereon, and to regulate the control and use, and prevent the waste of water.

SECTION 2. REGULATION BY THE CITY OVERSIGHT COMMITTEE. An Oversight Committee shall be created by the Sangguniang Panlungsod which shall have the power to evaluate, inquire, and review the performance of GTWC during such times as may be determined by the Committee, and make recommendations to the City Mayor and the City Council all concerns on the operation and maintenance of the water system provided by the GTWC as well as the compliance by GTWC with the provisions of this franchise, the Memorandum of Agreement, and the other requirements of the LGU.

SECTION 3. TERM OF FRANCHISE. This franchise shall be for a term of thirty (30) years from the date of effectivity of this Ordinance, unless sooner revoked or cancelled. This franchise shall be deemed ipso facto revoked in the event the grantee fails to implement fully and continuously for five (5) years or in the event the grantee fails to comply with any requirement imposed by the City Government after due notice.

SECTION. 4. RATES FOR SERVICES. The charges and rates for the services that the grantee shall offer to the public shall be subject to the approval of the proper government agencies concerned therein.

SECTION 5. ACCEPTANCE AND COMPLIANCE. The acceptance of this extension shall be through the execution of a new Memorandum of Agreement (MOA) by and between the LGU and GTWC within thirty (30) days from the date of effectivity of this Ordinance. Upon giving of such acceptance, the grantee

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## OFFICE OF THE SANGGUNIANG PANLUNGSOD

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shall exercise the privileges granted under this Ordinance. Non-acceptance of the extension within the period herein provided shall be construed as an indication of the waiver by GTWC of the extension of the term of the original franchise.

SECTION 6. TAX PROVISION. The grantee, its successors or assigns, shall be subject to the payment of all taxes, duties, fees or charges and other impositions as may be required by law. The grantee shall file the return in the city where its facility is located, and pay the taxes due thereon to the City Treasurer or the duly authorized representative in accordance with the City Revenue Code and the return shall be subject to audit by the Bureau of Internal Revenue.

SECTION 7. WARRANTY IN FAVOR OF THE LOCAL GOVERNMENT. The grantee shall hold the City Government of General Trias free and harmless from all claims, accounts, demands or actions arising out of accidents or injuries, whether to property or to persons, caused by the construction or operation of the water system of the grantee.

SECTION 8. SALES, LEASE, TRANSFER, USUFRUCT, ETC. The grantee shall not lease, transfer, grant the usufruct of, sell nor assign this franchise or the rights and privileges acquired thereunder to any person, firm, company, corporation or other commercial or legal entity, nor merge with any other corporation or entity, nor shall the controlling interest of the grantee be transferred, whether as a whole or in parts, and whether simultaneously or contemporaneously to any such person, firm, company, corporation or entity without the prior approval of the City Government of General Trias. Any person or entity to which this franchise is sold, transferred or assigned shall be subject to all the same conditions, terms, restrictions and limitations of this Ordinance.

## SECTION 9. OTHER PROVISIONS:

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- a. Any construction or improvement to be undertaken by GTWC during the term of the original or the extended franchise shall not cause any impediment or obstruction in the traffic situation of the City.
- b. Any destruction or alteration of any public property, including roads and other structures, as a necessary consequence of any construction or improvement to be undertaken by GTWC shall be returned to its original state. Otherwise, GTWC shall be liable to the City Government in an amount equivalent to the costs of restoring the public property, road, or other structure to their original state.
- c. Any violation of items (a) and (b) shall, in addition to the pecuniary liability of GTWC, be a cause for the revocation of any permit, including excavation permit, issued in favor of GTWC.
- d. GTWC shall be solely liable for the payment of any easement of right of way or capital gains tax, if applicable.
- e. Should the City Government be required to acquire, as an exercise of its power of expropriation, private property for the use and benefit of GTWC, all expenses incurred shall be for the account of GTWC.

SECTION 10. AUTHORITY OF THE LOCAL CHIEF EXECUTIVE TO NEGOTIATE AND SIGN THE MEMORANDUM OF AGREEMENT. The Local Chief Executive is hereby authorized to negotiate the provisions of the MOA and to sign the same on behalf of the LGU.

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SECTION 11. SEPARABILITY CLAUSE. If any of the sections or provisions of this Ordinance is held invalid, all the other provisions not affected thereby shall remain valid.

SECTION 12. REPEALABILITY AND NON-EXCLUSIVITY CLAUSE. This franchise shall be subject to amendment, alteration, or repeal by the Sangguniang Panlungsod of General Trias when the public interest so requires and shall not be interpreted as an exclusive grant of the franchise or the privileges herein provided for.

SECTION 13. EFFECTIVITY. This Ordinance shall take effect fifteen (15) days from the date of its publication in at least two (2) newspapers of general circulation in the Philippines.

SECTION 14. Copies of this Ordinance shall be furnished to all offices/departments and agencies concerned for information, guidance and reference.

UNANIMOUSLY APPROVED under THIRD/FINAL READING on 04 OCTOBER

2016.

JONAS GLYN LABUGUEN

SP Member

SP Member

RAMPOT SP Member

SP Member

MARIO C.

SP Member

FLORENCIO D. AYOS

SP Member

VIVÉNCIO Q. LOZÁRÉS, JR.

SP Member

HERNANDO M. GRANADOS

SP Member

CONSTANCIA S. FELIZARDO

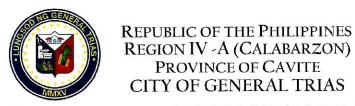
SP Member/LNB President

CHRISTOPHER N. CUSTODIO SP Member (On Leave)

CERTIFIED TRUE AND CORRECT:

WENCÉSLÃO P. CAMINGAY

Secretary to the Sanggunian



## OFFICE OF THE SANGGUNIANG PANLUNGSOD

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ATTESTED:

MAURITO C. SISON City Vice Mayor/Presiding Officer

APPROVED:

AL DONLO A. FERRER City Mayor

October 6, 2016

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