



Republic of the Philippines
City of Naga
"An Maogmang Lugar"
CITY MAYOR'S OFFICE



October 14, 2016

The Honorable Members
Sangguniang Panlungsod
Naga City

Thru : **Hon. NELSON S. LEGACION**
City Vice Mayor and Presiding Officer

Ladies and Gentlemen:

I am submitting herewith the 2017 Executive Budget totaling P1,111,041,440.30 putting us in league with large metropolitan cities operating on billion-peso budgets. But more than giving us bragging rights, the proposed P1.11 billion budget will give traction to the programs and projects contained in the 2017 Annual Investment Program representing the first full year implementation of our Executive-Legislative Agenda, a term-based update of our 2011-2020 Comprehensive City Development Plan.

After six years, we have significantly implemented a good part of our comprehensive development plan, the programs and projects we undertook subsumed under our HELP UR CITY agenda. Our success in executing this agenda--and making Nagauenos lives better--has been repeatedly affirmed by the awards we received from independent institutions and organizations both here and abroad, and resoundingly confirmed no less by our people in three electoral exercises. Indeed, we are on the right track, we need only remain steadfast in our path, and focus on the speedy but proper implementation of our plans and programs for the rest of our term. The 2017 Executive Budget reflects this resolve.

Allow me to present the key highlights:

Solid waste management

Let me start with the most pressing issue of the day: solid waste management. As you know, we have already made headway in the closure of the existing dump site in Bgy. Balatas with your approval and subsequent funding of the revised cost estimate. Thanks to our prudent fiscal management, we were able to immediately fund the said undertaking--totaling P21 million--out of our own resources. The project will be posted for public bidding shortly.

On the other hand, we are just awaiting the result of the geologic evaluation conducted by the Environment and Management Bureau on the proposed site of the sanitary landfill. Survey work by a private firm and on-site data gathering by the EMB have been completed. We anticipate the proposed site to pass the stringent standard of the Department of the Environment and Natural Resources, hopefully without need for any major site remediation. We will also subject the project's initial cost estimate to the same review as was done with the Balatas closure to bring it down further. Once all regulatory requirements are complied with, we will make use of our solid borrowing capacity to finance the sanitary landfill. Hopefully, no major issues will come out of the EMB evaluation.

Let me say though that given the huge cost of a sanitary landfill, I am still open to other alternative approaches that will not gouge our budget. I have already instructed the concerned offices to look into such alternative approaches particularly one being proffered by UNESCAP. However, this will not sideline the pre-procurement activities for the sanitary landfill. We will pursue SLF at same time that we are trying to find cheaper alternatives so as not to waste anymore time. We will only abandon SLF if, and only if, we find a viable alternative prior to the bidding of the said SLF.

In the meantime, we are proposing the immediate acquisition of five additional trucks so that the same can already be utilized for solid waste collection--and during calamities, be deployed to assist in evacuation and rehabilitation operations. These trucks will eventually service the sanitary landfill but procuring them this early will allow us to retire over-aged units which are too costly to operate. The estimated cost of the five units is P21 million. Part of the budget for the additional trucks is proposed to be included under the P36.77 million Local Disaster Risk Reduction and Management Fund (the amount is net of the 30% Quick Reaction Fund), subject to approval by the Local Disaster Risk Reduction and Mitigation Council.

In addition, the executive budget is proposing a total of P26.30 million for the various capital expenditures of the Solid Waste Management Office to bolster its waste diversion program with the aim of cutting back solid waste by up to 50%. While we do not expect such massive reduction in a year, any incremental reduction in the volume of solid waste will already translate into significant savings and time bought for the Balatas dump site and the sanitary landfill.

In addition, the same office is allotted P44,16 million in maintenance and operating expenses to sustain its effort of keeping the city clean. Included among the MOOE items are the continuing production of bacterial deodorizers which is being sprayed at the dump site, the hiring of displaced Balatas scavengers as street sweepers and garbage collectors, the operation and maintenance of our fleet of aging garbage trucks and heavy equipment, and the repair and maintenance of the materials recovery facility (MRF) at the public market and the satellite MRFs in our barangays.

All in all, the proposed budget for SWMO is P100.22 million equivalent to 9% of the city's proposed 2017 budget, easily the highest allocation among our departments and offices reflecting the city government's firm resolve to close the existing dump site and establish a final waste disposal site, and equally so, keep our neighborhood and communities clean and livable.

Traffic management

Next to solid waste, traffic is a nagging issue today. To address it, the proposed budget includes funding for more traffic and pedestrian signages which adhere to the standards of the DPWH; deployment of additional public safety officers to manage intersections, training and capacity development of PSO personnel to level up their knowledge in traffic management; increased number of IP cameras (aka "CCTV") to alert PSO of traffic bottlenecks as well as to road emergencies; communication equipment to expedite coordinated responses to traffic and emergencies; and improved police and PSO mobility.

Thus, the proposed P28.5 million budget for the Public Safety Office includes P2.193 million to fund the hiring of an expanded complement of enforcers, P1.00 million for communications equipment, P4.0 million for vehicles, and P1.5 million for various traffic management structures and road signages, and P2.0 million for other machinery and equipment including a road marker applicator for longer lasting road marks. (The applicator will ensure that newly painted pedestrian lanes will not peel off in a day or two but stay bright and visible for months.)

In the long term, we intend to ease traffic thru an expanded network of new roads as contained in our approved Executive-Legislative Agenda proposed to be funded under the national government's Kalsada Project. And given our experience with traffic lights, we will consider not only more roads but also well designed multi-lane intersections that will allow a more efficient traffic throughput. Pending the inflow of external funding, the road network, as proposed by the City Engineer's Office and the City Planning and Development Office and approved in our ELA, will guide us in the implementation of our internally funded road projects to ensure seamless integration into the planned city-wide network. By this I mean following the width and thickness specifications of the city-wide network whenever a particular local road project is identified as a segment of that network.

Corollary to these efforts is the on-going formulation of our updated land use plan and a 30-year comprehensive development plan, the latter as proposed no less by the good vice mayor. The crafting of these documents is added opportunity to refine the proposed road network if need be, and come up with a transport system interconnecting existing and future hubs of built-up areas with urban services not only thru vehicular traffic but