RESOLUTION CONFIRMING THE AUTHORITY OF HIS HONOR, THE CITY MAYOR, AND RATIFYING THE MEMORANDUM OF AGREEMENT ENTERED INTO BY AND BETWEEN THE NAGA CITY GOVERNMENT AND THE METROPOLITAN NAGA WATER DISTRICT (MNWD) WITH RESPECT TO THE TURNOVER TO THE LATTER OF THE WATERLINE EXTENSION PROJECT AT THE NAGA CITY GOVERNMENT EMPLOYEES HOUSING PROJECT, PHASE 2 (JOHNVILLE SUBDIVISION II), BARANGAY DEL ROSARIO, NAGA CITY:

Sponsor: Hon. Mila S.D. Raquid-Arroyo

WHEREAS, received by the Sangguniang Panlungsod for appropriate action is the letter dated May 7, 2019 of MNWD General Manager Virgilio B. Luansing I, forwarding the Memorandum of Agreement entered into by and between the Naga City Government and the MNWD with respect to the turnover of Waterline Extension Project at the Naga City Government Employees Housing Project, Phase 2 (Johnville Subdivision II), Barangay Del Rosario, Naga City;

WHEREAS, copy of the said Memorandum of Agreement is hereto attached as integral part of this resolution;

WHEREAS, finding the same to be in order and beneficial to both parties as well as to the beneficiaries of the Naga City Government Employees Housing Project, Phase 2 (Johnville Subdivision II), Barangay Del Rosario, Naga City;

NOW, THEREFORE, on motion of Hon. Mila S.D. Raquid-Arroyo, seconded by Hon. Jose C. Rañola and Hon. Joselito S.A. Del Rosario;

BE IT RESOLVED, as it is hereby resolved, to confirm the authority of His Honor, the City Mayor, and to ratify the Memorandum of Agreement entered into by and between the Naga City Government and the Metropolitan Naga Water District (MNWD) with respect to the turnover to the latter of the Waterline Extension Project at the Naga City Government Employees Housing Project, Phase 2 (Johnville Subdivision II), Barangay Del Rosario, Naga City.

LET COPIES of this resolution be furnished to His Honor, the City Mayor, and the Metropolitan Naga Water District (MNWD) through General Manager Virgilio B. Luansing I, for their information.

APPROVED.
Adopted: June 11, 2019

XXX XXX XXX

WE HEREBY CERTIFY to the correctness of the foregoing resolution.

GIL A. DE LA TORRE
Secretary to the Sangguniang Panlungsod

NELSON R. LEGACION
City Vice Mayor & Presiding Officer

2/F City Hall Building, Juan Miranda Avenue, Concepcion Pequeña, Naga City

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MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This AGREEMENT entered into and executed this ___ day of ________, 2019, by and between:

The METROPOLITAN NAGA WATER DISTRICT (MNWD), a Government Owned and Controlled Corporation, duly organized and existing by virtue of PD 198, as amended (otherwise known as the Provincial Water Utilities Act of 1973), with principal office at No. 40 J. Miranda Avenue, Naga City, represented in this Agreement by VIRGILIO B. LUANSING I, General Manager, per Board Resolution No. 40, Series of 2019, hereto attached, hereinafter referred to as the MNWD;

- and -

The LOCAL GOVERNMENT UNIT OF NAGA, created and organized under the laws of the Republic of the Philippines, with principal office address at J. Miranda Avenue, City Hall Compound, Naga City, Philippines, herein represented by HON. JOHN G. BONGAT, in his capacity as the City Mayor, with concurrence of the Sangguniang Panlungsod per Resolution No. ___, Series of ___, hereinafter referred to as the LGU NAGA.

WITNESSETH

WHEREAS, the MNWD is the exclusive water rights franchise holder of the water supply system for the City of Naga and its environs,

WHEREAS, the LGU, NAGA has offered to turnover to the MNWD the waterline extension projects listed hereunder, to wit:

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>PIPE SIZE (mm Φ)</th>
<th>LENGTH (M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Naga City Government Employees Housing Phase 2 (Johnville Subdivision II), Barangay Del Rosario, Naga City</td>
<td>75mm Φ</td>
<td>153</td>
</tr>
<tr>
<td></td>
<td>50mm Φ</td>
<td>643</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>796</td>
</tr>
</tbody>
</table>

WHEREAS, the LGU, NAGA, as the Owner of said waterline extensions is willing to exclusively at its own expense assume all expenses for hydrotesting, disinfection including interconnection and flushing of same, in accordance with the accepted quality standard for Water Districts in the Country,

WHEREAS, the LGU, NAGA, and the MNWD will jointly supervise / monitor the project implementation of the waterline extension projects,

NOW THEREFORE, pursuant to the terms and conditions of this covenant, the MNWD and the LGU, NAGA hereby agree on the following terms and conditions hereinafter, set forth, to wit:

1. That the LGU, NAGA shall turnover the complete operation and ownership to the MNWD the entire waterline extension projects described in the attached "As-Built Plan" hereto marked as Annex "A" which for all legal purposes shall become the sole and exclusive property of the MNWD.

2. That the LGU, NAGA shall provide a Certification of Right of Way to the MNWD of the roads where the pipeline has traversed,
3. That before the start of the interconnection, disinfection and flushing of the said waterline extensions. The LGU, NAGA shall pay to the MNWD the schedule of fees including the Source Development Share (SDS) to be assessed by the MNWD in accordance with its policy guidelines;

4. That the LGU, NAGA shall provide all materials acceptable to the MNWD for the interconnection of the said waterline extensions to the MNWD network;

5. That the MNWD by way of accommodation, shall undertake the interconnection and assist in hydrotesting, disinfection and flushing of the waterline extensions to the MNWD's water supply network all at the sole expense of the LGU, NAGA;

6. That after the completion of the interconnection of the said waterline extensions and upon issuance of a certification to that effect by the MNWD, the said waterline extensions shall be considered officially turned-over to the MNWD, which shall have complete ownership over the same. For this purpose, the MNWD shall issue a written Certificate of Acceptance to the LGU, NAGA;

7. That upon the physical turnover of the said waterline extensions and acceptance in writing by the MNWD, the latter, as the new owner of the water system, shall operate and maintain the same;

8. That the applicants for residential, government and commercial/industrial service connections shall be billed by the MNWD in accordance with the established and prevailing MNWD water rates;

Done in the City of Naga, Camarines Sur this day of __________, 2019.

WITNESS WHEREOF, the duly authorized representatives of the MNWD and the City of Naga have hereto signed this AGREEMENT on the date and the place first herein above written.

METROPOLITAN NAGA WATER DISTRICT
by:

VIRGILIO B. LUANSING I
General Manager

LGU, NAGA
by:

HON. JOHN G. BONGAT
City Mayor

Signed in the Presence of:

FLORENCIO T. MONGOSO, JR, CSEE
City Administrator
ACKNOWLEDGEMENT

Republic of the Philippines
City of Naga

BEFORE ME, this MAY 9 2019

day of, 2018 at Naga City, Philippines, personally appeared the
affiants showing to me their respective identification:

<table>
<thead>
<tr>
<th>I.D. No.</th>
<th>Issued By</th>
<th>Dated</th>
<th>Valid Until</th>
</tr>
</thead>
<tbody>
<tr>
<td>000-068</td>
<td>MNWD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1604</td>
<td>LGU-NAGA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

with pictures and current signatures thereon, and known to me and to me known to be the same
person who executed the foregoing instrument, that the said deed is the true and faithful act of the
affiants as well as the corporation/district, and acknowledge to me that the same are their free
voluntary acts and deeds.

WITNESS MY HAND AND SEAL ON THE DATE AND PLACE ABOVE WRITTEN.

[Signature]

ATTY. JOMPERALIN B. GOMEZ
NOTARY PUBLIC, NAGA, SEP. 04, 2019
REC. NO. 06-06
P.O. Box 3000
NAGA CITY, PHILIPPINES
IBP NO. 062693 JAN. 04, 2019

[Stamp]