



Republic of the Philippines
 PROVINCE OF CAGAYAN
 City of Tuguegarao
SEVENTH CITY COUNCIL



EXCERPTS FROM THE MINUTES OF THE 51st REGULAR SESSION
 OF THE SEVENTH CITY COUNCIL OF TUGUEGARAO CITY, CAGAYAN
 HELD ON AUGUST 07, 2017, 9:00 A.M., MONDAY,
 AT THE SANGGUNIANG PANLUNGSOD SESSION HALL

PRESENT:

- | | |
|-----------------------------------|--|
| Hon. Danilo L. Baccay | City Vice Mayor, Regular Presiding Officer |
| Hon. Jude T. Bayona | Sangguniang Panlungsod Member |
| Hon. Kendrick S. Calubaquib | -do- |
| Hon. Arnel T. Arugay | -do- |
| Hon. Gilbert S. Labang | -do- |
| Hon. Winnoco R. Abraham | -do- |
| Hon. Imogen Claire M. Callangan | -do- |
| Hon. Mary Marjorie P. Martin-Chan | -do- |
| Hon. Raymund P. Guzman | -do- |
| Hon. Grace B. Arago | -do- |



ABSENT:

- | | |
|---------------------------|---|
| Hon. Maila Rosario T. Que | Sangguniang Panlungsod Member (on Official Leave) |
| Hon. Anthony C. Tuddao | Sangguniang Panlungsod Member |
| Hon. Jose G. Velasco | -do- |

CITY ORDINANCE NO. 25-2017

ORDINANCE PROVIDING THE PROCEDURE AND MECHANISM FOR THE DISPOSAL OF UNSERVICEABLE, OBSOLETE AND/OR EXCESS EQUIPMENT, SUPPLIES AND MATERIALS, CREATING FOR SUCH PURPOSE A DISPOSAL COMMITTEE

- | | |
|--------------|--|
| Sponsors: | Hon. Danilo L. Baccay
Hon. Raymund P. Guzman |
| Co-Sponsors: | Hon. Jude T. Bayona
Hon. Kendrick S. Calubaquib
Hon. Arnel T. Arugay
Hon. Gilbert S. Labang
Hon. Winnoco R. Abraham
Hon. Imogen Claire M. Callangan
Hon. Mary Marjorie P. Martin-Chan
Hon. Grace B. Arago |

WHEREAS, Section 379 of Republic Act No. 7160, otherwise known as the Local Government Code, specifically provides that *“when the property of any local government unit has become unserviceable for any cause or is no longer needed, it shall, upon application of the officer accountable thereof, be inspected and appraised by the provincial, city or municipal auditor, as the case may be, or his duly authorized representative or that of COA.—xxx*

If found valuable, the same shall be sold at public auction to the highest bidder under the supervision of the Committee on Awards and in the presence of the provincial, city or municipal auditor, or his duly authorized representative.—xxx;

WHEREAS, pursuant to the provision of Section 10 of the General Provision of Republic Act No. 8174 and National Budget Circular No. 425 dated January 28, 1992, disposal of unserviceable,

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obsolete and/or excess equipment, supplies and materials is the responsibility of the respective owning Department/Agency;

WHEREAS, the creation of Disposal Committee in each department and agency is provided in Executive Order No. 888 while Executive Order No. 284 stipulated the creation and membership of the Disposal Committee;

WHEREAS, Executive Order No. 309 of 1996 provides that there is a need to expedite the disposal of unserviceable equipment and properties of the government to avoid further deterioration, especially those exposed to elements;

NOW, THEREFORE, be it ordained by the Seventh City Council the following provisions:

SECTION 1. There is hereby created a Disposal Committee to implement the foregoing and to be composed but not limited to the following, to wit:

- a. City Administrator – Chairman
- b. City General Services Officer – Member
- c. City Accountant – Member
- d. City Treasurer – Member
- e. Representative from COA – Observer

SECTION 2. Authority to Dispose. The provisions of existing laws, rules and regulations to the contrary notwithstanding the Local Chief Executive shall have the full and sole authority and responsibility to dispose of all unserviceable equipment and properties of the City Government of Tuguegarao.

SECTION 3. Duties of the Disposal Committee. The Committee shall establish a standard operating procedure to govern its action and shall perform the following functions:

1. Authorize the General Services Officer to inspect the unserviceable equipment and properties to verify justification for disposal.
2. Set the final appraised value of all disposable properties considering obsolescence, market demand, physical condition and result of previous biddings for similar property upon the recommendation of COA.
3. Recommend to the Local Chief Executive/Incumbent Mayor for approval the manner of disposal taking into consideration the pertinent provisions of the Revised Administrative Code, the National Auditing Code and other existing laws, rules and regulations.
4. Conduct public bidding for the sale of the disposable property on “As is”, “Where is” basis and to recommend the corresponding award.

The Representatives of the Committee on Audit together with the COA Technical Staff specifically assigned to the Disposal Committee shall be clothed with full authority to make final decisions in behalf of their respective offices in the various committee deliberations.

SECTION 4. Definition of Terms. The following terms which are used to refer to disposable government properties are defined, thus:

- 1.0 Abandoned property – any personal property in the possession of the City Government of Tuguegarao without a known owner as determined by COA
- 2.0 Beyond Economical Repair – when the cost of repair and maintenance becomes prohibitive and disadvantageous to the City Government of Tuguegarao considering such factor as:
 - 2.1 Maintenance expenses
 - 2.2 Downtime
 - 2.3 Replacement cost of spare parts
 - 2.4 Frequency of breakdown
 - 2.5 Alternative modes such as rental of equipment or outright replacement
- 3.0 Economically Repairable – that which can be rehabilitated and maintained at a cost economical to the agency, considering the five (5) factors mentioned in item 2.0 above

- 4.0 Equipment – any property, other than land, structures and fixed facilities, having a useful life greater than one year, the cost of which amounts to P1,500.00 or more (per COA Circular No. 86200B) and which when used does not suffer any material or substantial change or alteration in size or form
- 5.0 Excess Property – that which is beyond the requirement of the City Government of Tuguegarao but may still be needed in some other government agencies
- 6.0 Expendable Property – that which may be consumed, spent, or used-up such as supplies
- 7.0 Forfeited Property – that which is acquired by summary process or by order of the court pursuant to any law in the Philippines
- 8.0 Materials – are expendable commodities used by the government in the process of manufacture or construction including parts or remnants from destroyed or damaged fixed assets
- 9.0 Non-expandable Property – that which cannot be consumed, spent or used-up, such as, equipment
- 10.0 Obsolete Property – that which has lost its efficacy either due to technological advancement, change procedures, reorganization of office or completion of project
- 11.0 Scrap/Junk – fragments of discarded materials that have no value except for their basic materials contents and which cannot be reprocessed and re-used in the operations of other government properties
- 12.0 Supplies – are expendable commodities which are normally consumed within a year in connection with government operations
- 13.0 Surplus Property – excess personal property no longer needed by the government
- 14.0 Unserviceable Property – that which is beyond repair and has no more utilization potential

SECTION 5. Implementing Rules and Regulations – The Local Chief Executive/City Mayor shall hereby come up with the Implementing Rules and Regulations of this Ordinance within sixty (60) days from approval thereof.

SECTION 6. Applicability/Separability – Section 10 of the General Provision of Republic Act No. 8174, National Budget Circular No. 425 dated January 28, 1992, Executive Order No. 888, Executive Order No. 284 and Executive Order No. 309 of 1996 are hereby adopted by way of suppletory character and any provision of this Ordinance inconsistent thereof is hereby repealed and not enforceable.

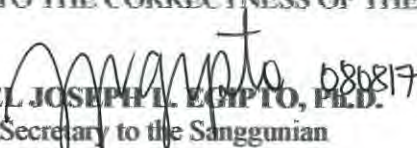
SECTION 7. Repealing Clause – Any provisions of this Ordinance notwithstanding which are inconsistent with the 1987 Constitution, RA 7160 and other National Laws, Statutes, Rules, Regulations and Issuances are hereby repealed and unenforceable and that all existing City Ordinances and Executive Orders issued by the Local Chief Executive are likewise repealed and revoked.

SECTION 8. Effectivity Clause – This Ordinance shall take effect immediately after the favorable review and approval of the Sangguniang Panlalawigan of the Province of Cagayan.

On motion of Hon. Raymund P. Guzman, with all members voting in favor and without any objection, **CITY ORDINANCE NO. 25-2017** was **APPROVED** on its Third and Final Reading under suspended rules.

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I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:


JOEL JOSEPH L. EGIPTO, P.L.D.
 Secretary to the Sanggunian

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ATTESTED:



HON. DANILO L. BACCAY

City Vice Mayor

Presiding Officer

Date: 080917

APPROVED:



HON. BIENVENIDO C. DE GUZMAN II

City Mayor

Date: 8/10/17

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