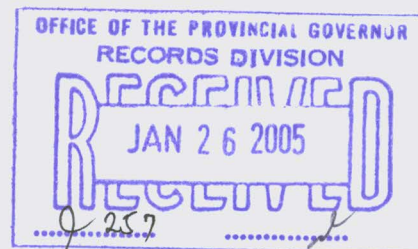


A-11-3 PROV. ORDINANCE

Republic of the Philippines
PROVINCE OF BENGUET
La Trinidad
OFFICE OF THE SANGGUNIANG PANLALAWIGAN
Regular Meeting, January 17, 2005

PRESENT: HON. CRESCENCIO C. PACALSO, Vice-Governor, Presiding Officer
HON. JOHN B. KIM, Board Member
HON. ALOYSIUS G. KATO, Board Member
HON. FERNANDO M. ARITAO, Board Member
HON. JUAN M. NAZARRO, JR., Board Member
HON. MACIANTO T. INSO, SR., Board Member
HON. APOLINARIO T. CAMSOL, Board member
HON. LISO L. AGPAS, Board Member
HON. JOHNNY S. UY, Board member
HON. SARIO M. COPAS, Board Member
HON. JOSEPH A. COSENTE, Board Member
HON. WILLIAM H. ESTEBAN, PCL President, Member
HON. EDDIE P. AMUASEN, Liga ng mga Brgy. Pres., Member



ABSENT: HON. KRISTINE GRACE D. YUBOS, SK President, Member, OB

PROVINCIAL ORDINANCE NO. 05 -98

CONVERTING THE PROVINCIAL EQUIPMENT MANAGEMENT AND SERVICES OFFICE (PEMSO) AS AN ECONOMIC ENTERPRISE OF THE PROVINCE OF BENGUET WHICH SHALL BE KNOWN AS THE BENGUET EQUIPMENT AND SERVICES ENTERPRISE (BESE)

WHEREAS, in the exercise of its power to enter into contracts and obligations, and by the authority granted by the Sangguniang Panlalawigan, the Province of Benguet through the Provincial Governor, acquired a loan in the amount of Thirty Million Pesos (P30,000,000.00) from the Land Bank of the Philippines for the purchase of heavy equipments;

WHEREAS, by virtue of Provincial Ordinance No. 97-39, the Provincial Equipment Management and Services Office (PEMSO) was created with the primary task of managing the heavy equipments to generate income for the payment of the loan;

WHEREAS, the operation of the PEMS0 was hampered by existing government policy on salary limitations and other bureaucratic processes inherent to local government units thereby causing unnecessary delays in its operation that resulted to loss of opportunity to raise income;

WHEREAS, Section 15 of the Local Government Code of 1991 provides that:

“Every local government unit created or recognized under this Code is a body politic and corporate endowed with powers to be exercised by it in conformity with law. As such, it shall exercise powers as a political subdivision of the National Government and as a corporate entity representing the inhabitants of its territory.”

WHEREAS, the law allowing LGU'S to exercise its powers as a corporate entity was crystallized in the opinions of the Securities and Exchange Commission and Department of Interior and Local Government dated August 8, 1998 and April 5, 1993, respectively;

Handwritten signatures and initials at the bottom of the page, including a large signature on the right and several initials on the left.

NOW THEREFORE, on motion duly seconded,

Be it ordained by the Sangguniang Panlalawigan in session,

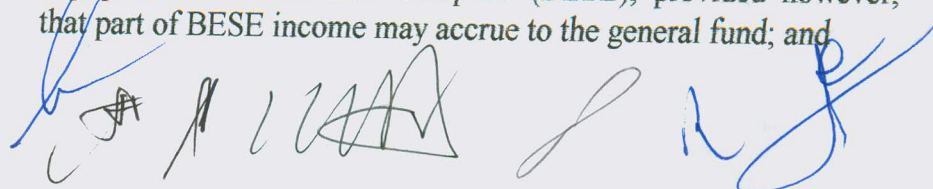
Section 1. Conversion – The office of the Provincial Equipment Management and Services Office (PEMSO) is hereby converted into an economic enterprise of the Province of Benguet and shall be known as the Benguet Equipment and Services Enterprise (BESE) with its principal office to be located at the Provincial Capitol, La Trinidad, Benguet.

Section 2. Management and Operation – The Management and Operation of the BESE shall be under the full control and supervision of the Local Chief Executive (LCE) through the BESE Management Council and the Chief Public Utility Regulation Officer.

Section 3. The Management Council – The BESE Management Council is hereby created to assist the LCE in the management and operation of the BESE. The council shall be composed of a) the LCE or his authorized representative as chairman, b) the Chairpersons of the SP Committee on Infrastructure and Committee on Ways and Means as co-vice chairman and c) the Provincial Treasurer, Provincial Legal Officer, Provincial Accountant and Chief Public Utility Regulation Officer as members.

Section 4. Powers and Functions of the BESE Management Council – The BESE Management Council shall be the policy-making body of the BESE and shall perform the following powers and functions:

- (a) Approve the staffing pattern and organizational structure of the BESE, define the duties and responsibilities of BESE employees and adopt a compensation and benefit system in accordance with existing laws, rules and regulations;
- (b) The LCE shall appoint all BESE employees subject to a selection process pursuant to existing civil service law, rules and regulations;
- (c) Prepare the budget for the Benguet Equipment and Services Enterprise (BESE);
- (d) To adopt policies that will make the Benguet Equipment and Services Enterprise self-reliant in generating and managing its financial resources and to optimize the utilization of BESE equipments and employees; and
- (e) To adopt policies towards the establishment of a system that would ensure efficient procurement procedure and policies, subject to the following terms:
 - (1) All existing equipment of the Benguet Equipment and Services Enterprise shall be used primarily in the implementation of projects funded by the provincial government. In case the equipments are not committed to the prosecution of provincially funded projects, it may be rented out to any person, firm, or corporation, private or public, subject to such policies that may be established by the BESE Management Council;
 - (2) All income derived by reason of the operation of the Benguet Equipment and Services Enterprise shall be considered as income derived from the proprietary functions of the provincial government and shall accrue to a Trust Fund which shall be used primarily for the management and operation of the Benguet Equipment and Services Enterprise (BESE), provided however, that part of BESE income may accrue to the general fund; and



- (3) Payment of salaries and expenses for maintenance and operation of equipment and the business enterprise need not have consent or approval of the council.

Section 5. The Chief Public Utility Regulation Officer – The position of a Chief Public Utility Regulation Officer (CPURO) is hereby created to assist the LCE in the management and operation of the BESE. The CPURO shall be a member of the BESE Management Council and shall receive a monthly compensation corresponding to Salary Grade twenty-four (24).

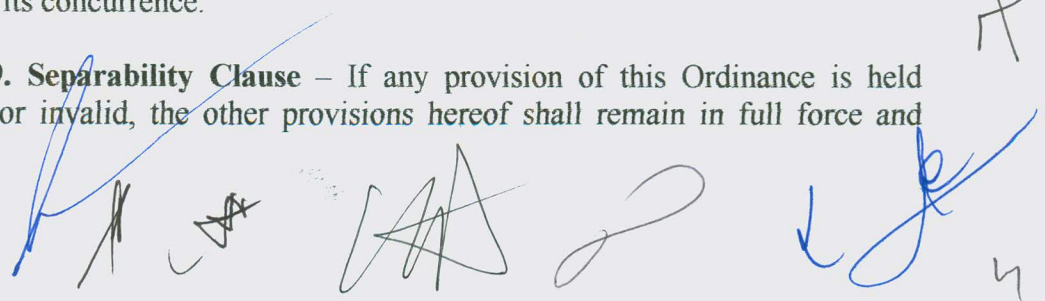
Section 6. Appointment, Qualification, Powers and Duties of the CPURO:

- (a) The CPURO shall be appointed by the LCE subject to a selection process pursuant to existing civil service law, rules and regulations and subject to confirmation by the Sangguniang Panlalawigan.
- (b) No person shall be appointed CPURO unless he is a citizen of the Philippines, a resident of the of Benguet Province, of good moral character and a holder of a college degree preferably a Mechanical Engineer with at least 3 years experience.
- (c) The Chief Public Utility Regulation Officer shall have the following duties and responsibilities:
- (1) To direct and supervise the operations and administration of the enterprise;
 - (2) To take charge the upkeep, repairs and maintenance of the equipment of the enterprise;
 - (3) Upon authority or approval of the BESE Management Council, represent the BESE in all business dealings with persons and entities;
 - (4) To submit for the consideration of the BESE Management Council such policies and measures necessary to carry out the purposes and objectives of this ordinance;
 - (5) To exercise such other powers and functions as may be conferred by the BESE Management Council; and
 - (6) To prepare and submit quarterly reports to the BESE Management Council and the Sangguniang Panlalawigan.

Section 7. Organizational Structure – Within one (1) month after the confirmation of his appointment, the Chief Public Utility Regulation Officer shall prepare and submit to the Management Council for review and approval, an organizational structure for the efficient operation of the BESE, to include therein, the number of employees, their qualifications, duties and compensation.

Section 8. Formulation of Implementing Rules and Regulations – Within one (1) month after the approval of this ordinance, the LCE shall convene the BESE Management Council as herein provided for. The said Committee shall formulate and issue the appropriate rules and regulations necessary for the efficient and effective implementation of this ordinance. A copy thereof shall be furnished the Sangguniang Panlalawigan for its concurrence.

Section 9. Separability Clause – If any provision of this Ordinance is held unconstitutional or invalid, the other provisions hereof shall remain in full force and effect.





Section 10. Repealing Clause – All provincial ordinances, resolutions and parts thereof, inconsistent with this Ordinance are hereby repealed or amended accordingly.

Section 12. Effectivity Clause – This Ordinance shall take effect in accordance with the provisions of the Local Government Code of 1991.

CARRIED.”


JOHN B. KIM
Board Member

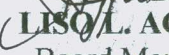

ALOYSIUS G. KATO
Board Member



FERNANDO M. ARTIAO
Board Member



JUAN M. NAZARRO, JR.
Board Member

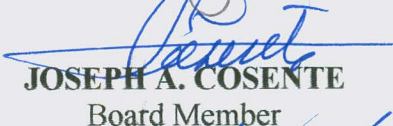

MARCIANO T. INSO, SR.
Board Member

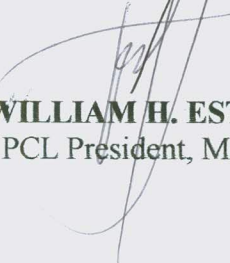

APOLINARIO T. CAMSOL
Board member

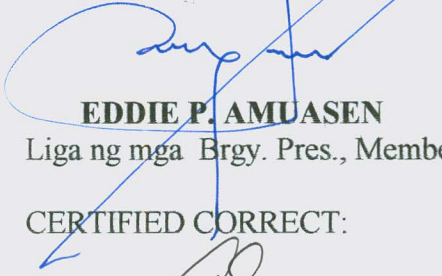

LISOL L. AGPAS
Board Member


JOHNNY S. UY
Board Member


SARIO M. COPAS
Board Member


JOSEPH A. COSENTE
Board Member

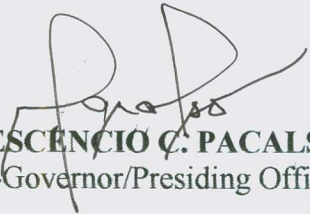

WILLIAM H. ESTEBAN
PCL President, Member


EDDIE P. AMUASEN
Liga ng mga Brgy. Pres., Member

CERTIFIED CORRECT:


NOEL S. SABOG
Provincial Secretary

ATTESTED:


CRESCENCIO C. PACALSO
Vice-Governor/Presiding Officer

APPROVED:


BORROMEIO P. MELCHOR
Provincial Governor

Date: 01-27-2005