

AN ACT AUTHORIZING ANY PROVINCIAL, MUNICIPAL OR CITY GOVERNMENT TO ENTER INTO CONTRACT WITH ANY PRIVATE PARTY FOR THE CONSTRUCTION OF ITS SELF-LIQUIDATING PROJECTS

REPUBLIC ACT NO. 5223, June 15, 1968

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Any provincial, municipal or city government is hereby authorized to enter into, and bind itself by, contracts with any private person, natural or juridical, for the construction of its self-liquidating projects, subject to the terms and conditions hereinafter set forth.

SEC. 2. Any member of the provincial board, municipal council or city council, by formal request in writing, may propose to the provincial engineer or city public works supervisor, or if there be none, the district or city engineer concerned for the construction of any provincial, municipal or city self-liquidating project, which proposal may be favorably endorsed by said officials to the provincial board, municipal council or city council concerned, whose approval is necessary before any public works project is undertaken pursuant to the provisions of this Act.

SEC. 3. Upon approval of such project mentioned in the preceding section of this Act, the provincial engineer or city public works supervisor, or if there be none, the district or city engineer concerned shall forthwith cause to be published once every week, for three consecutive weeks in at least two newspapers of general circulation, a notice inviting all eligible public works contractors to participate in a public bidding for the projects so approved. The contract shall be awarded to the lowest qualified bidder: Provided, That his bid does not exceed the estimated cost of the project as computed by the provincial engineer or city public works supervisor, or if there be none, the district or city engineer concerned by fifteen per cent, subject to existing laws and regulations.

SEC. 4. The provincial engineer or city public works supervisor, or if there be none, the district or city engineer concerned shall require any contractor under this Act to post bonds and in such amounts as may be necessary to protect the interest of the provincial, municipal or city government concerned.

SEC. 5. For the construction of any project undertaken in accordance with this Act, the contractor shall be entitled to the contract price based on the winning bid plus interest on the unpaid balance thereof not exceeding twelve per cent per annum. The provincial, municipal or city government concerned is authorized, subject to the next following section of this Act, to charge and collect reasonable tolls or fees, in the presence of a duly authorized representative of the contractor, for the use of said project to be turned over at the end of every week to the contractor, for a period not exceeding twenty years. In the case of bridges or roads constructed under this Act, tolls shall be collected only on motor vehicles using the same: Provided, That automatic traffic counters shall be installed in the terminal and intermediate toll gates.

SEC. 6. In every case the provincial board, municipal council or city council concerned shall approve upon the recommendation of the provincial engineer or city public works supervisor, or if there be none, the district or city engineer the tolls or fees, as the case may be, or the schedule of such tolls and fees, submitted by the persons or

associations of persons contracting for any such provincial, municipal or city self-liquidating project, and shall decide whether said tolls, fees or schedules are fair to the public and the provincial board, municipal council or city council may from time to time change and revise such tolls, fees and schedules thereof.

SEC. 7. The sum collected from tolls or fees authorized to be collected under this Act shall first be applied to the interest, and the remainder to the principal in the accounting of the receipts from such tolls or fees.

SEC. 8. This imposition and collection of tolls or fees under this Act shall be discontinued after the principal expended on the project, and interest thereof, shall have been collected as certified by the provincial, municipal or city treasurer concerned, as the case may be; and from that time the contract on such project shall be declared inoperative.

SEC. 9. The projects undertaken under this Act shall be done under the supervision of the provincial engineer or city public works supervisor, or if there be none, the district or city engineer concerned and according to plans and specifications made or approved by said officials and the cost thereof to be approved by said officials.

SEC. 10. The form and legality of every contract to be made under this Act shall be previously passed upon by the provincial attorney or city legal officer, or if there be none, the provincial or city fiscals concerned.

SEC. 11. It shall be unlawful for any public official or employee in the provincial or municipal or city government, as the case may be, or their relatives within the fourth civil degree of consanguinity or affinity to enter into, or be in any way interested, in, a contract for the working or building of any project awarded Pursuant to the provisions of this Act, or for the furnishing of any materials or supplies of any kind whatever to be used in the work, and any person who violates the provisions of this section shall be removed from office, any provision of law to the contrary notwithstanding, and suffer imprisonment not exceeding five years.

SEC. 12. The provincial board, municipal council or city council concerned, as the case may be, shall promulgate such rules and regulations as may be necessary to carry out the provisions of this Act.

These rules and regulations shall be binding and effective thirty days after publication in a provincial or city newspaper of general circulation in the locality as the case may be.

SEC. 13. All Acts or part of Acts inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 14. This Act shall take effect upon its approval.

Enacted without Executive approval, June 15, 1968.

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