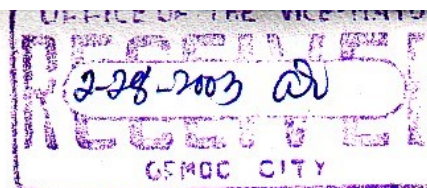
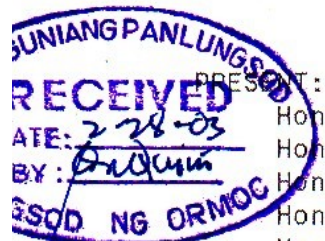




REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE NINTH
SANGGUNIANG PANLUNGSOD NG ORMOC HELD AT THE HONORABLE
PLACIDO ENECIO HALL, SANGGUNIANG PANLUNGSOD
BUILDING ON FEBRUARY 27, 2003



PRESENT:

| | |
|-----------------------------------|---|
| Hon. Celso P. Adolfo, | Vice Mayor & Presiding Officer |
| Hon. Nepomuceno P. Aparis I, | City Councilor, Majority Floor Leader |
| Hon. Jose S. Serafica, | City Councilor, Minority Floor Leader |
| Hon. Ruvinieu E. Mendola, | City Councilor, Assist. Maj. Floor Leader |
| Hon. Demosthenes F. Tugonon, | City Councilor |
| Hon. Eduardo P. Tan, | City Councilor |
| Hon. Rafael C. Omega, Jr. | City Councilor |
| Hon. Gregorio A. Yrastorza, Jr. | City Councilor, Assist. Minority Floor Leader |
| Hon. Jovencio A. Laurente, | City Councilor |
| Hon. Fe. S. Lladoc, | City Councilor |
| Hon. Emeterio Y. Larrazabal, Jr., | Ex-Officio City Councilor, |
| Chapter President, | Liga ng mga Barangay ng Ormoc |
| Hon. Cheryl L. Alfara, | Ex-Officio City Councilor, |
| | SK Federation President |

ABSENT:

Hon. Fernando P. Parrilla, (Special Leave), City Councilor

RESOLUTION NO. 2003-034

A RESOLUTION AUTHORIZING THE HONORABLE CITY MAYOR CARMELO J. LOCSIN, TO ENTER INTO AN "AMICABLE SETTLEMENT" WITH REGARDS TO THE BOUNDARY DISPUTE INVOLVING THE CITY OF ORMOC AND THE MUNICIPALITY OF KANANGA, LEYTE, SUBJECT TO THE TERMS AND CONDITIONS HEREIN SETFORTH.

WHEREAS, it is of Public knowledge that a case concerning the boundary dispute between the City of Ormoc and the Municipality of Kananga is presently pending before the Third Division of the Supreme Court, which case originated from Branch 35, Regional Trial Court, 8th Judicial Region, Ormoc City;

WHEREAS, the Honorable City Mayor of Ormoc Carmelo J. Locsin through a letter dated 21 October 2002 has requested for an authority from this Sanggunian to enter into an "AMICABLE SETTLEMENT" with regards to the boundary dispute involving the Municipality of Kananga and the City of Ormoc;

WHEREAS, this august Body believes that in order to maintain peaceful, harmonious and prosperous relations, and to finally settle the boundary dispute that has been pending for a long time, it is to the best interest of the parties concerned that the dispute be settled amicably;

WHEREAS, this august Body believes that said request is valid and reasonable, hence the same be accorded due course of action. But the amicable settlement shall be subject to the following terms and conditions, to wit:

- a. That it is hereby agreed that the CITY OF ORMOC, represented by Hon. City Mayor Carmelo J. Locsin, shall waive whatever rights it may have over an area estimated to be Three Hundred Twenty Five (325) hectares, more or less, based on an aerial map hereto attached as Annex "A" and made an integral part hereof subject to existing laws, rules and regulations. However, the technical description of the area shall be determined after a joint survey shall be conducted by representatives of the two local government units after the approval of this agreement;
- b. That the MUNICIPALITY OF KANANGA, LEYTE, represented by Hon. Municipal Mayor Giovani Ed Napari, shall also waive whatever claims it may have over the area within the territorial boundary of Ormoc City, other than the area described in the preceding paragraph;
- c. That the escrow amount deposited as royalty by the Philippine National Oil Company (PNOC) shall be divided at the rate of:
 - * Fifty-Two point Five (52.5%) percent in favor of the City of Ormoc and
 - * Forty Seven point Five (47.5%) percent in favor of the Municipality of Kananga.
- d. That, with regards to Malitbog Power Plant, all income derived from the one (1) unit supplied from a well situated in Ormoc City shall pertain to the City of Ormoc while all income derived from the two (2) units supplied from wells situated in Kananga shall pertain to the Municipality of Kananga. The City of Ormoc recognizes the right of the Municipality of Kananga, over the Upper Mahiao and Tungonan I Power Plants while the latter recognizes the right of the former over the Mahanagdong A and B Power Plants;
- e. That, after the execution of this agreement, all income derived from the respective areas of the parties shall pertain to each party to the exclusion of the other;
- f. That any term or condition which may be declared null and void by final judgment shall not affect all other lawful provisions herein agreed upon;

WHEREFORE, foregoing premises considered, on motion of City Councilor Nepomuceno P. Aparis I, Chairman, Committee on Public Properties, jointly seconded by City Councilors Eduardo P. Tan & Gregorio A. Yrastorza, Jr.; be it

RESOLVED, AS IT IS HEREBY RESOLVED, to pass a resolution AUTHORIZING THE HONORABLE CITY MAYOR CARMELO J. LOCSIN, TO ENTER INTO AN "AMICABLE SETTLEMENT" WITH REGARDS TO THE BOUNDARY DISPUTE INVOLVING THE CITY OF ORMOC AND THE MUNICIPALITY OF KANANGA, LEYTE, SUBJECT TO THE TERMS AND CONDITIONS HEREIN SETFORTH;

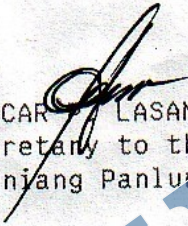
ADOPTED, February 27, 2003.

RESOLVED, FURTHER, to furnish copies of this resolution each to His Honor, Mayor Carmelo J. Locsin; Honorable Giovani Ed Napari, Municipality Mayor, Kananga Leyte; the City Legal Officer, the Register of Deeds, the City Planning & Development Office and others concerned, -all in Ormoc City;

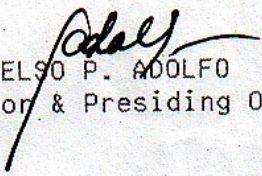
Res. No. 2003-034

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the foregoing resolution.


OSCAR LASAM
Secretary to the
Sangguniang Panlungsod

ATTESTED:


CELSO P. ADOLFO
Vice Mayor & Presiding Officer

DEMO COPY

Area=325.6 hectares



[Handwritten signature]