

Republic of the Philippines
SANGGUNIANG PANLUNGSOD
CITY OF SURIGAO

MINUTES OF THE 3rdREGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE
CITY OF SURIGAO HELD AT THE SP SESSION HALL ON JANUARY 16, 2025.

PRESENT:

Hon. Alfonso S. Casurra	- City Vice Mayor (Presiding Officer)
Hon. Sebastian Ric. A. Nagas	- City Councilor
Hon. Cacer R. Azarcon	- City Councilor
Hon. Joenil B. Aldonza	- City Councilor
Hon. Joshua Emilio S. Geli	- City Councilor
Hon. Baltazar C. Abian	- City Councilor
Hon. Noel Christian G. Catre, Jr.	- City Councilor
Hon. Joseph Joey S. Yuipco	- City Councilor
Hon. Karl Duane A. Casurra	- City Councilor
Hon. Florenillo B. Ravelo	- Liga ng Barangay President
Hon. JenelynEdulzura	- SK Federation President

ABSENT:

Hon. Joel E. Tinio	-City Councilor(On Leave)
Hon. Jose Expeditus B. Bayana	-City Councilor

The session was called to order at 2:00 o'clock in the afternoonof January 16, 2025.

OPENING PRAYER

HON. NOEL CHRISTIAN G. CATRE JR.

Let us Pray.

In the Name of the Father, and of the Son, and of the Holy Spirit. Amen.

Our Father who are in Heaven.
Holy be Your Name, Your Kingdom come.
Your Will be done on earth as it is in Heaven.
Give us this day our daily bread and forgive us our sins.
As we forgive those who sins against us.
Do not bring us to the test but deliver us from evil. Amen.

In the Name of the Father, and of the Son, and of the Holy Spirit. Amen.

SINGING OF THE PHILIPPINE NATIONAL ANTHEM

ROLL CALL

The roll call was conducted with all the members of the Sangguniang Panlungsod listed herein as present in attendance, and thereafter a **QUORUM** was declared.

**PERUSAL AND APPROVAL OF THE
PREVIOUS MINUTES**

Before the approval of the Minutes, Sanggunian Secretary, Ms. Edna B. Siega read the resolutions that were passed and approved in the previous regular session.

Thereafter, Honorable Joshua Emilio S. Geli was recognized and presented a motion for the approval of the Minutes of the previous regular session, jointlyseconded by Honorable Karl Duane A. Casurra and Honorable Joseph Joey S. Yuipco, it was unanimously

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RESOLVED: That the Minutes of the Regular Session held on January 9, 2025, re: Resolution Nos. 004-0011be as it is hereby approved.

MATTERS OF INFORMATION

None

**INCLUSION, AMENDMENT AND
APPROVAL OF THE AGENDA**

Prior the approval of the Agenda, Honorable Noel Christian G. Catre, Jr. presented a motion to include in the Agenda his committee report.

Thereafter, onmotion of Honorable Sebastian Ric A. Nagas,seconded by Honorable Joseph Joey S. Yuipco, it was unanimously

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RESOLVED, to approve, as it is hereby approved, the agenda of the 3rdRegular Session of the Sangguniang Panlungsod dated 16January 2025with inclusion.

FIRST READING:

- None

REFERRAL TO COMMITTEES:

A. *Committee on Appropriations—*

- Indorsement from the City Budget Officer, submitting the Annual Budget for CY 2025 of Barangays Cagutsan, Taft, Silop, Alang-alang, Buenavista and Cabongbongan, all of this city.

B. Committee on Rules—

- Indorsement from the City Mayor, denominated as URGENT, the Local Finance Committee Resolution No. 1, series of 2025, " A Supplemental Resolution Recommending to the Local Chief Executive and the Sangguniang Panlungsod the Rescission of the Contract with PHILIPPINE PRIMARK PROPERTIES INC. "

COMMITTEE REPORTS

Honorable Aldonza was recognized.

HON. JOENIL B. ALDONZA:

COMMITTEE REPORT

Committee on Appropriations

SUBJECT:

Indorsement from the City Budget Officer, submitting the Supplemental Budget No. 1 for CY 2024 of Barangay Mapawa, this city.

FINDINGS/FACTS:

The Committee Report pertains on Supplemental Budget No. 1 for CY 2024 of Barangay Mapawa, this city. All the Supplemental Budget No. 1 for CY 2024 of Barangay Mapawa have been favorably endorsed by the local finance committee and found the recommendation in order.

RECOMMENDATION:

As The Committee on Appropriation, it is recommended to passed a resolution approving the Supplemental Budget No. 1 for Calendar Year 2024 of Barangay Mapawa, Surigao city.

Mr. Chairman, may I move for the adoption of my Committee Report?

The motion to adopt the committee report was approved. Thereafter, a motion was presented and approved, to wit:

RESOLUTION NO. 14-2025

A RESOLUTION APPROVING THE SUPPLEMENTAL BUDGET NO. 1 FOR CY 2024 OF BARANGAY MAPAWA, THIS CITY.

WHEREAS, endorsed to the Sangguniang Panlungsod are Supplemental Budget No. 1 for CY 2024 of Barangay Mapawa this city, for the conduct of a review process;

WHEREAS, all supplemental budgets of the enumerated barangays were favorably endorsed by the Local Finance Committee, and the Committee on Appropriations subject to the usual statutory limitations provided under the Local Government Code, as well as, other rules;

NOW THEREFORE, on motion of Honorable Joenil B. ALdonza, seconded by Honorable Karl Duane A. Casurra, it was unanimously

RESOLVED: To pass a Resolution Approving the Supplemental Budget No. 1 for CY 2024 of Barangay Mapawa in the amount of ₱ 382,851.42.

RESOLVED FURTHER: That copies of this resolution be furnished the Local Finance Committee and the aforementioned Barangay, this city, for their information and guidance.

Honorable Aldonza continued.

HON. JOENIL B. ALDONZA:

Mr. Chairman, my second Committee Report.

COMMITTEE REPORT
Committee on Appropriations

SUBJECT:

Indorsement from the City Budget Officer, submitting the Annual Budgets for Calendar Year 2025 of Barangays Baybay, Bitaugan, Quezon, Washington, Ipil, Mabini, San Isidro, Rizal, Bonifacio, San Pedro, Sugbay, Capalayan, Libuac, Sukailang, Canlanipa and Cantiasay, all of this City.

FINDINGS/FACTS:

The Committee Report pertains on the Annual Budget for Calendar Year 2025 of Barangays Baybay, Bitaugan, Quezon, Washington, Ipil, Mabini, San Isidro, Rizal, Bonifacio, San Pedro, Sugbay, Capalayan, Libuac, Sukailang, Canlanipa and Cantiasay, all of this City. All the Annual budgets have been favorably endorsed by local finance committee and found the recommendation in order.

RECOMMENDATION:

As The Committee on Appropriation, it is recommended to passed a resolution approving the Annual Budgets for Calendar the Year 2025 for Barangays of Baybay, Bitaugan, Quezon, Washington, Ipil, Mabini, San Isidro, Rizal, Bonifacio, San Pedro, Sugbay, Capalayan, Libuac, Sukailang, Canlanipa and Cantiasay Surigao City.

Mr. Chairman I move for the adoption of my Committee Report.

The motion to adopt the committee report was approved. Thereafter, a motion was presented and approved, to wit:

RESOLUTION NO. 15 - 2025

A RESOLUTION APPROVING THE BARANGAY ANNUAL BUDGETS FOR CY 2025 OF BARANGAYS BAYBAY, BITAUGAN, QUEZON, WASHINGTON, IPIL, MABINI, SAN ISIDRO, RIZAL, BONIFACIO, SAN PEDRO, SUGBAY, CAPALAYAN, LIBUAC, SUKAILANG, CANLANIPA AND CANTIASAY, ALL OF THIS CITY.

WHEREAS, endorsed to the Sangguniang Panlungsod are the Annual Barangay Budgets for CY 2025 of Barangays Baybay, Bitaugan, Quezon, Washington, Ipil, Mabini, San Isidro, Rizal, Bonifacio, San Pedro, Sugbay, Capalayan, Libuac, Sukailang, Canlanipa and Cantiasay, all of this city, for the conduct of a review process;

WHEREAS, the annual budgets of the enumerated barangays were favorably endorsed by the Local Finance Committee subject to the usual statutory limitations provided under the Local Government Code, as well as, other rules;

NOW THEREFORE, on motion of Honorable Joenil B. Aldonza, seconded by Honorable Florenillo B. Ravelo, it was unanimously

RESOLVED: To pass a Resolution Approving the Ordinances containing the Annual Barangay Budgets for CY 2025 of the following barangays, to wit:

1. *Annual Budget of Barangay Baybay in the amount of ₱ 2,701,692.00;*
2. *Annual Budget of Barangay Bitaugan in the amount of ₱ 3,021,809.00;*
3. *Annual Budget of Barangay Quezon in the amount of ₱ 6,790,427.58;*
4. *Annual Budget of Barangay Washington in the amount of ₱ 29,836,832.00;*
5. *Annual Budget of Barangay Ipil in the amount of ₱ 8,936,617.00;*
6. *Annual Budget of Barangay Mabini in the amount of ₱ 5,474,296.00.*
7. *Annual Budget of Barangay San Isidro in the amount of ₱ 2,982,036.00;*
8. *Annual Budget of Barangay Rizal in the amount of ₱ 13,158,948.00;*
9. *Annual Budget of Barangay Bonifacio in the amount of ₱ 6,950,609.00;*
10. *Annual Budget of Barangay San Pedro in the amount of ₱ 3,322,372.00;*
11. *Annual Budget of Barangay Sugbay in the amount of ₱ 2,892,639.00.*
12. *Annual Budget of Barangay Capalayan in the amount of ₱ 5,373,017.00;*
13. *Annual Budget of Barangay Libuac in the amount of ₱ 3,393,145.00;*
14. *Annual Budget of Barangay Sukailang in the amount of ₱ 4,010,139.00;*
15. *Annual Budget of Barangay Canlanipa in the amount of ₱ 16,020,177.00; and*
16. *Annual Budget of Barangay Cantiasay in the amount of ₱ 3,676,410.00;*

RESOLVED FURTHER: That copies of this resolution be furnished the Local Finance Committee and the aforementioned Barangays, this city, for their information and guidance.

Honorable Ravelo was recognized,

HON. FLORENILLO B. RAVELO:

My report Mr. Chair.

COMMITTEE REPORT

Committee on Barangay Affairs

SUBJECT:

DILG Memorandum Circulars No. 2024-032 and No. 2024-136: To Conduct of Barangay Assemblies for the Calendar Year 2024.

FACTS/FINDINGS:

All 54 barangays in Surigao City successfully conducted their assemblies for the Calendar Year 2024 as directed by the DILG Memorandum Circulars No. 2024- 032 and No. 2024-136. The assemblies followed DILG guidelines to ensure the proper implementation of all provisions of the

said circular. Documentation of the assemblies, including Post-Activity Report and attendance, was submitted as required by the Department of Interior and Local Government.

RECOMMENDATION:

The Committee on Barangay Affairs Mr. Chair hereby recommends the adoption of this Committee Report.

With this Mr. Chairman may I move for the adoption of my Committee Report. I so move Mr. Chair.

The motion to adopt the committee report was approved.

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Honorable Catre was recognized and in the absence of his written committee report, the **RULES WERE SUSPENDED**. Ms. Grace R. Pomoy was called to enlighten the august body with regard the Memorandum of Agreement with the Philippine Statistics Authority relative to the Birth Registration Assistance Project for the City of Surigao.

MS. GRACE R. POMOY/CITY CIVIL REGISTRAR OFFICER:

It is about the Birth Registration of the LCR implementing Office of this MOA, wherein we conduct the MOA registration for free. The negative certificate from PSA is also free and that is why we enter into a MOA, so that the payment of this registration, in the conduct of MOA registration in the 54 Barangays will be free.

Discussion revealed that this MOA is just a renewal of the previous MOA and no changes were made. This is valid for one year but may be extended for another three years in case the targeted quota will not be met. Previously, the Office of Local Civil Registry exceeded the quota that is why, only a year was opted for the renewal of the said MOA.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

Okay. Sige, since there is no financial obligation on the part of the local government, and since, this is merely a renewal, then we will leave it as it is. Any other question? If none, Ma'am Grace Pomoy is excused. Thank you so much for coming.

The **RULES WERE REINSTATED**. Honorable Catre presented a motion which was favorably seconded and approved, to wit:

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RESOLUTION NO. 16 - 2025

A RESOLUTION AUTHORIZING THE HONORABLE CITY MAYOR PABLO YVES L. DURLAO II TO ENTER INTO A MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE LOCAL GOVERNMENT UNIT - SURIGAO CITY AND THE PHILIPPINE STATISTICS AUTHORITY (PSA), RELATIVE TO THE PHILSYS BIRTH REGISTRATION (PBRAP).

WHEREAS, the Sangguniang Panlungsod was in receipt of an indorsement from the Office of the City Mayor, requesting the City Council to pass a resolution authorizing the City Mayor to enter into a Memorandum of Agreement (MOA) between the Local Government Unit - Surigao City and the Philippine Statistics Authority (PSA), relative to the Philsys Birth Registration (PBRAP);

WHEREAS, the PSA created under Republic Act No. 10625 or the Philippine Statistical Act which took effect last 12 September 2013 is mandated to collect, compile, analyze, abstract

and publish statistical information relating to the country's economic, social, demographic, political affairs and general activities and condition of the people;

WHEREAS, the PSA is headed by the National Statistician and Civil Registrar General as provided under RA 10625 and its Implementing Rules and Regulations;

WHEREAS, the PSA under Rule 11 Article (c) of the IRR of RA 10625 states that the National Statistician who is also the Civil Registrar General shall provide overall direction in the implementation of the Civil Registry Law related issuances and exercise technical supervision over the civil registrars;

WHEREAS, the National Statistician who is also the Civil Registrar General represents the PSA as signatory to all contracts, researches and other awards as provided under Rule 11 Art. 16 (g) of IRR of RA10625;

WHEREAS, the proposed project entitled "PhilSys Birth Registration Assistance Project for the City of Surigao" aims to increase civil registration in marginalized communities, particularly those belonging to the Indigenous Peoples (IP), Muslim Filipinos, and the poorest sector;

WHEREAS, the City Government of Surigao have manifested their cooperation by allowing the conduct of Mobile Registration in the City of Surigao to provide services to its constituents;

WHEREAS, the PSA in collaboration with the Department of Interior and Local Government (DILG) and the Local Government Units through the City Government of Surigao principally aim to register those unregistered births aligned with the creation of a single identity card for all Filipinos pursuant to the Philippine Identification System Act (Republic Act No. 11055);

NOW THEREFORE, on motion of Honorable Noel Christian G. Catre, Jr, jointly seconded by Honorable Karl Duane A. Casurra and Honorable Florenillo B. Ravelo, it was unanimously

RESOLVED: To pass a resolution authorizing the Honorable City Mayor Pablo Yves L. Dumlao II to enter into a Memorandum of Agreement (MOA) between the Local Government Unit - Surigao City and the Philippine Statistics Authority (PSA), relative to the Philsys Birth Registration (PBRAP).

RESOLVED FURTHER: That copies of this resolution be furnished Honorable City Mayor Pablo Yves L. Dumlao II, Philippine Statistics Authority (PSA) - Surigao City and City Civil Registrar Office,for their information and guidance.

1. CALENDAR OF BUSINESS

A. Pending Matters:

- None

B. Urgent Matters:

- Indorsement from the City Mayor, denominated as URGENT, the Local Finance Committee Resolution No. 1, series of 2025, " A Supplemental Resolution Recommending to the Local Chief Executive and the Sangguniang Panlungsod the Rescission of the Contract with PHILIPPINE PRIMARK PROPERTIES INC. "

Honorable Catrewas recognized.

HON. NOEL CHRISTIAN G. CATRE, JR.:

Thank you, Mr. Chairman. The Local Finance Committee has thoroughly assessed the ongoing market collection performance of the LGU of Surigao City, with particular focus on the income generated from the City Public Market. Based on its findings, the Local Finance Committee has identified a consistent decline in market revenues, which is directly linked to non-implementation of the agreement between the LGU and the Philippine Primark Properties Incorporated, regarding the construction of the new City Public Market. The Local Finance Committee's evaluation indicates that the continued delay and non-fulfillment of this project has significantly affected the financial capacity of the LGU, particularly in terms of the local revenue generation that supports vital city operations and services.

In light of this, the Local Finance Committee has recommended that the contract with Philippine Primark Properties, Inc. be rescinded to protect the financial interests of Surigao City and mitigate further losses. In addition, with the LFC's recommendation, the Honorable City Mayor Pablo Yves L. Dumlao II has been urged to formally indorse the resolution to the Sangguniang Panlungsod for appropriate action. This resolution seeks the approval to rescind the contract, thereby facilitating the restoration of the lost income and the pursuit of alternative measures to revitalize the City Public Market.

So, this resolution will now be presented for consideration and approval of this august body.

It has been fully documented, Mr. Chairman, that the City Government of Surigao City was ready to turn over its public market location since last year, if I'm not mistaken. And we had several discussions with representatives of Primark, and we reiterated that we are ready to turn over the property, and they have to submit to us proof that they have secured the necessary financing for the construction of the public market. Unfortunately, Mr. Chairman, until now, they have not complied with such demand. So, I guess we have no more option but to terminate or rescind the contract with the Primark, Mr. Chairman.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

Yes. Who can speak for the Local Finance Committee?

MR. NELSON S. ALCALA/CITY TREASURER:

Good afternoon everyone. With regards of our financial capacity during the...sa Primark, since 2000... during the operation of the Primark, they already paid only Five Hundred Thousand (500,000). With regards of our operation, we have averaged almost Eighteen Million (18,000,000) per year, Mr. Chair, our collections. Therefore, our collection end in the year 2021, but the 2022, 2023, 2024 were already collected only Five Hundred Thousand (500,000). That's why we recommend to rescind the contract because...

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

No, no, no, I will correct you on that. Primark, when they started the operations, paid only Five Hundred Thousand (500,000), correct?

MR. NELSON S. ALCALA/CITY TREASURER:

Yes, Mr. Chair.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

Because that is supposedly the rental that they are mandated to pay, in accordance with the Amended Lease Agreement. Di ba?

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MR. NELSON S. ALCALA/CITY TREASURER:

Yes, Sir.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

So, they only paid in compliance with the rental agreement of Five Hundred Thousand (500,000), but other than the amount, they were able also to comply with the so-called Four Million deposit?

MR. NELSON S. ALCALA/CITY TREASURER:

Yes, Sir. As kibale, as deposit nila...

ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:

Good afternoon, Mr. Chair. If I may.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

Yes, si Atty. Pariñas is more knowledgeable on that.

ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:

Yes. The Four Million (4,000,000) is deposit for the lease of the property for 25 years.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

And they have paid for that?

ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:

Yes, they have already paid. And also, the Five Hundred Thousand (500,000), which is the rental while we are using the temporary relocation site which is the Primark Market right now. So that is the as stated in the contract.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

In other word, the Five Hundred Thousand (500,000.00) is not a rental for every year, but it is only one payment rental?

ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:

Yes, Vice.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

The rental for the use of the temporary public market.

ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:

Yes, Mr. Chair.

HON. ALFONSO S. CASURRA/PRESIDING OFFICER:

504 *Because in the contract, it says that they will only, they have the obligation only to pay Five*
 505 *Hundred Thousand (500,000) until such time that the new public market is completed. Correct?*

506
 507 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

508 *Yes, Mr. Chair.*

509
 510 **HON. ALFONSO S. CASURRA/PRESIDING OFFICER:**

511
 512 *Okay, so they have complied with that?*

513
 514 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

515
 516 *Yes, Mr. Chair.*

517
 518 **HON. ALFONSO S. CASURRA/PRESIDING OFFICER:**

519
 520 *So, what then is the Local Finance Committee trying to ask right now or to present to this*
 521 *body? With respect to the loss or disadvantage that has occur as a result of this amended Lease*
 522 *Agreement.*

523
 524 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

525
 526 *Yes, Mr. Chair. For everybody to be on the same page, what the Local Finance Committee*
 527 *is saying in their resolution, when we turned over the operation of the public market to Primark*
 528 *based on the Lease Agreement or the amended Lease Agreement, I think, they started their*
 529 *operation back to 2019, I think, or 2020...ah 2021. So, when we turned over the operations to them,*
 530 *the City ceased to collect from the Public Market. Prior to that, our annual income from the*
 531 *operation of the public market is around Eighteen Million (18,000,000) per annum. So, when we*
 532 *turned over that operation to Primark, we lost that opportunity to collect since the operation is now*
 533 *turned over to them. They are now the ones collecting the fees for the operation of the public*
 534 *market. So, we lost the income of 18 Million per annum.*

535
 536 **HON. ALFONSO S. CASURRA/PRESIDING OFFICER:**

537
 538 *So, what then if we are losing? I mean, how is it related to the amended Lease of*
 539 *Agreement?*

540
 541 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

542
 543 *Based on the provisions of the amended Lease Agreement, the amended lease will start to*
 544 *run, the 25 years will start to run, it will be counted from the time that we turned over the old public*
 545 *market for them to construct the new public market. But since there are conditions precedent that*
 546 *they need to comply with before the turn-over, the LGU has already complied with our part for the*
 547 *condition precedent, but Primark on their part has not complied with all of the requirements. That's*
 548 *why we cannot come with the actual turn over date, hence, the starting of the construction that, and*
 549 *also, the computation of the 25 years cannot be determined as of now because we have not yet*
 550 *determined the turn-over date. Which will be the starting point of the contract.*

551
 552 *Honorable Azarcon was recognized.*

553
 554 **HON. CACEL R. AZARCON:**

555
 556 *Thank you for the recognition, Mr. Chairman. May I be allowed to ask questions,*
 557 *clarificatory questions, Mr. Chairman.*

558

559 First to the proponent, the Hon. Catre. Are we made to understand that what we are
560 seeking to rescind is the Amended ContractLease Agreement entered into by the present
561 administration with the Primark?

562
563 **HON. NOEL CHRISTIAN G. CATRE, JR:**

564
565 Yes, Mr. Chairman.

566
567 **HON. CACEL R. AZARCON:**

568
569 Yes. Now, under the law we all know as a lawyers that the contract is a meeting of minds
570 between two persons either juridical or natural persons and one party cannot just simply
571 unilaterally, unilaterally rescind the contract without violations, without enumerating or finding the
572 violation as stipulated or embodied in the contract, correct? Now, in this case, what are the
573 violations of Primark so as for us to concludeand for us to use as ground for rescission of contract?
574 Was there an actual violation of the Amended Lease Agreement?

575
576 **HON. NOEL CHRISTIAN G. CATRE, JR.:**

577
578 There is, Mr. Chairman.

579
580 **HON. CACEL R. AZARCON:**

581
582 There are. Okay.

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584 **HON. NOEL CHRISTIAN G. CATRE, JR.:**

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586 There are.

587
588 **HON. CACEL R. AZARCON:**

589
590 Okay.

591
592 **HON. NOEL CHRISTIAN G. CATRE, JR.:**

593
594 The biggest one is the biggest violation is their failure to submit the proof that they have
595 the necessary funds to finance the construction of the public market.

596
597 **HON. CACEL R. AZARCON:**

598
599 Alright, in other words, as stated by Atty. Pariñas, the City Government for its part have
600 already performed its duties and responsibilities as stipulated or embodied in the contract. In
601 contrast, Primark did not or have not performed any single duty or responsibility in the contract,
602 correct?

603
604 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

605
606 Your honor, I said not all. They have not complied in all...

607
608 **HON. CACEL R. AZARCON:**

609
610 That is why I'm asking what are the specific violations of Primark, so that we can use that
611 as ground for rescission of the contract, we cannot just simply put this in general terms.

612
613 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

614

615 Yes, your Honor. I believe in the previous indorsement, I think there was a legal analysis
616 submitted by the City Legal Office.

617
618 **HON. CACEL R. AZARCON:**

619
620 Legal analysis, oo. Would you mind to provide us with the copy of that legal analysis so
621 that we will be guided accordingly and my next question is, was there formal turnover of the city
622 government of the land to Primark for it to start its construction as promised in the lease contract?

623
624 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

625
626 There was no formal turnover as yet, Mr. Chair, ay, your Honor, because like the
627 proponent mentioned earlier Primark has not...

628
629 **HON. NOEL CHRISTIAN G. CATRE, JR.:**

630
631 Because of failure to comply.

632
633 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

634
635 Yeah, the failure to comply with.

636
637 **HON. CACEL R. AZARCON:**

638
639 In other words, before the turnover there are other...

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641 **HON. NOEL CHRISTIAN G. CATRE, JR.:**

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643 There are conditions precedent, Mr. Chairman.

644
645 **HON. CACEL R. AZARCON:**

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647 Conditions to be complied with before the final turnover.

648
649 **HON. NOEL CHRISTIAN G. CATRE, JR.:**

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651 Yes.

652
653 **HON. CACEL R. AZARCON:**

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655 Now, was there a formal final demand made by the city government?

656
657 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

658
659 We have your Honor, several letters to Primark for them to submit the correct documents.

660
661 **HON. CACEL R. AZARCON:**

662
663 And despite the repeated demands Primark failed to perform the same.

664
665 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

666
667 Yes, Sir.

668
669 **HON. CACEL R. AZARCON:**

670

671 *Alright, I just want to be specific, Mr. Chairman because as a lawyer I need to know the actual*
 672 *grounds for the rescission of the contract because this might... this will eventually be litigated... this will*
 673 *eventually be and of course Primark will also defend its position that is why we need to be air tight with our*
 674 *arguments and for the rescission of the contract. That is all, Mr. Chairman. Thank you very much.*

675
 676 **ATTY. CRISTINA R. PARIÑAS/CITY ADMINISTRATOR:**

677
 678 *Thank you, Sir.*

679
 680 **HON. ALFONSO S. CASURRA/PRESIDING OFFICER:**

681
 682 *I think we will have to place everything in the proper perspective. Well, I am privy to all*
 683 *these situations obtaining. Well, the very first thing that we will have to consider is in the*
 684 *Amended Lease Contract there is a specific provision that would constitute the ground to terminate*
 685 *the Amended Lease Agreement. In fact it is so found in item no. 23, do we have number 23?*
 686

687 Further into the discussion, the resource persons believed that Primark incurred material
 688 breach on the amended lease agreement as it states that, "the lessee has certified to the lessor that
 689 it has raised the necessary financing for the construction of the improvements that such financing
 690 agreements have become binding and effective". The Primark has continuously failed to comply
 691 with this is the particular provision of the amended lease agreement and has not submitted the
 692 document showing that they have indeed raised the necessary financing for the construction of the
 693 new public market and that the financing agreement has already become binding and effective.

694
 695 Although the Primark has submitted a certification from a banking institution stating that it
 696 has a credit line of Five Hundred Million, it is the opinion of the Local Finance Committee that it is
 697 insufficient to comply with the requirement stated in Section 5.7 of the amended lease agreement
 698 as the same has a disclaimer that the banking institution will not be liable to third persons that
 699 Primark will be involved with and that drawing from the said credit line still subject to certain
 700 condition. Additionally, the project cost is Eight Hundred Ten Million Pesos thereby making the
 701 credit line apparently insufficient.

702
 703 The Primark has been informed with regard the insufficiency of documents.

704
 705 **HON. ALFONSO S. CASURRA/PRESIDING OFFICER:**

706
 707 *I think it on the record, the first submitted a certification of which we responded upon which*
 708 *we said that the certification that you issued is not to us acceptable considering that there was this*
 709 *disclaimer.*

710
 711 *And then there was this letter, na I have this letter with me, dated still July 11, 2024. Which*
 712 *says that they are no longer in a position to, rather the wordings here of the President Rebecca*
 713 *Marie Abigail Lee, says that Primark is not amenable to the submission of any other document*
 714 *required by the Local Government Unit, because they feel that what they submitted with respect to*
 715 *the certification that was issued by the bank in the amount of Five Hundred Million*
 716 *(500,000,000.000) as a credit facility, is already sufficient compliance with Article 5.7, of which we*
 717 *said it is not. Because even in the certification that was issued by the bank it merely said, a credit*
 718 *line in the amount of Five Hundred Million Pesos (P500,000,000.000). Remember that when they*
 719 *presented to us here the amount that they stated it is on record that the amount of the project is*
 720 *Eight Hundred Ten Million Pesos (P810,000,000.00), more or less.*

721
 722 **HON. NOEL CHRISTIAN G. CATRE, JR:**

723
 724 *So Mr. Chairman, they are actually not delaying but in fact they are refusing to comply with*
 725 *what Section 5.7 provides.*
 726

HON. ALFONSO S. CASURRA/ PRESIDING OFFICER:

It would appear that way, that there are no longer in a position to issue to us another certification, because they feel that, that certification that they have issued with regard to credit facility in the amount of Five Hundred Million Pesos (P500,000,000.000) is already sufficient compliance with 5.7 of which we said it is not.

HON. CACEL R. AZARCON:

Mr. Chairman, I just like to interpose my idea here. The lease amended contract was executed way back on 2022, 2023? The promise was Primark to construct an Eight Hundred Ten Million Pesos (P810,000,000.000) four storey commercial building. Today is already 2025, the Eight Hundred Ten Million (P810,000,000.000), way back in 2023 may not be Eight Hundred Ten Million (P810,000,000.000), today or thereafter. So is very obvious that the Primark, I'm not underestimating them, cannot anymore perform the, its obligations as embodied in the amended lease agreement.

HON. ALFONSO S. CASURRA/ PRESIDING OFFICER:

Again, is it the position of the Local Finance Committee, that aside from the losses that you said had been incurred by the Local Government Unit insofar as the market fees, rather the market rentals and so on and so forth. Is just only one of the grounds. But primary and the what you call this, the legal ground upon which you are submitting to us this recommendation for rescission, is really the failure on the part of the Primark Properties to comply with the submission of the financing agreement that is considered binding and effective insofar as the construction of the proposed Public Market. Is that your position right now, Atty. Pariñas representing the Office of the City Mayor?

ATTY. CRISTINA R. PARIÑAS/ CITY LEGAL OFFICE:

Yes Mr. Chairman, that is the position.

HON. ALFONSO S. CASURRA/ PRESIDING OFFICER:

You wanted the Local, the Members of the Sangguniang Panlungsod to concur with that recommendation upon which, by concurrence we authorized the City Mayor to rescind the contract on the basis of the material breach sufficient to cancel or rescind the contract?

ATTY. CRISTINA R. PARIÑAS/ CITY LEGAL OFFICE:

Yes Mr. Chair.

There being no more queries, the resource persons were excused and **RULES WERE REINSTATED.**

Thereafter, the proponent read the proposed resolution and presented a formal motion which was approved, to wit:

RESOLUTION NO. 17 - 2025

A RESOLUTION ADOPTING RESOLUTION NO. 1, SERIES OF 2025 OF THE LOCAL FINANCE COMMITTEE (LFC) RECOMMENDING THE TERMINATION OF THE EXISTING SURIGAO PUBLIC MARKET AMENDED LEASE AGREEMENT BETWEEN THE LOCAL GOVERNMENT OF SURIGAO AND PHILIPPINE PRIMARK PROPERTIES, INC. AND AUTHORIZING FOR THAT PURPOSE THE HONORABLE CITY MAYOR TO INITIATE THE NECESSARY ACTIONS TO IMPLEMENT THE SAID RECOMMENDED TERMINATION"

WHEREAS, the Local Finance Committee (LFC) has submitted Resolution No. 1, Series of 2025, which outlines its findings and observations regarding the Local Government Unit (LGU) of Surigao City's negative revenue collections since 2022 to 2024 which have resulted to loss of gross income in the amount of not less than 18 million pesos per year;

WHEREAS, the LFC's thorough and meticulous evaluation has revealed that this income loss has been attributed primarily to the failure of Philippine Primark Properties to faithfully comply with the submission of a certification that it has raised and secured the necessary financing agreements legally binding and effective for the construction of the proposed Surigao City Public Market in the total indicative cost of Php 810 Million;

WHEREAS, the LGU has considered this continued failure of Philippine Primark Philippines, Inc. to comply with the above provision of Section 5.7 as a material breach which is a sufficient ground to terminate the Surigao Public Market Amended Lease Agreement pursuant to Section 23, par. 23.2 thereof;

WHEREAS, in reciprocal obligations such as this, allows one party to rescind should the other party fails to comply with their part of the agreement, pursuant to Article 1191 of the Civil Code of the Philippines;

WHEREAS, the LFC has concluded that rescinding the contract with Philippine Primark Properties Inc. is necessary to allow the LGU of Surigao City to recover lost income and mitigate the material losses incurred due to the non-implementation of the project;

NOW THEREFORE, on motion of Honorable Noel Christian G. Catre, Jr, duly seconded by the all members present, be it

RESOLVED, AS IT IS HEREBY RESOLVED, to adopt the recommendation of the Local Finance Committee (LFC) Resolution No. 1, Series of 2025, to terminate the Surigao Public Market Amended Lease Agreement between the Local Government Unit of Surigao City and Philippine Primark Properties Inc.

RESOLVED FURTHER, that the Honorable City Mayor Pablo Yves L. Dumlao II be granted the authority to initiate the necessary actions to implement the immediate rescission of the said amended lease agreement.

RESOLVED FINALLY: That copies of this resolution be furnished the Honorable City Mayor Pablo Yves L. Dumlao II, Local Finance Committee (LFC) and Philippine Primark Properties Inc., for their information and guidance.

C. Business of the Day

Second Reading

- **PROPOSED ORDINANCE " AN ORDINANCE CREATING THE TRICYCLE-FOR-HIRE AND TRISIKAD FRANCHISING OFFICE UNDER THE OFFICE OF THE CITY MAYOR,**

841 AMENDING FOR THAT PURPOSE SECTIONS 2, 3, 21,
 842 AND 23 OF ORDINANCE NO. 294 SERIES OF 2009,
 843 APPROPRIATING FUNDS THEREOF AND FOR OTHER
 844 PURPOSES."

845
 846 Honorable Catre was recognized and **RULES WERE SUSPENDED** to allow the resource
 847 persons to join the discussion.

848
 849 **ATTY, JAYSON REGOR T. COSINAS/ COMPLIANCE MANAGEMENT SPECIALIST:**
 850

851 *Good afternoon everyone, the proposed amending ordinance, would like to amend*
 852 *Sections 2, 3, 21, and 23 of ordinance No. 294 Series of 2009. It will transfer the Tricycle-For-Hire*
 853 *and Trisikad Franchising Office under the Office of the City Mayor and reorganizing its composition*
 854

855 Atty. Cosinas then read the Section 2 of the proposed ordinance while Ms. Pedimonte read
 856 the Section 3 of the same ordinance.

857
 858 This amendatory ordinance will create an office that will handle the applications and the
 859 implementation of the tricycle code and other laws but granting of the franchise will still remain with
 860 the Sangguniang Panlungsod specifically the Chairman of the Committee on Transportation.

861
 862 The proponent requested for a **RECESS**. Thereafter, the session **RESUMED**.
 863

864 The proponent then presented a motion for the approval of the proposed ordinance under
 865 second reading, which favorably seconded and approved.
 866

867
 868 -----
 869
 870 **PRIVILEGE HOUR/SPEECH**

871
 872 None
 873

874 -----
 875
 876 **OTHER MATTERS**

877
 878 None
 879

880 -----
 881
 882 **ADJOURNMENT**

883
 884 There being no other matters discussed, the 2ndRegular Session was adjourned at
 885 3:30o'clock in the afternoon of January 16, 2025.

886
 887 *(As to what transpired in the discussion, the transcribed stenographic notes of the same*
 888 *are kept and filed in the SP Office for record purposes and reference.)*

889
 890 -----
 891
 892 **CLOSING PRAYER:**

893
 894 **HON. NOEL CHRISTIAN G. CATRE, JR:**

895
 896 In the Name of the Father and of the Son, and of the Holy Spirit,

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Amen.

Glory be to the Father,
And to the Son,
and to the Holy Spirit.

As it was in the beginning,
is now, and ever shall be,
World without end,
Amen.

In the Name of the Father and of the Son, and of the Holy Spirit,
Amen.

APPROVED, this 23rd day of January 2025.

WE HEREBY CERTIFY that the foregoing statements, resolutions and the like were
passed and approved by us, members of the Sangguniang Panlungsod of the City of Surigao,
Province of Surigao del Norte.

EDNA B. SIEGA
Secretary to the Sanggunian

SEBASTIAN RIC A. NAGAS
City Councilor

CACEL R. AZARCON
City Councilor

JOENIL B. ALDONZA
City Councilor

JOSHUA EMILIO S. GELI
City Councilor

BALTAZAR C. ABIAN
City Councilor

NOEL CHRISTIAN G. CATRE, JR
City Councilor

JOSEPH JOEY S. YUIPCO
City Councilor

KARL DUANE A. CASURRA
City Councilor

FLORENILLO B. RAVELO
Liga ng mga Barangay President

JENELYN EDULZURA
SK Federation President

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ATTESTED BY:

ALFONSO S. CASURRA
Vice Mayor
Presiding Officer