

## **TERMS OF REFERENCE**

### **PROVISION OF ONE (1) UNIT SECONDHAND LAWN TRACTOR WITH ATTACHMENT TO BE USED AT THE CGSO- MOTORPOOL DIVISION**

#### **I.BACKGROUND**

Pursuant to the Republic Act No. 7160 otherwise known as the Local Government Code of 1991 particularly Section 17 (a) which states that local government units shall endeavor to be self-reliant and shall continue exercising the powers and discharging the duties and functions currently vested upon them. They shall likewise exercise such other powers and discharge such other functions and responsibilities as are necessary, appropriate, or incidental to efficient and effective provision of the basic services and facilities.

The City General Services Office through its Utility & Maintenance Services Division is mandated by law to carry out basic services to the City Government facilities, buildings and premises through proper maintenance, orderliness and cleanliness.

In order for the Utility & Maintenance Services Division to effect maintenance and cleanliness of City Government premises, the City General Services Office through its Motorpool Division is proposing for the provision of one (1) unit Secondhand Lawn Tractor with Attachment.

Accordingly, the proposal for the provision of the above- stated light equipment shall be in accordance with the stipulations of Guidelines No. 2019-01, "Guidelines on the Purchase, Delivery and Utilization of Motor Vehicles and Heavy Equipment of the City Government of San Fernando, Pampanga, and the same is included in the 3- Year Replacement Program for Motor Vehicles and Equipment of the City Government of San Fernando, Pampanga (2020- 2022).

#### **II.BUDGETARY REQUIREMENT**

The Approved Budget for the Contract (ABC) for the Provision of one (1) unit Secondhand Lawn Tractor with Attachment to be used at the CGSO- Motorpool Division is in the amount of ONE MILLION TWO HUNDRED THOUSAND PESOS (P 1, 200,000.00).

#### **III.OBJECTIVES**

The objectives of the Provision of one (1) unit Secondhand Lawn Tractor with Attachment to be used at the CGSO- Motorpool Division are as follows:

- a. To augment the existing number of light equipment being used by the CGSO- UMSD in maintaining cleanliness of City Government premises;
- b. To continuously effect cleanliness within City Government premises; and
- c. To promote environmental protection.

#### **IV.TERMS AND CONDITIONS**

During the implementation of the contract, the service provider shall ensure the following:

1. Provide the light equipment being required by the project;
2. Strictly comply with the specifications of the project; and

3. The price or amount at which the secondhand light equipment must not exceed its Remaining Useful Value (RUV) in compliance with the provisions of Guidelines No. 2019-01, where the standard formula to compute for the RUV is:

$RUV = (AC - SV) \times R/L + SV$ , where:

RUV = Remaining useful value

AC = Acquisition cost or the price/ amount at which the vehicle was originally purchased or acquired as a brand new unit

SV = Salvage value or the amount equivalent to ten (10) percent (10%) of the AC of the vehicle

R = Remaining useful life

L = Estimated service life or the length of service life that may be expected from a brand new model of a similar unit assuming normal utilization

#### **V. DELIVERABLES BY THE SERVICE PROVIDER AND THE CITY GOVERNMENT**


The deliverables of the service provider shall be as follows:

1. Deliver the one (1) unit Secondhand Lawn Tractor with Attachment as per schedule;
2. Provide the warranty certificate; and
3. Comply with all the documentary requirements of the same.

The deliverable of the City Government shall be:

1. Issue payment once the contract is completed as per time schedule and all the deliverables and reports are submitted.

Prepared and submitted by:

  
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CONFORME:

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Signature over Printed Name

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Date