

## TERMS OF REFERENCE

### PROVISION OF ONE (1) UNIT RECONDITIONED MINI BACKHOE ON WHEEL 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, local government units shall be responsible in the management and maintenance of ecological balance within their territorial jurisdiction.

Accordingly, one of the City Mayor's agenda is centered on this i.e., Agenda #3- Kalikasan at Kapaligiran, "*Pagkalinga sa Kalikasan at Kapaligiran, Kaligtasan ng Buhay ay Makakamtan!*"

The City General Services Office- Motorpool Division is therefore proposing for the provision of one (1) unit Reconditioned Mini Backhoe on Wheel to be used at the CGSO- Motorpool Division to be used for the City Government operations particularly in the dredging of canal and waterways within the jurisdiction of city.

Further, the proposal for the provision of the above- described light equipment shall be in accordance with the provisions 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 Reconditioned Mini Backhoe on Wheel to be used at the CGSO- Motorpool Division is in the amount of TWO MILLION PESOS (P 2, 000,000.00).

#### III.OBJECTIVES

The objectives of the Provision of one (1) unit Reconditioned Mini Backhoe on Wheel to be used at the CGSO- Motorpool Division are as follows:

- a. To augment the existing number of light equipment being used in dredging within the jurisdiction of the city;
- b. To sustain dredging programs and activities through the continuous operation of logistical resources; and
- c. To promote environmental protection and resource conservation.

#### 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 Reconditioned Mini Backhoe on Wheel 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:
_____ Signature over Printed Name
_____ Date