



MAYNILAD WATER SERVICES INC.  
PHILIPPINES

# LAND ACQUISITION REPORT

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VALENZUELA SEWAGE TREATMENT PLANT

**March 14, 2014**

A Project Under  
METRO MANILA WASTEWATER MANAGEMENT PROJECT  
(MWMP)

## TABLE OF CONTENTS

1. OVERVIEW .....	4
2. INTRODUCTION .....	5
3. LOCATION OF THE PROJECT SITE.....	5
4. DEVELOPMENTS IN THE VICINITY.....	6
5. LAND DATA .....	7
6. BASELINE CONDITIONS .....	10
6.1 Land Use And Improvements .....	10
6.2 The Tullahan River .....	11
6.3 Terrestrial Biota.....	11
6.4 Settlements .....	12
7. SOCIAL ISSUES.....	13
8. PUBLIC CONSULTATION AND PARTICIPATION .....	13
8.1 Public Consultation Proceedings.....	15
8.2 Special Meeting With The City Administrator.....	17
9. POSITIVE IMPACTS AND BENEFITS .....	18
10. GRIEVANCE REDRESS MECHANISM .....	18
11. ACQUISITION, VALUATION AND COMPENSATION.....	19

## **ANNEXES**

- A. Transfer Certificates of Land Titles
- B. Offer to Sell
- C. Memorandum of Agreement
- D. Public Consultation Attendance
- E. Minutes of the Public Consultation
- F. Contracts to Sell
- G. Deed of Sale

## **ACRONYMS**

CENRO - City Environment and Natural Resources Office

CTS - Contract to Sell

EDSA - Epifanio Delos Santos Avenue

EMP - Environmental Management Plan

ESSF - Environmental and Social Safeguards Framework

DENR - Department of Environment and Natural Resources

DPWH - Department of Public Works and Highways

LGU - Local Government Unit

LLDA - Laguna Lake Development Authority

MOA - Memorandum of Agreement

MWSS - Metropolitan Waterworks and Sewerage System

PAPs - Project Affected Persons

PAWS - Philippine Animal Welfare Society

TCT - Transfer Certificate of Title

WMD - Wastewater Management Division

## 1. OVERVIEW

Maynilad commits to support the government's effort to protect and conserve the environment. The company intends to significantly extend the service coverage of its wastewater collection and treatment facilities in the west concession area. The program will also increase the current septage management capabilities of Maynilad.

To immediately respond to the pressing water pollution problem within its catchment area, Maynilad adopted the combined wastewater system approach (storm water and sewage). The dry weather flow in the drain consists mainly of effluent from septic tanks. This flow is conveyed to a sewage treatment plant (STP). Existing septic tanks will continue to serve as primary treatment process for the wastewater. The tanks will be desludged on a regular cycle. The STP will have physical, biological and chemical treatment processes and the effluent from the same is designed to achieve the Class C-DENR DAO 35 effluent standards. It will also have disinfection and sludge management capabilities. As per business plan, this STP for combined system will be used until such time that separate sewage systems are in place. The project construction for these systems will commence on 2021.

For the Metro Manila Wastewater Management Project (MWMP), projects include the construction of STPs for the northern portions of the concession area (Valenzuela) and the southern portions (extending to towns of Cavite).

Maynilad has also initiated the construction of thirteen (13) STPs to cover the improvement of the water quality of the San Juan River System; nine (9) of these STP's are already completed. These STP's are wholly financed by Maynilad and is still part of MWMP.

Projects under consideration for bank financing under MWMP are as follows:

1. Construction of Talayan STP (this project is also part of the San Juan River System)
2. Construction of Pasay STP
3. Rehabilitation of Ayala-Alabang STP
4. Construction of Muntinlupa STP
5. Construction of Valenzuela STP
6. Construction of South Septage STP

This **Land Acquisition Report (LAR)** has been prepared as part of the Project's requirement following the Environmental and Social Safeguard Framework (ESSF). This report covers the social safeguards of the chosen site for the Valenzuela Sewage Treatment Plant only.

A separate social safeguard instrument for the Conveyance System is being prepared by Maynilad to cover the acquisition of lots for the proposed pump stations.

## **2. INTRODUCTION**

The Meycauayan-Marilao-Obando-Tullahan River System that traverses the northern part of the city of Valenzuela has been listed as a polluted area (Carvajal, Blacksmith Institute, 2007). This river system drains to Manila Bay. The Metro Manila Wastewater Management Project (MWMP) calls for the construction of Sewage Treatment Plant (STP) in Valenzuela City. The project is geared towards the reduction of water pollution in the Tullahan River and the improvement of water quality of the said system. The STP will be operated in accordance with the Department of Environment and Natural Resources (DENR) effluent standards outlined under DENR Administrative Order 35 Series of 1990 (DAO 90-35).

Wastewater conveyance and treatment systems will be constructed by Maynilad partly from the proceeds of the World Bank Loan. This project is partly financed by the World Bank under the MWMP with Land Bank of the Philippines as its intermediary borrower.

The proposed Valenzuela STP will have a capacity of 75 MLD with potential capacity for expansion to 125 MLD. The STP will be constructed through the design and build scheme. Its basic design parameters will be finalized once the final lot is acquired.

## **3. LOCATION OF THE PROJECT SITE**

The property acquired for the Valenzuela STP is within Barangay Marulas, Valenzuela City, Metro Manila. It is situated on the east end of F. Bautista Street. The F. Bautista Street is a 5-meter wide street which is partly earth-paved and partly concrete. (See Figure 1. F. Bautista Street.)

The property consists of four (4) adjoining lots that are accessible through F. Bautista Street. It is located some 690 meters west from MacArthur Highway and Mercado Street, 2,600 meters south from the corner of MacArthur Highway and Karuhatan Road (Gen. T. de Leon) and 2,685 meters northwest from the corner of MacArthur Highway and EDSA or from the Bonifacio Monument. (See Figure 2. Vicinity Map)

**Figure 1.** F.Bautista Street, the main access to the site



The property is approximately 900 meters southwest from Our Lady of Fatima Hospital and about 3 kilometers southeast from Valenzuela City Hall.

#### **4. DEVELOPMENTS IN THE VICINITY**

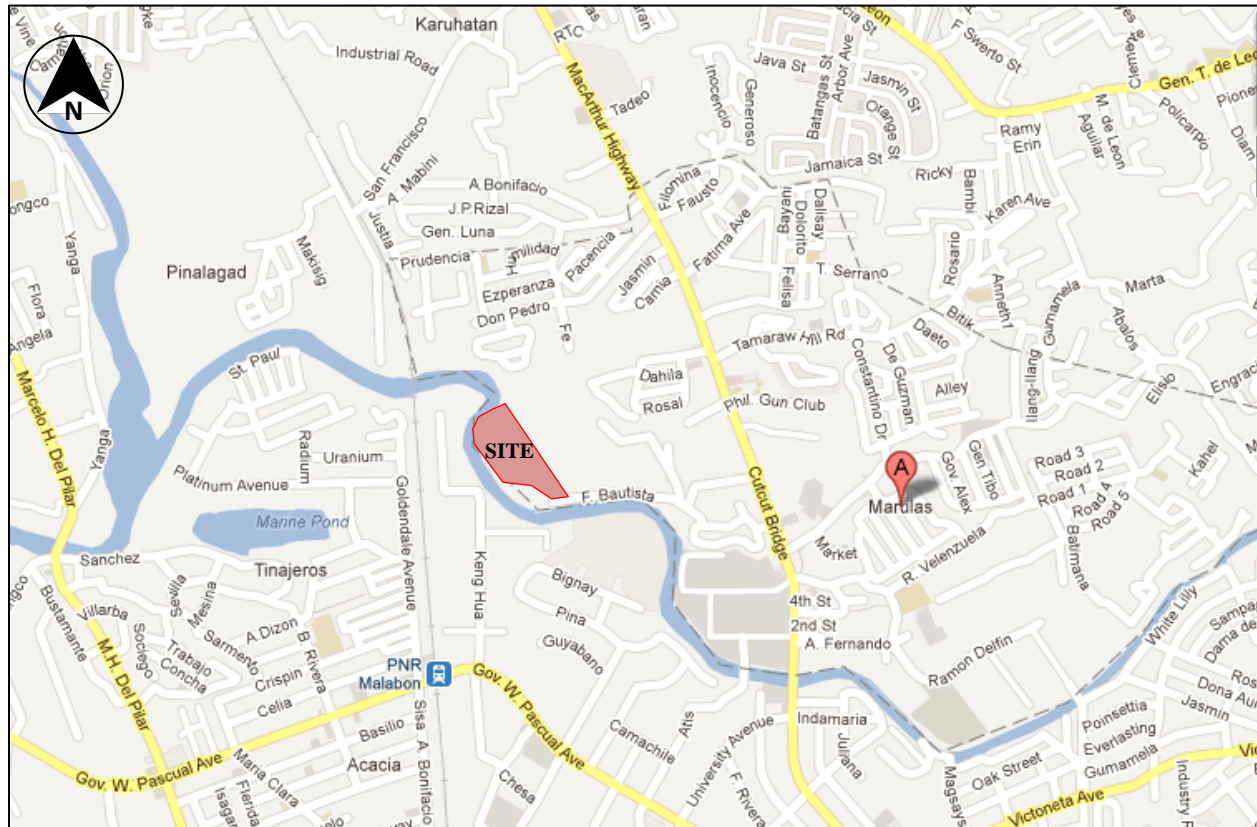
The land use of the area is a mixture of residential and industrial. The streets in the neighborhood are designed to accommodate light to heavy vehicular and pedestrian traffic loads. Major thoroughfares are concreted, with widths ranging from 8 to 15 meters. Other community centers like the post office, public market, churches/chapels, hospital/clinics and public and private schools are also accessible using the said thoroughfares.

Some of the important improvements in the vicinity are:

Export Bank  
7 Eleven Convenience Store  
Villa Teresa Subdivision  
Happy Land Subdivision  
Fatima Hospital

Allied Bank  
Jollibee  
Don Pedro Subdivision  
Our Lady of Fatima University  
San Miguel Brewery

**Figure 2. Vicinity Map**



Electric power, water supply and telecommunication facilities are available at the site. Street lights, garbage collection, foot and mobile patrols of the Philippine National Police Force, and recreation facilities like open courts are maintained by the city government. Public transportation connecting to various areas of Metro Manila is available along MacArthur Highway which is approximately 650 meters from the property. Three-wheeled vehicles or tricycles (which are common mode of public transportation in the Philippines) are available from MacArthur Highway to the site.

## **5. LAND DATA**

The acquired STP site was owned by the City Government of Valenzuela. The site has an aggregate area of **25,560 square meters**. Table 1 shows the technical description of the four (4) lots based on their Transfer Certificate of Title (TCT).



**Table 1.** Technical Identification of the lots for acquisition

Lot No.	TCT No.	Area (sq.m.)	Registered Owner
698-A-1	V-65573	788	THE CITY OF VALENZUELA
698-a-3	V-65586	7,386	THE MUNICIPALITY OF VALENZUELA METRO MANILA
698-A-2	V-65587	7,386	THE MUNICIPALITY OF VALENZUELA METRO MANILA
698-B-1	V-65574	10,000	THE CITY OF VALENZUELA
<b>TOTAL</b>		<b>25,560</b>	sq.m.

The transfer certificates of title of the above properties were all issued by the Registry of Deeds for Valenzuela City. (See *Annex A. Transfer Certificates of Land Titles*) An Offer to Sell letter was executed by Valenzuela City Administrator's Office on September 19, 2012 informing Metropolitan Waterworks and Sewerage System (MWSS) its acceptance of the offer of Maynilad (a concessionaire of MWSS) to purchase the abovementioned properties. (See *Annex B. Offer to Sell*). Maynilad has expressed its interest to buy the property for the said STP.

The boundaries of the consolidated lots are as follows:

- Northeast - Marulas Creek, Lot 1423 and Lot 698-B-2  
(now F. Bautista Street)
- Southeast - Lot 698-B-2 and Tullahan River
- Southwest - Tullahan River
- Northwest - Tullahan River

The terrain of the land is generally flat. The elevation is uniform all throughout the properties with a grade slightly lower from F. Baustista St.

Figure 3 shows a satellite image of the property. The red line is the boundary of the lots for acquisition based from the technical descriptions appearing in the titles furnished to Maynilad by the seller. As shown, the land has an irregular shape with a frontage of 5-meter on F. Bautista Street.

**Figure 3.** Boundaries of the property for acquisition as shown in red line.



## 6. BASELINE CONDITIONS

### 6.1 Land Use and Improvements

There are no residents and agricultural activity in the property to be acquired. It is teemed with undergrowth and shrubbery. There are few trees in the area. No public facilities like schools and public road currently used are affected by this land acquisition.

A small condemnable abandoned building (used to be Materials Recovery Facility or MRF of about 30 sq. m. size and the Valenzuela Youth/Eco Center Building are located at the immediately outside the entrance going to the property. Facilities owned by Globe Paper Mills are found at the eastern side of the property and on the southern side, across the Tullahan River. A small scale hollow-block making facility is adjacent to the south-western side of property and residential houses are scattered along the western, northern and eastern sides.

A City Dog Pound is located inside the property. This facility is about 8 × 15 m in size. The Dog Pound was about to be transferred to the City Action Center/Motorpool also owned by the LGU last year. However, the Philippine Animal Welfare Society (PAWS) was not in favor of transfer the dogs in temporary kennels. LGU will assume the cost of the construction. The construction of the new City Dog Pound within the City Action Center is undergoing post-qualification clearance of winning bidder, as per LGU. Figure 4 shows the Dog Pound in the area.

**Figure 4.** City Dog Pound inside the property





## 6.2 The Tullahan River

Tullahan River borders the site from the southern portion going to the west and up to northern portion. There are several industrial plants along the said river. The river was previously used to convey raw materials and products of industrial plants.

Majority of the houses in the community outside the acquired property have no available sanitation facilities and domestic wastes are discharged into the river and its tributaries. Their discharges directly contribute to significant amount of untreated biological load in the river. Figure 5 shows present condition of Tullahan River.

Interviews conducted on people in the vicinity of the property revealed that the area is not flood-prone. However, during Typhoon Ondoy (International name: Ketsana) in 2009, the river swelled and the area experienced an unprecedented level of flooding. Water levels went up to almost a meter during this flood event. The Tullahan River is located at the southern side of the proposed site. During the site visit, the water at the portion of the Tullahan River adjacent to the site was found to be turbid, brackish and garbage-filled.

**Figure 5.** Polluted waters of Tullahan River which borders the site.



## 6.3 Terrestrial Biota

The STP site is an open area with patches of vegetation. The total land area of the property is approximately 2.56 hectares. Unwanted vegetation, grasses and some tree species such as narra (*Pterocarpus indicus*), mahogany (*Swetenia macrophylla*), bangkal (*Nauclea orientalis*), datilis (*Muntingia calabura*), and raintree (*Samanea saman*) surround the area. Balete (*Ficus species*) and ipil-ipil (*Leucaena leucocephala*)

are found at the centre of the site. Figure 6 below shows the vegetation inside the property.

**Figure 6.** Views inside the property showing vegetation and trees.



There are no identified existing endangered terrestrial fauna in Valenzuela City. During the inspection, only domestic dogs and cats were observed to be present on site. As mentioned, the dog pound will be transferred to the City Action Center/Motorpool.

Based on observations and interviews conducted during the site visit, it is less likely to have fish species and other freshwater flora and fauna in this portion of the Tullahan River.

#### **6.4 Settlements**

There is no settlement inside the compound since the property is maintained and secured by the government. A security guard is posted by the entrance to prevent any illegal entry and unauthorized settlement. Figure 3 shows that eight (8) houses/structures are next to the existing wall and perimeter fence by the entrance to the property acquired. Only concreting of pavement is expected to take place in the said portion since it is just by the entrance. But to avoid or at least minimize adverse impacts to the residents, the portion of the perimeter where these houses are nearly located will be installed with fences of galvanized iron sheets (since existing wire fences have openings) to isolate the area and protect the residents. The existing wall by the entrance alley will be retained. Safety buffer zones along this perimeter will also be observed.

Other houses are at least 20 meters outside the eastern side of the property.

Appropriate measures indicated in the EMP will also be followed for safe construction and operation of the plant. Compliance of contractors to the guidelines of Maynilad Safety Codes will be closely monitored by Maynilad-Safety Department during construction.

## **7. SOCIAL ISSUES**

There are no impacts on involuntary resettlement because this is an outright sale of unoccupied land.

While the project will be designed to minimize disruption to community activities, some disruptions are unavoidable.

Appropriate construction and operations measures identified in the EMP for the project will be implemented by the proponent to ensure that the project does not cause adverse social impacts to the people residing in the vicinity of the property. Part of the social acceptability mechanism is the public disclosure of the project documents and the conduct of public consultation.

A Memorandum of Agreement between Maynilad and the Local Government of Valenzuela City was signed last December 20, 2012. The MOA specified the obligations and responsibilities of both parties in the implementation phase of the project until the completion of the project including the restoration of the affected areas. (See *Annex C. Memorandum of Agreement*)

## **8. PUBLIC CONSULTATION AND PARTICIPATION**

Public Consultation was conducted on-site last March 21, 2013. Prior to this, Maynilad met with the Barangay Officials of Marulas. The meeting was held at the Barangay Hall of Marulas last March 12, 2013. Maynilad solicited the support of the barangay council for the planned PubCon. Mr. Ernesto P. de Guzman- Brgy. Captain and his officers met with the Maynilad project team to discuss the details of the project and the program of the proposed PubCon . Figure 7 shows the Brgy. Captain presiding over the meeting.

**Figure 7.** A meeting with Barangay Captain Ernesto de Guzman, with Maynilad seeking support on the project.



The PubCon aimed to secure project acceptability and foster good community relationship between the proponent and the community. In this scheduled PubCon, Maynilad talked issues and concerns on the project; and provide relevant information to the community about the proposed STP. Information that were presented included the purpose, nature and scale of the project, any potential impacts to the community and the environment, the planned mitigating measures of the same and the schedule of the different project activities.

Valenzuela STP Public Consultation was conducted on March 21, 2013 at Valenzuela Youth Center. It was attended by 50 stakeholders as listed in Table 2. (See Annex D. *Public Consultation Attendance*).

**Table 2.** Number of Attendees/Representatives of the Public Consultation

Agency	Attendance
Maynilad Water Services Inc.	12
Residents of Brgy. Marulas	35
Valenzuela – CEO	2
Valenzuela Action Center	1
<b>TOTAL</b>	<b>50</b>

Engr. Ryan Orillo - Maynilad WMD Officer presented the project to the attendees. After the presentation, comments were brought out on the various issues/concerns of community members on the project.

The concerns and issues raised during the meeting were:

- a. Additional cost on the water bill due to the project.
- b. Pipelaying activities in Mc Arthur Highway which may cause traffic problems
- c. Purpose and benefits of the STP
- d. Source of labour force for the construction of STP
- e. Sludge management
- f. Option for the use of treated water for cleaning of roads

## **8.1 Public Consultation Proceedings**

Some of the salient concerns raised during the Public Consultation were the following: build-up of traffic from pipelaying activities in Mc Arthur Highway, STP objectives and benefits of the STP and the labor force needed for the construction of STP.

Barangay official Albino Toreja asked if there are pipelaying activities in Mc Arthur Highway. Engr. Orillo replied that yes there will be pipelaying activities in Mc Arthur Highway but there will be a traffic scheme to be coordinated by LGU, MMDA and DPWH to minimize disturbance to the public.

Engr. Orillo emphasized that the purpose of constructing STP is to treat the wastewater before it will be drained in the receiving bodies of water to help reduce water pollution and to comply with the concession obligations of Maynilad. The benefits are mainly for communities improved levels of sanitation.

Brgy. Captain Boy De Guzman asked if the residents of F. Baustista can be prioritized in hiring labour force for the construction of STP. Engr. Orillo together with Ms. Marither Menia explained that it is specified in the contract of the contractor to prioritize the hiring of qualified residents near the STP site. Photos of the said PubCon are shown in Figure 8 and 9.

Other concerns raised during the PubCon were documented. (*See Annex E Minutes of Public Consultation.*)



**Figure 8.** Engr. Orillo of Maynilad explained the importance of the STP to stakeholders



**Figure 9.** Residents of Brgy. Marulas listened to the presentation of Maynilad.



## 8.2 Special Meeting with the City Administrator

Last April 16, 2013, the City officials of Valenzuela headed by Valenzuela City Administrator Atty. Teresita R. Capacillo, requested for a special meeting with Maynilad to discuss details of the project. The local officials sought certain clarifications from Maynilad regarding the proposed project. Figure 10 shows Maynilad and the city officials as they discussed the details of the project in the meeting.

Atty. Capacillo enumerated the key points of concern of the project; namely, traffic management, road construction, permit, right of way issues, and the public consultation conducted. The concerned stakeholders from the government sector are the Traffic Management Office, Community Environment and Natural Resources Office (CENRO), City Engineering Office. These units were not represented in the PubCon.

The City Government agreed to assist Maynilad in coordinating with the corresponding local government officials in conducting further public consultations. Accordingly, they requested the following:

- Lengths and limits of pipe per affected barangay
- Memorandum of agreement with the City Government regarding the areas of cooperation (to be drafted by Maynilad)

Maynilad was instructed to submit the design and plans of the project as soon as it is available. The instruction includes the proposed traffic scheme and scheduling, and the submission of construction methodology and schedule. The project is planned to start on first quarter of the year 2014, with construction duration of two (2) years. Maynilad was advised to coordinate with the traffic management and city engineering office for the simultaneous implementation of projects under the program for 2014-2015. Also, Maynilad was informed on the cash bond and the required contractor's tax for contractors based outside the Valenzuela City area.

**Figure 10.** A meeting with Atty. Teresita R. Capacillo - City Administrator of Valenzuela to clarify concerns on the project.



## **9. POSITIVE IMPACTS AND BENEFITS**

The construction phase of the project will result in temporal environmental and social impacts. Positive outcomes are expected with the operation of the STP facility in the area. Consequently, the proposed STP project will greatly contribute in the improvement of water quality of the Tullahan River and sanitation and health of communities, specifically those residing along the waterways. It will also alleviate the present living condition of people. Property values of the vicinity will increase because of the new sewerage infrastructures. There will be temporary demand on local employment during the two (2) years of construction period.

The treatment plant is expected to greatly impact the water quality of the Tullahan River with the reduction of pollution load that will be discharged to it. Hence, the revival of the river ecosystem is anticipated. In general, Valenzuela City will be able to have facilities not only for the provision of water but also for the treatment of its wastewater as well. A program will be implemented to monitor the improvement in the water quality.

## **10. GRIEVANCE REDRESS MECHANISM**

Maynilad created a Grievance Redress Mechanism to address complaints and issues raised by the PAPs and also by the communities within the area where the wastewater plant will be constructed. Engr. John Emmanuel Martinez of Environment Management Unit-Maynilad has been appointed as the Grievance Officer for the project. He can be contacted at 981-3481. He shall coordinate with the responsible units/departments to resolve any possible complaints lodged on the project.

During the construction phase, an affected person or complainant can also call or approach Engr. Martinez or contractor to raise his/her complaints or concerns. Complaints will be immediately relayed to the responsible party for prompt action. If the complaint is not acted on promptly, or if the affected person is not satisfied with the resolution undertaken, he/she can then avail of the formal mechanism, as follows:

**Step 1:** Affected person lodges the complaint.

**Step 2:** The General Contractor (during construction) and the Sewerage Operations Department (during operation) will document and register received complaints.

**Step 3:** Two days upon the receipt of the complaint, a meeting will be called between the affected person and the General Contractor (during construction) and the Sewerage Operations Department (during operation). The affected person will be immediately informed if the grievance is within, or outside, the purview of the

mechanism. If the scope is outside, the affected person will be referred to the proper institution and/or proper mechanism for the complaint.

If the complaint is within the scope of the project, the resolution of the complaint shall be discussed during the meeting. Investigation will be immediately scheduled for proper resolution of the complaint. The contractor/Sewerage Operations Department will immediately provide the most suitable interim measure to reduce the magnitude of the impact and to start work on the final measure not later than 5 days from the day of the discussion meeting.

**Step 4:** If the affected person is satisfied with the resolution of the complaint, Maynilad shall obtain a written confirmation of satisfaction from the affected person.

**Step 5:** For at least a week after closure of grievance, Maynilad through the Grievance Officer shall monitor the effectiveness of the resolution.

**Step 6:** In the event that the issue/impact persists, the affected person can lodge an appeal to the Barangay. The Barangay Chairman shall immediately record the appeal, contact the grievance to discuss the immediate resolution of the issue. If the issue still persists despite the second action, the affected person can seek assistance from the City Government.

A total of two weeks are given to process, address and monitor a grievance that will arise due to the project implementation.

## 11. ACQUISITION, VALUATION AND COMPENSATION

The whole area was acquired through a “willing seller-willing buyer” approach. Appraisal documents showed that the lots are free of encumbrances. The zonal value of real property within Barangay Marulas, Valenzuela City as provided by the Bureau of Internal Revenue (BIR) on their official website is shown in Table 3.

**Table 3.** The BIR Zonal Value of Real Property within Brgy. Marulas, Valenzuela City.

Street	Classification	3 <sup>rd</sup> Revision Zonal Value (Php/sq.m.)
F. Bautista	Residential	2,800
	Industrial	6,100

The Valenzuela City Appraisal Committee appraised the property at **Php 4,500/ sq. m.**

The market value provided by Maynilad independent appraiser, TopConsult Inc., is **Php 1,800 per square meter**. Based from the same report, the total value of the 25, 560 square meter property is **Php 46, 008, 000**. The appraisal of the land was done on September 06, 2012

Upon presentation of TopConsult's appraised value during price negotiations with the Valenzuela City LGU, they rejected the offer seeing it as unreasonably low.

The City Government requested for another appraisal of the subject property. Maynilad contracted the services of another top appraiser recognized by the Philippine banking industry, Cuervo Valuers and Advisory, Incorporated, which gave an appraisal value of **Php 3,140 per sq. meter**.

The City Government finally agreed to settle the final cost at **Php 3,200/sq.m.**

The total price for the sale of the **25, 560 sq. meter** land was **eighty-one million, seven hundred and ninety-two thousand pesos (Php 81,792,000.00)**. This was paid on two equal instalments: 50 % (partial payment) of the purchase price, which is equivalent to Php 40,896,000 was paid upon the signing of the Contract to Sell (CTS) and the balance (full payment) was paid upon the submission of the seller of other documents/certificates necessary to complete the sale. (See Annex G. Deed of Sale)

- END -

# **ANNEXES**

## **ANNEX A**

### **Transfer Certificates of Land Titles**



SN No. 6642460

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF JUSTICE

Land Registration Authority

QUEZON CITY VALENZUELA CITY

REGISTRY OF DEEDS FOR THE .....

## Transfer Certificate of Title

No. ....

Valenzuela City

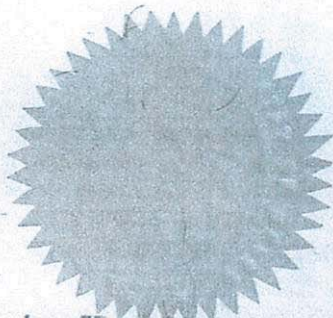
IT IS HEREBY CERTIFIED that certain land situated in the .....  
a parcel of land (Lot 698-A-2 of the bounded and described as follows: 46799, being a  
portion of Lot 698-A described on plan #1s-2011-D, LRC (GLRO) Rec. No. 5941)  
situated in the Mo. of Pugad Baboy, Mun. of Valenzuela, Prov. of Bulacan, Is.  
of Luzon. Bounded on the NE., points 1-2 by Lot 698-A-1 of the subd. plan;  
on the SE., points 2-3 and on the S., points 3-6 by the Tullahan River; on  
the NW., points 6-1 by Lot 698-A-3 of the subd. plan. Beginning at a point  
marked "1" on plan, being S. 58 deg. 27'W., 650.77 m. from LM 22, Malinta Est  
thence S. 30 deg. 34'E., 173.00 m. to pt. 2; thence S. 83 deg. 10'W., 3.01 m.  
to pt. 3; thence N. 58 deg. 30'W., 85.20 m. to pt. 4; thence N. 46 deg. (over)

is registered in accordance with the provisions of the Property Registration Decree in the name of  
THE MUNICIPALITY OF VALENZUELA METRO MANILA.

as owner thereof in fee simple, subject to such of the encumbrances mentioned in Section 44 of  
said Decree as may be subsisting, and to

IT IS FURTHER CERTIFIED that said land was originally registered on the 5th  
of ..... in the year nineteen hundred and ..... in the  
Registration Book of the Office of the Register of Deeds of ..... Volume .....  
page ..... as Original Certificate of Title No. 5941, pursuant to Decree No. ....  
issued in L. R. C. .... Record No. 11030/1-55

This certificate is a transfer from ..... Certificate of Title No. .... which  
is cancelled by virtue hereof in so far as the above-described land is concerned.



Valenzuela City

Entered at 13th June .....  
Philippines, on the ..... day of .....  
in the year two thousand and .....  
at ..... m.

ATTEST:

Poblacion II, Malinta Val. City

FLORENCIO L. DOMINGO, JR

(Owner's postal address)

(Register of Deeds)

\*State the civil status, name of spouse if married, age if a minor, citizenship and residence of the  
registered owner. If the owner is a married woman, state also the citizenship of her husband. If the  
land is registered in the name of the conjugal partnership, state the citizenship of both spouses.



SN No. 6642459

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF JUSTICE  
Land Registration Authority  
QUEZON CITY

VALENZUELA CITY

REGISTRY OF DEEDS FOR THE .....

# Transfer Certificate of Title

No. V-65786

IT IS HEREBY CERTIFIED that certain land situated in the Valenzuela City  
Philippines

bounded and described as follows:

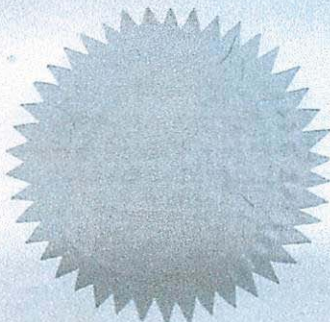
A parcel of land (lot 698-A-3 of the subd. plan (LRO) -sd-16799, being a portion of Lot 698-A described on plan Fls-2011-D LRO (SLRO) Rec. No. 5941) situated in the Po. of Pugas Baboy, Mun. of Valenzuela, Prov. of Bulacan, Is. of Luzon. Bounded on the NE., points 7-9 by Lot 698-B, Fls-2011-D; on the SE points 9-1 by Lot 698-A-1 of the subd. plan and points 1-2 by Lot 698-A-2 of the subd. plan; on the SW., points 2-4 on the W., points 4-5 and on the NW., points 5-7 all of the Tullajan River. Beginning at a point marked "1" on plan being S. 58 deg. 27'W., 650.77 m. from LM 22, Malinta Est; thence S. 69 deg. 06'W., 70.71 m. to pt. 2; thence N. 38 deg. 48'W., 4.49 m. to pt. 3; (over)

is registered in accordance with the provisions of the Property Registration Decree in the name of\*  
THE MUNICIPALITY OF VALENZUELA METRO MANILA.

as owner thereof in fee simple, subject to such of the encumbrances mentioned in Section 44 of said Decree as may be subsisting, and to

IT IS FURTHER CERTIFIED that said land was originally registered on the 5th  
of Sept. thirteen day  
in the year nineteen hundred and in the  
Registration Book of the Office of the Register of Deeds of Bulacan, Volume 4627,  
page 102, as Original Certificate of Title No. 5941, pursuant to Decree No. 1181,  
issued in L. R. C. Transfer 5941, in the name of Valenzuela City

This certificate is a transfer from Certificate of Title No. 1181, which  
is cancelled by virtue hereof in so far as the above-described land is concerned.



Entered at Valenzuela City  
at 13th June  
Philippines, on the day of two  
in the year two thousand and  
at m.

ATTEST:

Poblacion II, Malinta Val. City  
(Owner's postal address)

FLORENCIO C. DOMINGO, JR  
(Register of Deeds)

\*State the civil status, name of spouse if married, age if a minor, citizenship and residence of the registered owner. If the owner is a married woman, state also the citizenship of her husband. If the land is registered in the name of the conjugal partnership, state the citizenship of both spouses.



SN No. 6642447

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF JUSTICE  
Land Registration Authority  
QUEZON CITY

VALENZUELA CITY

REGISTRY OF DEEDS FOR THE .....

Transfer Certificate of Title

No. V-55574

IT IS HEREBY CERTIFIED that certain land situated in the Valenzuela, Metro Manila Philippines bounded and described as follows:

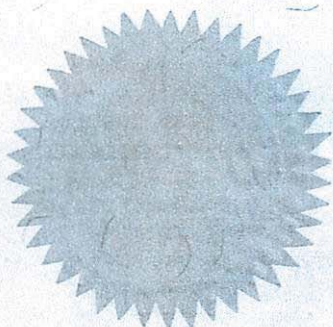
A parcel of land (Lot 693-B-1 of the subd. plan (LRC) Plan No. 26592, being a portion of Lot 693-B, described in plan Fls-2011-3 LRC (3840) Rec. No. 5941), situated in the 20. of Marulas, (Pugad Babay) before) Ann. of Valenzuela, Prov. Bulacan. Bounded on the NE., pts. 2-3 by Madulas Creek; and points 4-5 by Lot 1429, Malinta Subd. on the SE., points 5-8 by Lot 693-B-2 of the subd. plan; on the NW., pts. 8-9 and 9-1 by Lot 693-B, Fls-2011-3; and on the NW., pts. 1-2 by Yullagan River. Beginning at a point marked "1" on plan, being S. 54 deg. 53' 14. 743.54 m. from L.R. 22, Malinta Subd.; thence S. 54 deg. 10' 14. 26.65 m. to pt. 2; thence S. 55 deg. 30' 14. 73.50 m. to pt. 3; thence S. 44 deg. 40' 14. 19.70 m. to (0) pt. 4; is registered in accordance with the provisions of the Property Registration Decree in the name of\* THE CITY OF VALENZUELA, a local government unit, existing by virtue of the laws of the Republic of the Philippines.

as owner thereof in fee simple, subject to such of the encumbrances mentioned in Section 44 of said Decree as may be subsisting, and to the following conditions: That the property described above is subject to the prov. of as prescribed under Sections 596-598 of Act, 190, No. 3-11892/3-55.

2

IT IS FURTHER CERTIFIED that said land was originally registered on the 5th day of September, in the year nineteen hundred and ....., in the Registration Book of the Office of the Register of Deeds of ....., Volume ....., page ....., as Original Certificate of Title No. ...., pursuant to Decree No. ...., issued in L. R. C. .... Record No. ...., in the name of .....

This certificate is a transfer from ..... Certificate of Title No. 11892/3-55, which is cancelled by virtue hereof in so far as the above-described land is concerned.



Entered at City of Valenzuela Philippines, on the ..... day of ..... in the year two thousand and ..... at ..... m.

ATTEST:

Poblacion II, Malinta, Val. City

(Owner's postal address)

(Register of Deeds)

State the civil status, name of spouse if married, age if a minor, citizenship and residence of the registered owner. If the owner is a married woman, state also the citizenship of her husband. If the land is registered in the name of the conjugal partnership, state the citizenship of both spouses.



SN No. 6642446

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF JUSTICE  
Land Registration Authority  
QUEZON CITY

REGISTRY OF DEEDS FOR THE .....

# Transfer Certificate of Title

No. V-65573

IT IS HEREBY CERTIFIED that certain land situated in the Valenzuela, Metro Manila  
Philippines bounded and described as follows:

A parcel of land (Lot 698-A-1 of the subd. plan (LRG) Psd-16799, being a portion of Lot 698-A, Fls-2011-D LRG (GLRO) Rec. No. 5941), situated in the Bo. of Pugad Baboy, Mun. of Valenzuela, Prov. of Bulacan, Island of Luzon. Bounded on the NE., pts. 5-1 and pts. 1-2 by Lot 698-B, Fls-2011-D; on the SE., pts. 2-3 by Tullajan River; on the SW., pts. 3-4 by Lot 698-A-2 of the subd. plan; and on the NW., pts. 4-5 by Lot 698-A-3 of the subd. plan. Beginning at a point marked \*1 on plan, being S. 34 deg. 21'W., 825.15 m. from L.M. 22, Malinta Est.; thence S. 30 deg. 34'E., 5.00 m. to pt. 2; thence S. 83 deg. 10'W., 5.00 m. to pt. 3; thence N. 30 deg. 34'W., 173.00 m. to pt. 4; thence N. 39 deg. 15'E., 4.87 m. (0.00) is registered in accordance with the provisions of the Property Registration Decree in the name of \* THE CITY OF VALENZUELA, a local government unit, existing by virtue of the laws of the Republic of the Philippines,

as owner thereof in fee simple, subject to such of the encumbrances mentioned in Section 44 of said Decree as may be subsisting, and to

IT IS FURTHER CERTIFIED that said land was originally registered on the 5th day of September, in the year nineteen hundred and thirteen, in the Registration Book of the Office of the Register of Deeds of Bulacan, Volume A-5, page 4527, as Original Certificate of Title No. 5941, pursuant to Decree No. 5941 issued in L. R. C. Record No. 5941, in the name of trans. This certificate is a transfer from trans. Certificate of Title No. B-11089/T-55, which is cancelled by virtue hereof in so far as the above-described land is concerned.

Entered at City of Valenzuela  
Philippines, on the 13th day of June  
in the year two thousand and two  
at 11:10 a. m.

ATTEST:

Poblacion II, Malinta, Val. City

(Owner's postal address)

FLORENCIO P. DOMINGO JR

(Register of Deeds)

\*State the civil status, name of spouse if married, age if a minor, citizenship and residence of the registered owner. If the owner is a married woman, state also the citizenship of her husband. If the land is registered in the name of the conjugal partnership, state the citizenship of both spouses.



**ANNEX B**

**Offer To Sell**



Republic of the Philippines  
**CITY OF VALENZUELA**  
Metropolitan Manila

19 September 2011

**Hon. GERARDO A.I. ESQUIVEL**

Administrator  
Metropolitan Waterworks and Sewerage System  
4/F Administration Building, MWSS Complex,  
489 Katipunan Avenue, Balara, Quezon City

**Dear Mr. Esquivel:**

This is to notify your good office that the Valenzuela City Government accepts your offer to acquire the 25,560 square meters parcel of land it owns, located along F. Bautista Street in Barangay Marulas.

The City is willing to sell the said property subject to the following terms and conditions:

1. The selling price per square meter is P4,500.00. *11,800 2,800.00*
2. MWSS shall shoulder all the expenses for the following:
  - 2.1. Capital Gains Tax; *VC*
  - 2.2. Documentary stamp tax;
  - 2.3. Transfer tax; and
  - 2.3. All registration expenses. *Mayinibad*
3. The 3,000 square meters accretion on which the Youth Center stands, may or may not be included in the transaction.

Should the above terms and conditions be acceptable to MWSS, the same shall be incorporated in the corresponding Deed of Sale.

We look forward to hear from you soon.

Very truly yours,

*[Signature]*  
**Atty. TERESITA P. CAPACILLO**  
City Administrator/OIC, City Legal Office

**valenzuelako**  
www.valenzuela.gov.ph

New City Government Complex, MacArthur Highway, Karuhatan, Valenzuela City  
Tel.: (632) 352-1000

*mwss - 9/21/12 8:50AM*

**ANNEX C**

**Memorandum of Agreement**

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (this "Agreement") is entered into this 20 December 2012, in Valenzuela City, by and between:

**MAYNILAD WATER SERVICES, INC.**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with business address at MWSS Compound, Katipunan Road, Balara, Quezon City, represented herein by its Chief Operating Officer, **Herbert M. Consunji**, and hereinafter referred to as "MAYNILAD";

- and -

The **LOCAL GOVERNMENT UNIT OF VALENZUELA CITY**, a local government unit of the Republic of the Philippines, with principal office address at City Government Center, MacArthur Highway, Karuhatan, Valenzuela City, represented herein by its City Mayor, **Sherwin T. Gatchalian**, and hereinafter referred to as the "CITY GOVERNMENT".

(Each, a "Party", and collectively, the "Parties")

### Recitals:

- Consunji*
- (a) The Pasig River, Laguna Lake and Manila Bay have been determined as heavily polluted being the receiving bodies of waters of untreated domestic sewage and industrial liquid waste from households and establishments in Metro Manila, as well as agricultural and urban run-offs from Metro Manila and the surrounding provinces;
  - (b) Among the rivers or waterways that drain into the Manila Bay is the Tullahan River, including attached creeks, *esteros*, and other waterways located in Valenzuela City;
  - (c) The Tullahan River is one of the rivers in Metro Manila which has consistently not complied with the effluent water quality standards prescribed by Department Administrative Order ("DAO") No. 35 issued by the Department of Environment and Natural Resources ("DENR"), and has not met the Class C inland water body classification under DAO No. 35;
  - (d) The Supreme Court in the case entitled ***MMDA et. al. vs. Concerned Residents of Manila Bay, et al.*** (the "Manila Bay Case"), which was promulgated on 18 December 2008, directed the DENR and other agencies involved in water pollution control, sewerage and sanitation, and concerned local government units to perform their respective mandates and duties towards cleaning up the Manila Bay;
  - (e) MAYNILAD is engaged in the business of providing water and sewerage services in the West Zone;
  - (f) Pursuant to its powers under Republic Act No. 7160, otherwise known as the "Local Government Code of 1991", the CITY GOVERNMENT has jurisdiction and control over public areas and roads in Valenzuela City, including the existing drainage systems therein (the "Drainage System");
  - (g) MAYNILAD has prioritized the construction of sewage treatment plants ("STPs") using a combined sewer-drainage system in the downstream portion of the Tullahan River, and has secured the necessary endorsements from the CITY GOVERNMENT and the National Capital Region-Regional Development Council;
- SG*



- (h) To divert wastewater coming from households and commercial establishments in Valenzuela City to the STPs, and to intercept wastewater and construct a conveyance system (the "Conveyance System") that will bring the wastewater to the STPs for treatment prior to being discharged to the receiving body of water, there is a need to install interceptor pipes (collectively, the "Interceptor") along the Drainage System; and
- (i) As a condition for the grant of the necessary permits and clearances required for the installation of the Interceptor and construction of the Conveyance System, the CITY GOVERNMENT has required MAYNILAD to ensure the proper restoration of all roads, utilities and other areas or structures that shall be affected by the installation of the Interceptor and the construction of the Conveyance System (the "Affected Areas").

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants herein contained, the Parties hereby agree as follows:

**1. Term**

This Agreement shall take effect on the date of its execution, and shall remain valid until the completion of the restoration of the Affected Areas.

**2. Obligations and Responsibilities of the Parties**

**2.1 MAYNILAD shall:**

- (a) at its own cost, (i) install the Interceptor, (ii) construct the Conveyance System that will intercept dry-weather wastewater flow from the Drainage System, and (iii) convey the wastewater to the STPs for treatment;
- (b) secure all the necessary permits and clearances from the DENR and from the appropriate government regulatory agencies;
- (c) strictly comply with the effluent standards set by the DENR;
- (d) regularly maintain the Interceptor and the Conveyance System;
- (e) ensure that the Interceptor and the Conveyance System shall not, in any way, interfere with the natural flow of the Drainage System;
- (f) adhere to its Environmental Management Plan (e.g., odor control, traffic management, noise level, dust control) during Term; and
- (g) restore to its former condition the Affected Areas.

**2.2 The CITY GOVERNMENT shall:**

- (a) allow MAYNILAD to (i) install the Interceptors, (ii) construct the Conveyance System, and (iii) intercept the drainage outfalls coming from the Drainage System;

For this purpose, the CITY GOVERNMENT agrees to facilitate and expedite the issuance of the necessary permits and clearances,



including the grant of right-of-way or assistance in securing right-of-way from third parties, as the case may be;

- (b) to ensure acceptance of the project by beneficiary-communities, assist MAYNILAD during public consultations, and other information, education and communication activities;
- (c) regularly maintain the Drainage System without cost to MAYNILAD;
- (d) ensure that the *esteros*, canals and/or drainages leading to the Drainage System are clean, open and obstruction-free; and
- (e) notify MAYNILAD in writing of any road and sidewalk repair/restoration.

### 3. Representations and Warranties

Each of the Parties represents and warrants to the other that: (i) it has full power and authority to execute and perform its obligations under this Agreement; (ii) all necessary approvals, consents, authorizations and other legal actions for the due execution, delivery, and performance of this Agreement have been obtained or made, and are in effect; and (iii) this Agreement constitutes a legal, valid, and binding obligation, enforceable in accordance with its terms.

### 4. Free and Harmless

MAYNILAD shall hold the CITY GOVERNMENT free and harmless from and against any and all claims, damages, or liabilities resulting from the installation of the Interceptor and the construction of the Conveyance System, or arising out of, its operation and maintenance.

### 5. Amendments

The Parties may, upon mutual agreement, amend, modify, supplement or otherwise revise, in writing, any provisions of this Agreement.

### 6. Entire Agreement

This Agreement contains the entire agreement between the Parties, and supersedes and cancels all previous agreements, negotiations, commitments, and understanding with respect to the subject matter hereof, whether oral or in writing.

### 7. Severability

In the event that any of the provisions contained in this Agreement is declared invalid, illegal or unenforceable, the validity, legality and enforceability of the other provisions hereof shall not, in any manner, be affected thereby.

### 8. Non-Waiver

The failure of either Party to insist upon a strict performance of any of the terms, conditions and covenants hereof shall not be deemed a relinquishment or waiver of any right or remedy that such Party may have, nor shall it be construed as a waiver of any subsequent breach or default on the conditions and covenants which shall

continue to be in full force and effect. No waiver by either Party of any of its rights under this Agreement shall be deemed to have been made unless expressed in writing and signed by such Party.

**9. Venue**

In enforcing the terms of this Agreement or the obligations, duties and rights of the Parties, the venue of any action which either Party may institute against the other shall be exclusively in the proper courts of Valenzuela City, to the exclusion of all others.

IN WITNESS WHEREOF, the Parties have affixed their signatures on the date and at the place first above written.

**MAYNILAD WATER SERVICES, INC.**

  
**Herbert M. Consunji**  
Chief Operating Officer

**CITY GOVERNMENT OF VALENZUELA**

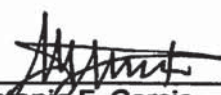
  
**Sherwin P. Gatchalian**  
City Mayor

With the conformity of:

**METROPOLITAN WATERWORKS AND  
SEWERAGE SYSTEM**

  
**Gerardo A. J. Esquivel**  
Administrator

Signed in the Presence of:

  
\_\_\_\_\_  
**Antonio F. Garcia**  
Head, WMD  
Maynilad Water Services, Inc.

  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
City Government of Valenzuela

## ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
Quezon City ) S.S.

Before me, a notary Public for and in the above-jurisdiction, this \_\_\_\_ December 2012, personally appeared the following:

<u>Name:</u>	<u>Identification:</u>	<u>Date &amp; Place of Issue:</u>
Maynilad Water Services, Inc. Herbert M. Consunji	_____	_____
City Government of Valenzuela City Sherwin T. Gatchalian	_____	_____

known to me, and to me known to be the same persons who executed the foregoing instrument, and they acknowledged to me that they executed the same as their free and voluntary act and deed as well as of the corporation/local government unit that they each represent.

The foregoing instrument which pertains to a Memorandum of Agreement, consisting of four (4) pages including this page where the acknowledgement appears, has been signed by the Parties and their instrumental witnesses on each and every page hereof.

WITNESS MY HAND AND SEAL on the date and at the place above written.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2012.

## **ANNEX D**

### **Public Consultation Attendance**



# Attendance Sheet



SUBJECT: PUBLIC CONSULTATION

DATE: MARCH 21, 2013

TIME: 1:30 PM

VENUE: YOUTH CENTER, BRGY. MATULAB, VALENZUELA CITY

NAME	OFFICE	SIGNATURE
1 ADRIAN FORRO		
2 RAYNARD CARRO		
3 DAITE MALAN	BRGY	
4 MIKE VELANDON	PUROK	
5 NOEL ANGLADA	BRGY	
6 Danilo C. Raymundo	Bray	
7 LEONOR E. Constantino		
8 Iani Funa		
9 JOCELYN CUSAY		
10 CHRISTINA FALUTAR		
11 Neliz Belayan		
12 JONALYN ARCEAL		
13 Alyanna mata		
14 Norma Dizon		
15 MARLYN R. FRESNIDO		
16 MARJORIE M. GARCIA		
17 KELBERT DELA CRUZ		
18 ALVIN C. MIRANDA		
19 ANTONIO V. MIRANDA JR.		
20 Marlon Ferrer		
21 Robert Ferrer		
22 MARLEN CONSTANTINO		
23 Ninfia Miranda		
24 CRESIDA, Feolog		
25 CARLITO GALANG		

# Attendance Sheet



SUBJECT: PUBLIC CONSULTATION

DATE: MARCH 21, 2013

TIME: 1:30 Pm

VENUE: YOUTH CENTER, BRGY. MARULAS, VALENZUELA CITY

NAME	OFFICE	SIGNATURE
1 Ronnie MARK		Ronnie
2 VICTOR MATH LIM	BRGY	
3 CONRADO SANTOS	BRGY. MARULAS	
4 Rolando GARCIA	ELYSIAN, MARULAS	
5 ROY BASADO	BRGY. MARULAS	
6 Mila Junio	Brgy. Jukok	
7 RUTH I. PATRICKO	Brgy. marulas ally	
8 Rosema M. Baguini	Brgy. marulas	
9 ERWIN LAGUIDAO	BRGY MARULAS	
10 LONI CONSTANTINO	F. BAPTISTA MARULAS	
11 MARITES OLIVAR	F. BAPTISTA MARULAS	
12 ANN MARGARETT MARIBONDIN	MAYNILAD	
13. JEN ARRIAGA	MAYNILAD	
14 Ryan Villanar	maynilad	
15 GITHUA chactua adna	maynilad	
16 Glorious Salazar	Maynilad	
17 STEPHEN LARCIA	MAYNILAD	
18 RICHARD CORTEZ	MAYNILAD	
19		
20		
21		
22		
23		
24		
25		

## **ANNEX E**

### **Minutes of the Public Consultation**

# Minutes of Public Consultation Meeting

Valenzuela Sewage Treatment Plant (STP)

March 21, 2013 / 1:30-2:20p.m.

Eco Center, F. Bautista St. Marulas, Valenzuela City

Attendees:

- Barangay Council of Marulas headed by Chairman Boy De Guzman
- Maynilad Water Services Inc.
- F. Bautista Residents
- World Bank Representative
- Maynilad QESH Consultant

The Public Consultation commenced at 1:30PM with the acknowledgement of Barangay Council and stakeholders. It was followed by an invocation.

## Project Presentation and Its Projected Benefits

Engr. Ryan Orillo of Maynilad presented the project by emphasizing its rationale and the sewerage targets of Maynilad. He also introduced the company and the nature of its business, especially the services (e.g. potable water and wastewater) it provides. He further presented the concession area of Maynilad which includes Valenzuela.

Engr. Orillo also gave background of the project by citing the past and present status of Manila Bay and how the untreated wastewater affected the quality of the bodies of water. He also mentioned that provision of the Concession Agreement states that Maynilad should not only provide potable water but as well as wastewater management services. He further anchored the company's role to the mandates of R.A. 9275 (Clean Water Act) and the Supreme Court Mandamus for the rehabilitation of Manila Bay.

Furthermore, Engr. Orillo introduced the wastewater management strategy of Maynilad-the Combined Sewer System. He discussed the flow of wastewater in the drainage system and how it will be collected for treatment. He also highlighted the importance of the involvement of LGU, NGO's and the local community to attain the project's aim to improve the water quality of Tullahan River.

## Open Forum

### 1. Additional Cost to Water Bill

Barangay official Albino Toreja ask if there will be an additional cost to water bills because of the discussed project of Maynilad.



Engr. Orillo answered yes there will be an additional cost to the customers but that is not abrupt so that it will not be a burden to the customers.

## 2. Pipelaying in Mc Arthur Highway

Barangay official Albino Toreja asked if there are pipelaying activities in Mc Arthur Highway.

Engr. Orillo replied that yes there will be pipelaying activities in Mc Arthur Highway but there will be a traffic scheme to be coordinated by LGU, MMDA and DPWH to minimize disturbance to the public.

## 3. STP Purpose and Benefits

Engr. Orillo emphasized that the purpose of constructing a STP is to clean the wastewater before it drains in the receiving bodies of water to help reduce water pollution and to comply with the concession obligation of Maynilad. Its benefits are mainly for communities cleanliness and health wellness.

## 4. Labour Force for the Construction of STP

Brgy. Captain Boy De Guzman asked if the residents of F. Baustista can be prioritize in hiring labour force for the construction of STP

Engr. Orillo together with Ms. Marither Menia explained that residents will be prioritized and it is specified in the contract of the winning contractor to prioritize hiring of qualified residents near the STP site.

## 5. Sludge management

Barangay official Albino Toreja asked where Maynilad will bring the collected waste/sludge.

Engr. Orillo answered that it will be brought in Pampanga and will be used as fertilizers.

## 6. Treated water re-use for cleaning of roads when there are flooding

Barangay official Carreon asked if Maynilad will allow water re-use of treated water for cleaning of roads. Residents had confusion on this matter, interpreting water re-use for household cleaning.

Engr. Orillo responded that Maynilad will study and may consider that idea. However, water is not being treated to levels that it can be reused. In the meeting, it was also clarified that clear water does not mean that it is already safe for water re-use especially in households where it is prone to misidentification with potable water.

In addition to that Barangay Chairman Boy de Guzman emphasized that the main purpose STP of Maynilad was to clean wastewater of Valenzuela before it drains to Tullahan River to reduce water pollution and not for water re-use of the households.

Barangay Chairman Boy de Guzman concluded the forum and said his barangay will cooperate with Maynilad because they are fully aware of its benefits to the community. He also asked the residents to disseminate the information that discussed in the forum to their family members and neighbours

The public consultation meeting formally ended at around 2:20 p.m.

**ANNEX F**

**Contract To Sell**

## CONTRACT TO SELL

This Contract to Sell (this "Contract") is made and entered into this \_\_\_\_ day of December, 2012, in Valenzuela City, by and between:

**CITY OF VALENZUELA**, a local government unit existing under and by virtue of the laws of the Republic of the Philippines, represented herein by its **Sherwin T. Gatchalian**, City Mayor, hereinafter referred to as the "SELLER";

and

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM**, a government-owned and controlled corporation, existing under and by virtue of the laws of the Republic of the Philippines, with principal office at the MWSS Compound, Katipunan Road, Balara, Quezon City, represented herein by its Administrator, **Gerardo A. I. Esquivel**, hereinafter referred to as "BUYER".

(Each, a "Party", and collectively, the "Parties")

### Recitals:

- (a) The SELLER is the absolute and registered owner of that certain parcel of land, situated along F. Bautista Street, Barangay Marulas, Valenzuela City, Metro Manila, with an area of *Twenty Five Thousand, Five Hundred Sixty (25,560) square meters only*, and covered by *Transfer Certificates of Title ("TCT")* Nos. V-65573, V-65574, V-65586, V-65587 (collectively, the "Land"). A copy of TCT Nos. V-65573, V-65574, V-65586, V-65587 are attached hereto as Annexes "A", "B", "C" and "D" and made integral parts of this Contract;
- (b) The BUYER has offered to buy, and the SELLER has agreed to sell, the Land, subject to the terms and conditions hereinafter set forth;
- (c) The authority of the City Mayor to sign and deliver this Contract for and on behalf of the City of Valenzuela, is evidenced by a Sangguniang Panlungsod Ordinance No. 70, series of 2012, approved on \_\_\_\_ December 2012, a copy of which is attached hereto as Annex "E" and made an integral part of this Contract; and
- (d) The Parties have agreed that the sale of the Land shall exclude any improvement made thereon, which improvement shall be demolished and removed by the SELLER prior to the delivery of the Land to the BUYER.

NOW, THEREFORE, for and in consideration of the foregoing premises and of the mutual covenants herein contained, the Parties hereby agree as follows:

1. The total consideration for the sale of the Land shall be *Eighty - One Million, Seven Hundred and Ninety-Two Thousand Pesos (P81,792,000.00)* (the "Purchase Price"), payable as follows:
  - (a) Fifty percent (50%) of the Purchase Price, which is equivalent to *Forty Million, Eight Hundred Ninety-Six Thousand Pesos (P40,896,000.00)* (the "Down Payment"), shall be paid upon the signing of this Contract and submission by the SELLER to the BUYER of the following:
    - (i) Original owner's duplicate title over the Land;
    - (ii) Original copies of the tax declarations over the Land;



- (iii) Original copies of the latest official receipts for realty tax payment, if any, over the Land; and
  - (iv) Relocation survey plan signed by a licensed geodetic engineer and duly validated by BUYER's Engineering-Architectural, Structural & Survey team;
- (b) The balance of **Forty Million, Eight Hundred Ninety-Six Thousand Pesos (P40,896,000.00)** (the "Second Tranche"), shall be payable upon the SELLER's submission to the BUYER of the following:
- (i) Certificate Authorizing Registration ("CAR") issued by the BIR on the sale of the Land;
  - (ii) Signed Deed of Absolute Sale over the Land;
  - (iii) Tax clearance;
  - (iv) Certificate of no improvement; and
  - (v) Such other documents and/or certificates as may be necessary to complete the registration of the sale and transfer of title to the Land to the BUYER.

2. The Parties agree that the capital gains tax and documentary stamp tax due on the sale shall be for the account of the SELLER and the BUYER, respectively. Other expenses and/or costs shall be for the account of the BUYER exclusively.

The BUYER shall deduct from the Second Tranche due to the SELLER, an amount equivalent to the capital gains tax, which amount shall be remitted by the BUYER to the BIR. The BUYER shall be liable for any deficiency should the capital gains tax turn out to be more than what was deducted from the Second Tranche by the BUYER.

3. The SELLER undertakes and agrees to execute and deliver to the BUYER such documents and/or certificates as may be required by law for the registration of the sale and transfer of title to the Land to the BUYER.
4. The SELLER warrants that the Land is free from any and all encumbrances of whatever nature as of the date of this Contract, and guarantees the BUYER's peaceful use, possession and enjoyment of the Land.
5. The SELLER further warrants that it is not engaged, or habitually engaged, in the business of buying and/or selling real properties, and that the Land is not offered for sale or lease to the general public in the ordinary course of business.

IN WITNESS WHEREOF, the Parties have signed this Contract on the date and at the place first written above.

CITY OF VALENZUELA

SELLER

BY:

  
Sperwin A. Gatchalian  
City Mayor

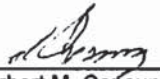
METROPOLITAN WATERWORKS  
AND SEWERAGE SYSTEM

BUYER

  
Gerardo A. I. Esquivel  
Administrator

Signed in the presence of:

Atty. Teresita R. Capacillo  
City Administrator  
Valenzuela City Government

  
Herbert M. Consunji  
Chief Operating Officer  
Maynilad Water Services, Inc.

#### ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)  
Valenzuela City ) S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction, on this \_\_\_\_ day of \_\_\_\_\_, 2012, personally appeared:

Name: Identification No.: Date/Place Issued:

Sherwin T. Gatchalian

Gerardo A.I. Esquivel

known to me and to me known to be the same persons who executed the foregoing document, and they acknowledged to me that they executed the same as their free act and voluntary deed, as well as those of the entities that they represent.

This document, which pertains to a Contract to Sell, consisting of three (3) pages, including this page where the Acknowledgment appears, has been signed by the Parties and their instrumental witnesses on each and every page hereof.

WITNESS MY HAND AND NOTARIAL SEAL on the date and at the place first above-written.

Doc. No. \_\_\_\_;  
Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2012.



**ANNEX G**

**DEED OF SALE**

## DEED OF SALE

KNOW ALL MEN BY THESE PRESENTS:

The **CITY GOVERNMENT OF VALENZUELA**, a local government unit organized and existing under and by virtue of the laws of the Republic of the Philippines, represented in this act by its City Mayor, **Honorable SHERWIN T. GATCHALIAN**, of legal age, Filipino citizen, single, and with office address at Executive Building, Valenzuela City Hall, McArthur Highway, Karuhatan, Valenzuela City, for and in consideration of the amount of **EIGHTY ONE MILLION SEVEN HUNDRED NINETY TWO THOUSAND PESOS (Php81,792,000.00)**, Philippine currency, receipt of which is hereby acknowledged from the Vendee, **METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM (MWSS)**, a government-owned and controlled corporation, existing under and by virtue of the laws of the Republic of the Philippines, with principal office at the MWSS Compound, Katipunan Road, Balara, Quezon City, hereby **SELLS, TRANSFERS AND CONVEYS** and by virtue of these presents have **SOLD, TRANSFERRED and CONVEYED** unto the said **METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM (MWSS)** the parcels of land without improvement located at F. Bautista Street, Barangay Marulas, Valenzuela City covered by Transfer Certificates of Title with Nos. V-65573, V-65574, V-65586, and V-65587 issued by the Registry of Deeds of Valenzuela City, more particularly described as follows:

T.C.T. No. V-65573 (SN No. 6642446, Book 322, Page 173)


"A parcel of land (Lot 698-A-1 of the subd. plan (LRC) Psd-16799, being a portion of Lot 698-A, Fls-2011-D LRC (GLRO) Rec. No. 5941), situated in the Bo. of Pugad Baboy, Mun. of Valenzuela, Prov. of Bulacan, Island of Luzon. Bounded on the NE., pts. 5-1 and pts. 1-2 by Lot 698-B, Fls-2011-D; on the SE., pts. 2-3 by Tullajan River; on the SW., pts. 3-4 by Lot 698-A-2- of the subd. plan; and on the NW., pts. 4-5 by Lot 698-A-3 of the subd. plan. x x x; containing an area of SEVEN HUNDRED EIGHTY-EIGHT (788) SQ. METERS, more or less. x x x."

T.C.T. No. V-65574 (SN No. 6642447, Book 3221, Page 174)

"A parcel of land (Lot 698-B-1 of the subd. plan (LRC) Psd-26592, being a portion of Lot 698-B described on plan Fls-2011-D LRC (GLRO) Rec. No. 5941) situated in the Bo. of Marulas (Pugad Baboy before), Mun. of Valenzuela, Prov. of Bulacan. Bounded on the NE., points 2-3 by Marulas Creek; and points 3-5 by Lot 1429, Malinta Est., on the SE., points 5-8 by Lot 698-B-2 of the subd. plan; on the SW., points 8-9 and 9-1 by Lot 698-A, Fls-2011-D; and on the NW. points 1-2 by Tullajan River. x x x; containing an area of TEN THOUSAND (10,000) SQUARE METERS, more or less. x x x."


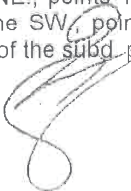
T.C.T. No. V-65586 (SN No. 6642459, Book T-322, Page 186)

"A parcel of land (Lot 698-A-3 of the subd. plan (LRC) Psd-16799, being a portion of Lot 698-A described on plan Fls-2011-D LRC (GLRO) Rec. No. 5941), situated in the Bo. of Pugad Baboy, Mun. of Valenzuela, Prov. of Bulacan, Is. of Luzon. Bounded on the NE., points 7-9 by Lot 698-B, Fls-2011-D; on the SE points 9-1 by Lot 698-A-1 of the subd. plan and points 1-2 by Lot 698-A-2- of the subd. plan; and on the SW., points 2-4 on the W., points 4-5 and on the NW., points 5-7 all of the Tullajan River. x x x; containing an area of SEVEN THOUSAND THREE HUNDRED AND EIGHTY SIX (7,386) SQUARE METERS, more or less. x x x."



T.C.T. No. V-65587 (SN No. 6642460, Book T-322, Page 187)

"A parcel of land (Lot 698-A-2 of the subd. plan (LRC) Psd-16799, being a portion of Lot 698-A described on plan Fls-2011-D, LRC (GLRO) Rec. No. 5941) situated in the Bo. of Pugad Baboy, Mun. of Valenzuela, Prov. of Bulacan, Is. of Luzon. Bounded on the NE., points 1-2 by Lot 698-A-1 of the subd. plan; on the SE., points 2-3 and on the SW., points 3-6 by the Tullahan River; on the NW., points 6-1 by Lot 698-A-3 of the subd. plan. x x x; containing an area of SEVEN



THOUSAND THREE HUNDRED AND EIGHTY SIX (7,386) SQUARE METERS,  
more or less. "x x x."

The subject properties are not tenanted and do not come within the operation of the Land Reform Code and allied Presidential Decree and Circulars of the Department of Agrarian Reform.

This Deed of Sale is delivered to MWSS only for the purpose of complying with the condition in the Contract to Sell.

All the terms and conditions in the Contract to Sell which are not inconsistent, repugnant and have not as yet been implemented are deemed integrated herewith.

The VENDOR does hereby further warrant valid titles to and peaceful possession of the parcels of land herein sold free from all liens and encumbrances of any kind whatsoever.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands on this \_\_\_\_\_ day of \_\_\_\_\_ 2013 at the City of Valenzuela.

**CITY GOVERNMENT OF VALENZUELA**

Vendor

TIN No. 002-456-720-000

By :

**SHERWIN T. GATCHALIAN**  
City Mayor

SIGNED IN THE PRESENCE:

REPUBLIC OF THE PHILIPPINES )  
City of Valenzuela, Metro Manila ) S.S.

**ACKNOWLEDGMENT**

**APR 26 2013** BEFORE ME, a Notary Public for and in the City of Valenzuela, on this \_\_\_\_\_ day of \_\_\_\_\_ 2013, personally appeared Hon. SHERWIN T. GATCHALIAN with identification card No. 01-001 issued by the City Government of Valenzuela and Driver's License No. N04-90-136545 issued by Land Transportation Office, known to me to be the same person who executed the foregoing instrument containing of two (2) pages including this page where the acknowledgment is duly written and signed by the vendor and his instrumental witnesses on each page thereof, and acknowledged to me that the same is his own free and voluntary act and deed.

WITNESS MY HAND AND NOTARIAL SEAL.

Doc. No. 2085  
Page No. 417  
Book No. XXIV  
Series of 2013.

**JOY B. BALLEBAS-BAGAY**  
NOTARY PUBLIC  
APR 31, 2014  
NOTARY PUBLIC  
NOT-02-2013/VALENZUELA CITY  
REG. NO. 010332/01-09-2012/MANILA  
ROLL NO. 53363  
E COMPLIANCE III - 0035329/1-10-10