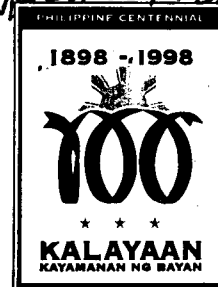




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA



05 March 1999

DEPARTMENT ORDER)

No. **48**
Series of 1999 *JKS*
X-X-X-X-X-X-X-X-X-X-X-X

SUBJECT: GUIDELINES COVERING EQUIPMENT
TO BE LEASED TO LOCAL GOVERNMENT
UNITS (LGUs) FOR THE CONSTRUCTION
OR REHABILITATION OF DAMAGED FARM
TO MARKET ROADS.

Pursuant to the letter dated 27 November 1998 of Deputy Executive Secretary Vicente L. de la Serna, requesting us to direct our regional offices to allow local government units (LGUs) to borrow equipment and machineries from the DPWH for use in the construction of farm-to-market roads, in line with the instruction of President Joseph E. Estrada to intensify the infrastructure development of local communities by hastening the construction or rehabilitation of the said roads, the following guidelines are hereby provided covering the lease of DPWH equipment to LGUs, to wit:

1. Only equipment outside the Basic Highway Maintenance Equipment (BHME) on short-term duration may be leased to the LGUs.
2. Equipment rentals shall be paid by the LGU- Lessee in accordance with the prescribed rental rate under Department Order No. 151, Series of 1990.
3. The LGU-Lessee shall certify as to the availability of funds for the equipment to be leased on short-term duration.
4. The equipment leased shall be operated by a duly authorized operator of the DPWH, but his allowances as well as the cost of repair, petroleum, oil and lubricant (POL) products used shall be borne by the LGU-Lessee.
5. The leased equipment shall be used by the LGU-Lessee exclusively for the purpose requested.
6. The cost of transporting the equipment and its accessories to the LGU-Lessee's jobsite and their subsequent return to DPWH yard, shall be for the account of the LGU-Lessee.
7. Except for normal wear and tear, the equipment shall be returned to the DPWH yard in the same condition as it was received by the LGU-Lessee.
8. The equipment to be leased shall be covered by an approved Lease Contract and Memorandum Receipt (M/R) signed by the authorized representatives of the LGU-Lessee and the DPWH.
9. Any claim for liability in case of accidents, injuries or deaths, which are not within the coverage of the existing insurance policy contract over the equipment of the DPWH, shall be for the account of the LGU-Lessee.

Strict compliance is hereby enjoined.

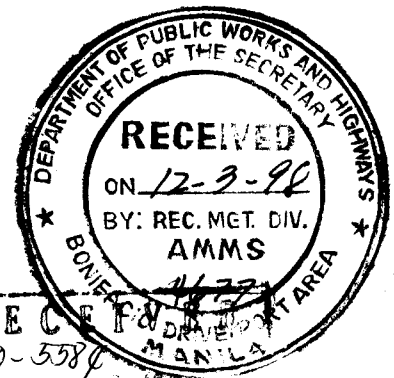
GREGORIO R. VIGILAR
Secretary

fm - 10 - DPWH
Office of the President
of the Philippines
Malacañang

012/11/98-1858

27 November 1998

The Honorable GREGORIO R. VIGILAR
Secretary
Department of Public Works and Highways
Bonifacio Drive, Intramuros, Manila



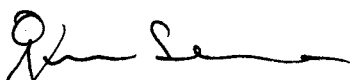
Sir:

President Joseph Estrada declared his policy to intensify the infrastructural development of local communities by hastening the construction or rehabilitation of damaged farm to market roads.

In this regard, may we request you to take under advisement our recommendation for the Department of Public Works and Highways (DPWH) to issue a directive to all its regional offices and concerned divisions to allow local government units (LGUs) to borrow the necessary equipment and machineries from the DPWH to use in the construction of said road networks.

Any attention extended this recommendation will be highly appreciated.

Trusting you find this in order. I remain,


ATTY. VICENTE L. DE LA SERNA
Deputy Executive Secretary

Copy furnished: DILG Undersecretary Ronaldo V. Puno
fn: VLS-DPWH Vigilar-Mayor Cabal(112798)
vls/msg