



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

097.13 DPWH
10-4-89

2 October 1989

DEPARTMENT ORDER
NO. **151** *m 10/4*
Series of 1989

SUBJECT: Leasing of Idle/Underutilized Material Processing Plant such as Rock Crushing Plants, Asphalt Plants and Other Aggregate Processing Plants

In order to maximize utilization and generate revenue for all Material Processing Plants which are idle for a long time and not needed by any Regional Office, effective immediately, all Regional Directors are hereby authorized to lease the said DPWH equipment to private contractor/entity, subject to the following conditions:

1. Leasing should be done thru a competitive public bidding wherein the offered rates should not be lower than the prevailing DPWH rental rate per day equivalent to eight (8) hours use; usage in excess of eight (8) hours shall be considered overtime and rental shall be charged in multiples of one hour of overtime or portion thereof;
2. The lease shall be subject to the execution of a lease contract (enclosed format) with the concerned Regional Director representing the DPWH as LESSOR and the Private Contractor/Entity as LESSEE to be submitted to the Central Office thru the Bureau of Equipment for review and recommendation for the Secretary's approval together with surety bond equivalent to the replacement cost of the equipment;
3. That the LESSEE shall preferably an aggregate supplier entity with good track record, duly registered and classified by DPWH and capable to put up a bank guarantee that his firm can pay the leased equipment for the duration of lease. In the absence of sufficient interested reputable aggregate plant operators, qualified licensed, contracts, may also be pre-qualified provided that it is understood that all government contractors will have equal access to the produce;
4. In case of leasing a stationary plant, the LESSEE shall have a site for the plant not less than one (1) hectare in size;
5. Prior authority to lease the equipment must be secured from the undersigned or the Undersecretary-In-Charge, and
6. The enclosed rental schedule shall be used in computing the rental bills for plant usage in this mode of operation.

This order shall take effect immediately and supersedes all issuance inconsistent herewith.

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FICHELLO R. ESTUAR
Secretary

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Encl.: Schedule of Rental Rates
Contract of Lease Format

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