



BOARD RESOLUTION NO. 889
Series of 2012

**APPROVING THE HLURB MOTOR VEHICLE REPLACEMENT PROGRAM
FOR FISCAL YEARS 2012 – 2014, CHARGEABLE AGAINST
THE HLURB SERVICE INCOME (SPECIAL FUND 151)**

WHEREAS, the Board has embarked on several programs, under its three major mandates, to pursue the directions and policies adopted to implement the national shelter program under the present administration, namely: 1) Planning - 2013 CLUP Zero Backlog; 2) Regulation - Full Implementation of RA 9904 and Intensified monitoring to ensure strict compliance with pertinent laws, rules and regulations; 3) Adjudication - Strict enforcement of the HLURB 2011 Revised Rules of Procedure;


WHEREAS, as of December 31, 2011, HLURB had a fleet of service vehicles consisting of fifty-four (54) motor vehicles, of which fifty (50) units are classified as utility vehicles and four (4) units as high official function vehicles; that out of the fifty (50) utility vehicles, thirteen (13) are motorcycles and thirty-seven (37) are four-wheel utility vehicles that of the thirty-seven (37) four-wheel utility vehicles, sixteen (16) units have reached their serviceable life of five (5) years and have travelled more than 150,000 kms; one (1) unit declared unserviceable, without reaching the required mileage; six (6) units have reached their serviceable life of five (5) years, without having reached the projected 150,000 kms serviceable life; and, fourteen (14) units will have reached their serviceable life of five (5) years by 2014;

WHEREAS, for fiscal years 2009-2011, HLURB has spent a total of P3,487,467.05 for the repair of old and worn-out motor vehicles the frequent overhauling of which has adversely affected the serviceability of these motor vehicles and in the process has severely hampered the delivery of services by HLURB;


WHEREAS, to enable the HLURB to operate efficiently and productively, a proposed HLURB Motor Vehicle Replacement Program for Fiscal Years 2012-2014 (attached as Annex "A"), to replace such old and unserviceable motor vehicles was submitted pursuant to National Budget Circulars Nos. 446, s. of 1995; 446-A, S. of 1998; and, 2010-2, s. of 2010;

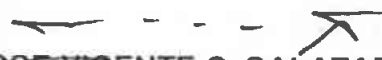
NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the HLURB Motor Vehicle Replacement Program for Fiscal Years 2012 – 2014 (attached as Annex "A") submitted pursuant to National Budget Circular Nos. 446, s. of 1995; 446-A, S. of 1998; and, 2010-2, s. of 2010, be, as it is hereby, **APPROVED**, chargeable against the HLURB service income (Special Fund 151).

APPROVED, 27 July 2012, Quezon City.

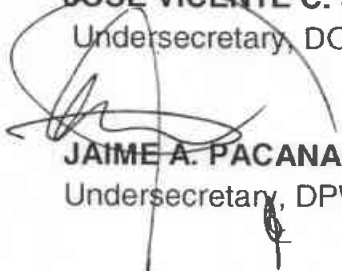

JEJOMAR C. BINAY^{csa}
Vice-President of the Philippines
And HUDCC Chairman


ARSENIO M. BALISACAN
Socio-Economic Planning Secretary
NEDA

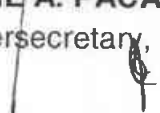

ANTONIO M. BERNARDO
Commissioner and Chief Executive Officer


JOSE VICENTE C. SALAZAR
Undersecretary, DOJ

RIA CORAZON A. GOLEZ-CABRERA
Commissioner


JAIME A. PACANAN
Undersecretary, DPWH


LUIS A. PAREDES
Commissioner


AUSTERE A. PANADERO
Undersecretary, DILG


LINDA L. MALENAB-HORNILLA, MNSA
Commissioner

Attested:

CHARITO B. LANSANG
Board Secretary

ANNEX "A"

**HOUSING AND LAND USE REGULATORY BOARD
MOTOR VEHICLE REPLACEMENT PROGRAM
FY2012-2014**

1. **Status of Motor Vehicles vis-a-vis Mandates.** This pertains to the status of motor vehicles being utilized and maintained by the Housing and Land Use Regulatory Board (HLURB) Central and Regional Offices in the performance of its core mandates of planning, regulation and adjudication:

1.1 PLANNING (EO 648; EO 72; RA 7279)

- 1.1.1 Formulation of Comprehensive Land Use Plan (CLUP) Guidelines
- 1.1.2 Technical assistance to local government units (LGUs) in CLUP preparation
- 1.1.3 Review of CLUPs
- 1.1.4 Approval of CLUPs for Highly Urbanized Cities (HUCs), Independent Component Cities (ICCs), LGUs for Metro Manila and Provincial Physical Framework Plans (PPFPs)

In 2011, HLURB launched the CLUP Zero Backlog Program by 2013. The program requires HLURB to provide technical assistance to a total of 1,132 local government units nationwide.

1.2 REGULATION (EO 71; PD 957; PD 1216; PD 1344; RA 9904; RA 8763, Sec.26; EO 90)

- 1.2.1 Licensing and monitoring of subdivision and condominium projects
- 1.2.2 Registration and supervision of homeowners associations (HOAs)
- 1.2.3 Registration of real estate brokers, dealers and salesmen

HLURB is intensifying its monitoring efforts to ensure compliance with pertinent laws, rules and regulations. This is expected to increase vehicle requirement but will generate more income for HLURB.

1.3 ADJUDICATION: (EO 648; RA 9904; RA 8763, Sec. 26)

- 1.3.1 Disputes between subdivision lot or condominium unit buyer and developer
- 1.3.2 Homeowners disputes
- 1.3.3 Appeals from decisions of local zoning bodies.

The passage of Republic Act No. 9904 or the Magna Carta for Homeowners and Homeowners Association has significantly expanded the mandate of the HLURB. Specifically, the said law transferred to HLURB the registration of homeowners' associations which were previously applying for registration with the Home Guaranty Corporation (HGC) and the Securities and Exchange Commission (SEC).

2. **Motor Vehicle Profile.** The status and working condition of HLURB's motor vehicles is shown its Inventory of Motor Vehicles, Annex "A", to wit:

- 2.1 As of 31 December 2011, HLURB has a fleet consisting of fifty-four (54) motor vehicles, of which fifty (50) units are classified as utility vehicles and four (4) units are classified as high official function vehicles. Of the fifty (50) utility vehicles, thirteen (13) units are motorcycles and thirty-seven (37) units are four-wheel utility vehicles.
- 2.2 Of the fifty-four (54) motor vehicles, thirteen (13) units support Central Office operations and the remaining forty-one (41) units assist the nine (9) Regional Field Offices.
- 2.3 Based on the Inventory of Motor Vehicles as of 31 December 2011, HLURB's fleet has now reached an average life of nine (9) years.
- 2.4 Of the thirty-seven (37) four-wheel utility vehicles, sixteen (16) units have reached their serviceable life of five (5) years and have travelled more than 150,000 kms; one (1) unit, while still not reaching the required mileage, has already been declared unserviceable; six (6) units have reached their serviceable life of five (5) years, but have not travelled 150,000 kms; and, fourteen (14) units will reach their serviceable life of five (5) years by 2014.
- 2.5 For the past three (3) years, HLURB spent for the repair and maintenance of the motor vehicles a total of **P3,487,467.05**, broken down as follows – *P1,056,255.66* in 2009; *P1,072,294.98* in 2010; and, *P1,358,916.41* in 2011.

3. **Motor Vehicle Acquisition Guidelines.** This study is based on existing policies on the acquisition and rental of motor vehicles for government use, specifically the provision on replacement to attain conservative estimates to retiring/replacing damaged/condemned or unserviceable motor vehicles under DBM-NBC No. 446 dated 24 November 1995, to wit:

"9.1 Motor vehicles may be replaced under the following conditions:



9.1.1 For high official function cars/sedans, passenger vans/wagons, and other service vehicles – if the motor vehicle is at least seven (7) years old and has traveled at least 175,000 kms.

9.1.2 For utility vehicles – If the utility vehicle is at least five (5) years old and has traveled at least 150,000 kms.

9.1.3 Replacement may be allowed even before the conditions in 9.1.1 and 9.1.2 occur, when:

- ❖ The vehicle, for justifiable reasons, is declared as **unserviceable**, in which case, a duly accomplished Inventory and Inspection Report of Unserviceable Property shall be submitted together with the request for replacement; or
- ❖ The average annual cost of recurring repair/reconditioning during the immediate past two (2) years is at least thirty percent (30%) of the current price of a similar unit. In this case, a statement of the recurring repair/reconditioning expenses for the two-year period prepared by the chief accountant and certified by the agency head shall accompany the request.”

4. **Motor Vehicle Deployment Plan.** Extracted from HLURB Inventory of Motor Vehicles, Annex “A”, Box 1 reveals the status and working condition of the thirty-seven (37) utility vehicles intended for replacement and provides the basis for the vehicle deployment plan.

Box 1.

HLURB MOTOR VEHICLES FOR REPLACEMENT

PARTICULARS	%	TOTAL	CENTRAL	REGIONAL
I. DISTRIBUTION BY OFFICE	100	37	8	29
		100	22	78
II. BY LIFE SPAN				
A. HIGH OFFICIAL FUNCTION (Estimate Service Life: 7 years)	0	0	0	0
1) 7 years and below	0	0	0	0
2) Beyond 7 years but below 10	0	0	0	0

B. UTILITY VEHICLES (Estimated Service Life: 5 years)	100	37	8	29
1) 5 years and below*	0	14	1	13
2) Beyond 5 years but below 10	16	5	3	2
3) Beyond 10 years but below 15	81	15	2	13
4) More than 15 years	3	3	2	1
*For replacement in 2014 upon reaching the serviceable age of 5 years and 150,000 mileage				
III. VEHICLE DEPLOYMENT PLAN		37	8	29
A. FY 2012	46	17	4	13
B. FY 2013	16	6	3	3
C. FY 2014	38	14	1	13

5. **Motor Vehicle Inventory Report.** The implementation of the new government accounting system requires retiring of assets that have reached their estimated useful/service life through the provision of accumulated depreciation. Hence, to provide a complete status of motor vehicles being utilized and maintained, the HLURB Inventory of Motor Vehicles, Annex "A" was slightly modified to include columns under *kilometers traveled* and *depreciation* and *scrap value*. This suggested form is also consistent with the inventory report utilized by the Commission on Audit (COA) under COA Circular No. 2003-007 dated 11 December 2003, prescribing the revised estimated useful life of *Plant, Property and Equipment (PPE) in the computation of accumulated depreciation* attaining conservative cost estimates of PPE.

6. **Motor Vehicle Investment Plan.** The procurement of motor vehicles for FY2012 to FY2014 is proposed to be charged against the service income of HLURB, Special Fund 151 currently deposited with the National Treasury. As of December 31, 2011, Special Fund 151 already amounts to Seven Hundred Forty Nine Million Three Hundred Sixty Four Thousand Six Hundred Seventy Nine Pesos and Eighty Four Centavos (P749,364,679.84). Box 2 provides the multi-year requirements for the HLURB-MVRP:



Box 2.

HLURB MOTOR VEHICLE INVESTMENT PLAN

In Thousand Pesos

MOTOR VEHICLE Classification/Type	TOTAL		MULTI-YEAR REQUIREMENTS					
	Units	Amount	FY 2012		FY 2013		FY 2014	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount
For general purpose/utility	37	41,700	17	22,100	6	5,880	14	13,720
Passenger Van, Crossover Utility Vehicle, Asian Utility Vehicle/Multi-Purpose Vehicle or High Side Pick-up with Roof for personnel for project monitoring and implementation purposes	35	34,300	15	14,700	6	5,880	14	13,720
Mini-bus for mass transport of personnel/visitors for activities related to official functions	2	7,400	2	7,400	0		0	
Total	37	41,700	17	22,100	6	5,880	14	13,720

7. **Motor Vehicle Acquisition Specifications.** The following motor vehicle specifications/models appropriate for the service vehicular requirement of HLURB are compliant with DBM Budget Circular No. 2010-2 dated 1 March 2010:

PARTICULARS (Intended use/users)	VEHICLE CLASSIFICATION	DESCRIPTION / VEHICLE SPECIFICATIONS
1. For General Purpose/Utility/Service Vehicle		


<p>For transport of personnel/equipment, supplies, products and materials</p> <ul style="list-style-type: none"> ❖ For transporting personnel/equipment and supplies of HLURB in carrying out its daily operations pursuant to the mandates of Planning, Regulation and Adjudication. ❖ For transporting personnel who will conduct HOA elections. 	<p>Passenger Van</p>	<ul style="list-style-type: none"> ❖ Any large four-wheel enclosed vehicle, traditionally having four doors, and seating capacity ranges from eight to fifteen passengers, including the driver. ❖ Engine displacement not exceeding 2200 cc for gasoline or 3000 cc for diesel
	<p>Crossover Utility Vehicle (CUV) -or-</p>	<ul style="list-style-type: none"> ❖ Any four-wheel enclosed vehicle having dual side doors, and a fifth rear door or lift-up tailgate and has maximum seating capacity of ten passengers, including the driver, on two rows of front seats and foldable rear seats. ❖ Engine displacement not exceeding 2000 cc for gasoline or 2500 cc for diesel
	<p>Asian Utility Vehicle (AUV)/Multi-Purpose Vehicle or High Side Pick-up with Roof</p>	<ul style="list-style-type: none"> ❖ Any fully or partially enclosed four-wheel general purpose utility vehicle with two compartments: (i) the front cabin/cab with two (2) side doors seating three (3) passengers, including the driver, on a full width seat, and (ii) the rear deck accommodating eight to sixteen (8-16) passengers on facing collapsible bench seats accessible through rear doors. ❖ Engine displacement not exceeding 1800 cc for gasoline or 2500 cc for diesel (for AUV or MPV). ❖ Engine displacement not exceeding 2500 cc for diesel (HSPUR).
<p>For transport of personnel/visitors for activities related to official functions</p>	<p>Passenger Van</p>	<ul style="list-style-type: none"> ❖ Engine displacement not exceeding 2200 cc for gasoline or 3000 cc for diesel

For mass transport of personnel/visitors for activities related to official functions	Bus -or-	<ul style="list-style-type: none"> ❖ A four- or six-wheel heavy and long bodied motor vehicle with locally manufactured or fully imported chassis and body. ❖ Seating capacity not to exceed sixty (60) passengers. ❖ Engine displacement not exceeding 8500 cc for diesel
<ul style="list-style-type: none"> ❖ For the use of HLURB in going to and from places of training for CLUPs and HOAs. ❖ For the use of HLURB in transporting personnel living in far-flung areas to their place of work. 	Mini Bus	<ul style="list-style-type: none"> ❖ Seating capacity not to exceed thirty (30) passengers. ❖ Engine displacement not exceeding 5000 cc for diesel

8. **Motor Vehicle Acquisition Guidelines.** The HLURB-MVRP has been crafted in accordance with the provisions of DBM-NBC No. 446 dated 24 November 1995, DBM-NBC No. 446-A dated 30 January 1998 and DBM Budget Circular No. 2010-2 dated 1 March 2010.

Submitted by:


ATTY. RIA CORAZON A. GOLEZ-CABRERA
 Supervising Commissioner for Administrative
 and Finance Divisions

Approved by:

ATTY. ANTONIO M. BERNARDO
 Chief Executive Officer and Commissioner