



appear. This period is covered by a performance or warranty security.

- c. Project Monitoring Committee (PMC)** - The duly constituted Project Monitoring Committee of the City Government of Naga created thru an Executive Order of the City Mayor in consonance with Memorandum Order No. 175 of then President Corazon Aquino as amended by succeeding issuances of the Office of the President and the Department of the Interior and Local Government for the purpose of monitoring and evaluating government programs and projects.
- d. Structural Defects** - Faults/flaws/deficiencies in one or more key structural elements of the project which may lead to structural failure compromising its stability and integrity and rendering it, partly or wholly, incapable of withstanding the design loads, and/or endangering the safety of the users or the general public.
- e. Warranty Period** - The period prescribed by law, particularly R.A. No. 9184 and R.A. No. 12009, which shall commence from the end of the defects liability period up to the end of the prescribed warranty period. The length of the warranty period shall depend on the type of structure involved as detailed below:
- i. Fifteen (15) years for permanent structures** - Permanent structures are buildings of types 4 and 5 as classified under the National Building Code of the Philippines and other structures made of steel, iron, or concrete which comply with relevant structural codes (e.g., DPWH Standard Specifications), such as, but not limited to, steel/concrete bridges, flyovers, filtration and treatment plants, sewerage systems, power plants, transmission and communication towers, and other similar permanent structures;
  - ii. Five (5) years for semi-permanent structures** - Semi-permanent structures are buildings of types 1, 2, and 3 as classified under the National Building Code of the Philippines, concrete or asphalt roads, concrete river control, drainage, irrigation lined canals, river landing, deep wells, rock causeway, pedestrian overpass, and other similar semi-permanent structures; and
  - iii. Two (2) years for other structures** - Bailey and wooden bridges, shallow wells, spring developments, and other similar structures.

**SECTION 4. Regular Project Inspection.** The PMC shall regularly inspect and evaluate on-site all government infrastructure projects in the city at least twice while the project is on-going and at least once a year during the project's defects liability and warranty periods. Site inspection while the project is on-going should be random and shall document actual, not contrived or staged, construction practices.

**SECTION 5. Procedure, Timelines, and Office Taskings.** The following procedure shall be observed in the implementation of this Ordinance:

- a. Identification and Listing.** Within one month from the approval of this Ordinance, the City Procurement Office (CPO), in

coordination with the BAC and the City Engineer's Office (CEO), shall prepare and submit to the PMC a list of all on-going infrastructure projects, as well as a list of all completed projects whose Defects Liability Period or Warranty Period have not yet expired. These lists shall indicate the project name, project location, contractor, contract amount, date of award, and if already completed: date of project completion, and date of acceptance.

Within one month from the effectivity of this ordinance, the City Accounting Office (CAO) shall furnish the PMC with a copy of the Certificates of Completion/Acceptance and a copy of the Performance and Warranty Security of the projects referred to above.

The same reports and documents shall henceforth be generated and submitted to PMC by the offices mentioned in this SECTION not later than July 31 for projects awarded or completed within the first semester of the year, and not later than January 31 for projects awarded or completed within the second semester of the preceding year.

**b. Inspection.** Upon receipt of the lists, the PMC shall conduct a thorough physical inspection of the projects. For on-going projects, the inspection shall be unannounced with the inspectors documenting actual project site practices. At least two inspections shall be conducted while the project is on-going.

For completed projects, inspection shall be scheduled no later than six (6) months before the expiration of the Defects Liability Period or Warranty Period to allow sufficient time for reporting and rectification. At least one inspection shall be conducted annually.

**c. Evaluation Report.** Within three (3) working days after the conduct of an inspection, the PMC shall prepare and render an Inspection and Evaluation Report. It shall contain the project details, the date of inspection, findings, photos and/or video evidence, and specific recommendations.

**SECTION 6. Action on Substandard On-Going Projects.** If during inspection the PMC discovers the use of substandard materials, substandard concrete mixtures, non-compliance with design specifications as per plans and program of work, or improper construction methods, it shall mark and measure the length, height and/or volume of the affected SECTIONS, to include adjacent sections of the same type or category of work, and submit its corresponding Inspection and Evaluation Report to the CEO, copy furnished the contractor. Such portions should be reworked or replaced, or if retained shall not be counted as part of the contractor's accomplishment. The PMC shall have evidentiary proof of its findings such as pictures or video and/or a signed or recorded account of eyewitnesses. If the contractor fails or refuses to rework the affected portion, or declines to extend or expand its scope of work to make up for the substandard portion, the PMC shall recommend to the City Budget and Accounting Offices, with the approval of the City Mayor, the suspension of payment to the contractor is already in breach of its contracted deliverable to the city government. Prior to the approval of the PMC recommendation, the City Mayor shall call a meeting among the PMC, CEO and the contractor to arrive at an informed judgement.

**SECTION 7. Action on Completed Projects Within the Defects Liability Period (DLP).** If the PMC discovers defects in a project which is still under its DLP:

- a. The PMC shall document the defects with pictures and/or video and prepare its Inspection and Evaluation Report for submission to the City Mayor, the BAC and the CEO.
- b. Within five (5) working days from receipt of the report, the CEO shall notify the contractor of the findings of the PMC and invite it or its representatives to a joint inspection of the project with PMC to give it the opportunity to be heard. Failure by the contractor or by its representative to join the inspection shall be deemed as a waiver of its right to contest the findings of the joint inspection.
- c. If the PMC report is validated, the CEO shall issue a written notice to the contractor to rectify the defects at the contractor's expense with work to commence not later than fifteen (15) working days from receipt of the notice, unless the convenience of the public or of end-users will be extremely compromised in which case the CEO may set a later date for the remedial works to commence.
- d. Should the contractor fail or refuse to undertake the necessary repairs or to satisfactorily perform the same within the period agreed upon and in accordance with the specifications of the project, the CEO shall report such failure or refusal to the City Mayor and the BAC.

The City Mayor shall cause the forfeiture of the Performance or Warranty Security and direct the City Legal Officer to subject the properties of the contractor to attachment or garnishment proceedings without prejudice to the other remedies provided under the law.

The BAC shall initiate blacklisting proceedings against the contractor in accordance with R.A. No. 9184 or R.A. No. 12009, whichever law was in effect at the time of the project's procurement.

**SECTION 8. Action on Completed Projects Beyond the Defects Liability Period but Within the Warranty Period.** If the PMC discovers structural defects in a project that is still under the warranty period:

- a. The PMC shall document the defects with pictures and/or video and prepare its Evaluation Report for submission to the City Mayor, the BAC and the CEO.
- b. Within five (5) working days from receipt of the PMC report, the CEO shall notify the contractor of the reported structural defects and invite the contractor or its representatives to a joint inspection with the PMC to give it the opportunity to be heard. Failure by the contractor or by its representative to join the inspection shall be deemed as a waiver of its right to contest the findings of the joint inspection.
- c. The responsibility for the structural defects shall be determined during the joint inspection. A joint report indicating the party responsible for the structural defects shall be submitted by the CEO and the PMC to the City Legal Officer

- d. The City Legal Officer shall furnish a copy of the joint report to the party responsible for the structural defect giving it ten (10) working days to explain why it should not be sanctioned under the warranty provision of the applicable procurement law.
- e. Failure to provide a satisfactory answer, or failure to rectify the project, shall be basis for the City Legal Officer to recommend to the City Mayor the forfeiture of the contractor's Warranty Security.
- f. The city government may undertake the reconstruction or remediation works with the cost reimbursable by the party responsible for the structural defects. The reimbursement shall be due within three months from receipt by the responsible party of a Notice of Reimbursable Cost showing the details of the reconstruction or remediation cost.
- g. Failure by the responsible party to reimburse the city government shall be sufficient basis for the City Legal Officer to proceed with the remedies provided by R.A. No. 9184 or R.A. No. 12009.

**SECTION 9. Annual Renewal of Warranty Security.** Contractors shall renew their Warranty Security every year until the end of their project's' warranty period. This shall apply to all city government funded projects which are still within their warranty period as of the effectivity of this Ordinance. Failure to renew the warranty security shall bar the contractor, its owners and principal officers, from participating in any procurement activity of the city government.

**SECTION 10. Public Participation.** The public is encouraged to report to the PMC observed defects in government projects thru an online platform or channel to be made available by PMC. Such platform or channel and how to access it shall be posted on the city's social media accounts, website, publications, and announced in its radio programs.

The information submitted to the PMC must be actionable, that is, it must include a picture or video proving the defect or practice, time and date of the documentation, and location of the project. Upon receipt of such report, the PMC shall promptly proceed to the site, document and assess the project, prepare its Inspection and Evaluation Report and take appropriate action. Whatever action the PMC take must be posted on the same platform or channel where the informant first posted the report.

**SECTION 11. Projects of the National Government.** Infrastructure projects implemented in Naga City by national agencies shall likewise be inspected and evaluated by the PMC. Any adverse report or discovered defect shall be documented and relayed to the concerned national implementing agency, copy furnished the CEO and the Regional Office of the Commission on Audit. Acceptance of the project by city or barangay officials or by school heads shall be conditioned on rectification of any defect by the responsible party.

**SECTION 12. Project Transparency Board.** Contractors of projects in Naga City, whether funded by the city or by national agencies, shall post on a publicly conspicuous place at, or adjacent the project site, a billboard displaying the following information: (a) name of project, (b) location, (c) name of contractor, (d) date started, (e) contract completion date, (f) contract cost, (g) implementing office, and (h) fund source.

The dimension of the billboard should not be less than 1.22 meters x 2.44 meters and should be filled up with all the required information and be maintained visible at the project site from the commencement of work until project completion. Placing a billboard with blank or incomplete information is non-compliance of this requirement. A tarpaulin in a rigid frame with the same minimum dimension can substitute for the billboard.

Failure by the contractor to display a compliant billboard within one (1) week after due notice by the PMC will be administratively fined ₱1,000.00 per day with each day of non-compliance treated as a distinct and separate violation. This shall apply to all projects on-going as of the effectivity of this Ordinance regardless of funding source.

**SECTION 13. Internal Rules of PMC.** To promote transparency, accountability, and predictability, the PMC shall formulate inspection guidelines, timelines, and responsibilities, which shall be posted on the city's information channels for the guidance of all concerned. It shall also prepare its own forms to standardize its reports.

**SECTION 14. Funding.** The funds necessary for the effective implementation of this Ordinance, including but not limited to logistical support and operational expenses for the PMC's inspection activities, shall be sourced from a separate budgetary allocation for the PMC. The Chairman of the PMC is herein authorized to initiate and sign procurement documents in support of its functions.

**SECTION 15. Repealing Clause.** All ordinances, resolutions, executive orders, rules, and regulations or parts thereof which are inconsistent with the provisions of this Ordinance are hereby repealed, amended, or modified accordingly.

**SECTION 16. Separability Clause.** If, for any reason, any SECTION or provision of this Ordinance is declared unconstitutional or invalid, the other SECTIONS or provisions hereof which are not affected thereby shall continue to be in full force and effect.

**SECTION 17. Effectivity.** This Ordinance shall take effect ten (10) days after posting a copy thereof in a bulletin board at city hall and in at least two (2) other conspicuous places in the city.


ENACTED: August 27, 2025


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**WE HEREBY CERTIFY** to the correctness of the foregoing ordinance.

  
**GABRIEL H. BORDADO JR.**  
City Vice Mayor  
& Presiding Officer

  
**GIL A. DE LA TORRE**  
Secretary to the  
Sangguniang Panlungsod

**APPROVED:**

  
**MARIA LEONOR G. ROBREDO**  
City Mayor  
9/14/25