

[REPUBLIC ACT NO. 3054, June 17, 1961]

**AN ACT CREATING THE CENTRAL LUZON-CAGAYAN VALLEY
AUTHORITY**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Purposes.*—The purposes of this Act are:

- (a) To provide for the irrigation of thousands of hectares of agricultural land in Cagayan Valley and Central Luzon;
- (b) To provide electric power in said regions for industrial development and domestic uses;
- (c) To provide navigation; and
- (d) To control destructive floods in said areas by harnessing the Cagayan, Abra, and Pampanga rivers and their tributaries in an all-out economic and agricultural development of the regions to be served by said rivers.

SEC. 2. *Central Luzon-Cagayan Valley Authority created; duration; principal office; board of directors, their number, appointment and term of office.*—

- (a) In order to achieve the purposes of this Act as declared in the preceding section, there is hereby created a body corporate by the name of "Central Luzon-Cagayan Valley Authority," hereinafter referred to as CLCVA, which shall have its principal place of business in the City of Manila and shall exist for a period of fifty years. The corporate powers of the CLCVA shall be vested in, and exercised by, a board of directors, hereinafter referred to as the Board, composed of five members, all of whom shall be qualified and registered engineers, to be appointed by the President of the Philippines with the consent of the Commission on Appointments. In appointing members of the Board, the President shall designate the chairman and vice-chairman thereof. The vice-chairman of the Board shall be the general manager of the CLCVA. (b) The terms of office of the members first appointed shall expire as designated by the President at the time of nomination, one at the end of the second year, one at the end of the third year, one at the end of the fourth year, and one at the end of the fifth year. The member designated as vice-chairman of the Board shall hold office at the pleasure of the President. A successor to a member of the Board shall be appointed in the same manner as the original members and shall have a term of office expiring five years from

the date of the expiration of the term for which his predecessor was appointed. Any member of the Board may, however, be removed or suspended by the President for cause. (c) Any member appointed to fill a vacancy in the Board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(d) Vacancies in the Board, so long as there shall be three members in office, shall not impair the power of the Board to execute the functions of the CLCVA, and three of the members in office shall constitute a *quorum* for the transaction of the business of the Board.

(e) Each of the members of the Board shall be a natural-born citizen of the Philippines and shall, except the vice-chairman, receive a *per diem* of fifty pesos per Board meeting which *per diems* shall not, however, exceed the sum of four hundred pesos per member per month. Members of the Board shall be reimbursed by the CLCVA for actual expenses (including traveling and subsistence expenses) incurred by them in the performance of the duties vested in the Board by this Act.

SEC. 3. *Officers and employees and their compensation; audit.*—

(a) The general manager shall be the chief executive officer of the CLCVA and shall receive a salary of not exceeding twenty-four thousand pesos per annum to be fixed by the Board and who shall direct and manage the affairs and business of the CLCVA subject to the control and supervision of the Board.

(b) The Board shall appoint and fix the salary of an assistant general manager who shall be a qualified and registered engineer and who shall perform his duties as the Board and the general manager may direct.

(c) Subject to the Civil Service Law and regulations, the Board shall appoint such additional personnel as may be necessary for the transaction of its business, fix their compensation, define their duties, require bonds of such of them as the Board may designate, and provide a system of organization to fix responsibility and promote efficiency.

(d) The financial transactions of the CLCVA shall be audited in accordance with law, administrative regulations, and the principles and procedures applicable to both governmental and private commercial corporate transactions. A report of audit for each fiscal year shall be submitted, within sixty days after the close of the fiscal year, by the CLCVA auditor, thru the Auditor General, to the Board, and copies thereof in printed form shall be furnished the President, the Administrator of Economic Coordination and the Presiding Officers of the two Houses of Congress. The Auditor General shall appoint his representative as auditor of the CLCVA and the necessary personnel to assist said auditor in the performance of his duties. The salary of the auditor shall be equal to the salary of the CLCVA's assistant general manager. The number and salaries of the subordinate audit personnel shall be determined by the Auditor General within the limit of the appropriation set by the Board. In case of disagreement on such matters, the same should be submitted to the President whose decision thereon shall be final. Said salaries of the

auditor and his subordinate personnel and all other necessary expenses for the maintenance of said auditing service shall be paid by the CLCVA.

SEC. 4. *Corporate powers generally.*—Except as otherwise specifically provided in this Act, the CLCVA—

- (a) Shall have succession, in its corporate name.
- (b) May sue and be sued in its corporate name,
- (c) May adopt and use a corporate seal which shall be judicially noticed.
- (d) May make contracts as herein authorized.
- (e) May adopt, amend, and repeal by-laws.
- (f) May purchase or lease, hold or dispose, such real and personal properties as it deems necessary or convenient in the transaction of its business.
- (g) Shall have power in the name of the Republic of the Philippines to exercise the right of eminent domain, and in the purchase of any real estate or the acquisition of real estate by condemnation proceedings, the title to such real estate shall be taken in the name of the Republic of the Philippines, and thereupon all such real estate shall be entrusted to the CLCVA as the agent of the Republic of the Philippines to accomplish the objectives of this Act.
- (h) Shall have power to construct such dams and reservoirs in the Cagayan, Abra and Pampanga rivers and their tributaries or in any river in northern central Luzon as will best serve to promote navigation and provide irrigation in the said rivers and their tributaries and control floods therein, subject to the approval of the President; and shall have power to acquire or construct power houses, power structures, transmission lines, navigation projects, and incidental works in the said rivers and their tributaries: *Provided, however,* That the Board may, with the consent of the President and believing that the construction of said dams, reservoirs, and necessary works in said rivers and their tributaries can be better undertaken in points of economy, durability, and serviceability by a private person or firm, award said projects to any private person or firm thru public bidding, preference to be given to Filipino contractors or firms.
- (i) Shall have power to advise and cooperate in the readjustment of the population displaced by the construction of dams, the acquisition of reservoir areas, the protection of watersheds, the acquisition of right-of-way, and other necessary acquisitions of land, in order to effectuate the purposes of this Act.
- (j) And shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the CLCVA.

SEC. 5. *Other powers of the Board.*—

- (a) The CLCVA may request the assistance and advice of any officer or employee in the executive department to enable the Corporation the