

## THIRD DIVISION

[ G.R. No. 141375, April 30, 2003 ]

**MUNICIPALITY OF KANANGA, REPRESENTED BY ITS MAYOR, HON. GIOVANNI M. NAPARI, PETITIONER, VS. HON. FORTUNITO L. MADRONA, PRESIDING JUDGE, REGIONAL TRIAL COURT OF ORMOC CITY (BRANCH 35); AND THE CITY OF ORMOC, REPRESENTED BY ITS MAYOR, HON. EUFROCINO M. CODILLA SR., RESPONDENTS.**

### DECISION

**PANGANIBAN, J.:**

Since there is no legal provision specifically governing jurisdiction over boundary disputes between a municipality and an independent component city, it follows that regional trial courts have the power and the authority to hear and determine such controversy.

### The Case

Before us is a Petition for Certiorari<sup>[1]</sup> under Rule 65 of the Rules of Court, seeking to annul the October 29, 1999 Order<sup>[2]</sup> issued by the Regional Trial Court (RTC) of Ormoc City (Branch 35) in Civil Case No. 3722-O. The decretal portion of the assailed Order reads as follows:

"For the foregoing considerations, this Court is not inclined to approve and grant the motion to dismiss[,], although the municipality has all the right to bring the matter or issue to the Supreme Court by way of certiorari purely on question of law."<sup>[3]</sup>

### The Facts

A boundary dispute arose between the Municipality of Kananga and the City of Ormoc. By agreement, the parties submitted the issue to amicable settlement by a joint session of the *Sangguniang Panlungsod* of Ormoc City and the *Sangguniang Bayan* of Kananga on October 31, 1997.

No amicable settlement was reached. Instead, the members of the joint session issued Resolution No. 97-01, which in part reads:

"x x x IT IS HEREBY RESOLVED x x x to pass a resolution certifying that both the Sangguniang Panlungsod of Ormoc City and the Sangguniang Bayan of Kananga, Leyte have failed to settle amicably their boundary dispute and have agreed to elevate the same to the proper court for settlement by any of the interested party (sic)."<sup>[4]</sup>

To settle the boundary dispute, the City of Ormoc filed before the RTC of Ormoc City (Branch 35) on September 2, 1999, a Complaint docketed as Civil Case No. 3722-O.

On September 24, 1999, petitioner filed a Motion to Dismiss on the following grounds:

- “(1) That the Honorable Court has no jurisdiction over the subject matter of the claim;
- “(2) That there is no cause of action; and
- “(3) That a condition precedent for filing the complaint has not been complied with[.]”<sup>[5]</sup>

### **Ruling of the Trial Court**

In denying the Municipality of Kananga’s Motion to Dismiss, the RTC held that it had jurisdiction over the action under Batas Pambansa Blg. 129. It further ruled that Section 118 of the Local Government Code had been substantially complied with, because both parties already had the occasion to meet and thresh out their differences. In fact, both agreed to elevate the matter to the trial court via Resolution No. 97-01. It also held that Section 118 governed venue; hence, the parties could waive and agree upon it under Section 4(b) of Rule 4 of the Rules of Court.

Not satisfied with the denial of its Motion, the Municipality of Kananga filed this Petition.<sup>[6]</sup>

### **Issue**

In their respective Memoranda, both parties raise the lone issue of whether respondent court may exercise original jurisdiction over the settlement of a boundary dispute between a municipality and an independent component city.

### **The Court’s Ruling**

The Petition has no merit.

### **Sole Issue:** **Jurisdiction**

*Jurisdiction* is the right to act on a case or the power and the authority to hear and determine a cause.<sup>[7]</sup> It is a question of law.<sup>[8]</sup> As consistently ruled by this Court, jurisdiction over the subject matter is vested by law.<sup>[9]</sup> Because it is “a matter of substantive law, the established rule is that the statute in force at the time of the commencement of the action determines the jurisdiction of the court.”<sup>[10]</sup>

Both parties aver that the governing law at the time of the filing of the Complaint is Section 118 of the 1991 Local Government Code (LGC),<sup>[11]</sup> which provides:

“Sec. 118. *Jurisdictional Responsibility for Settlement of Boundary Disputes.* – Boundary disputes between and among local government units shall, as much as possible, be settled amicably. To this end:

"(a) Boundary disputes involving two (2) or more barangays in the same city or municipality shall be referred for settlement to the *sangguniang panlungsod* or *sangguniang bayan* concerned.

"(b) Boundary disputes involving two (2) or more municipalities within the same province shall be referred for settlement to the *sangguniang panlalawigan* concerned.

"(c) Boundary disputes involving municipalities or component cities of different provinces shall be jointly referred for settlement to the *sanggunians* of the provinces concerned.

"(d) Boundary disputes involving a component city or municipality on the one hand and a highly urbanized city on the other, or two (2) or more highly urbanized cities, shall be jointly referred for settlement to the respective *sanggunians* of the parties.

"(e) In the event the *sanggunian* fails to effect an amicable settlement within sixty (60) days from the date the dispute was referred thereto, it shall issue a certification to that effect. Thereafter, the dispute shall be formally tried by the *sanggunian* concerned which shall decide the issue within sixty (60) days from the date of the certification referred to above."

Under this provision, the settlement of a boundary dispute between a component city or a municipality on the one hand and a highly urbanized city on the other -- or between two or more highly urbanized cities -- shall be jointly referred for settlement to the respective *sanggunians* of the local government units involved.

There is no question that Kananga is a municipality constituted under Republic Act No. 542.<sup>[12]</sup> By virtue of Section 442(d) of the LGC, it continued to exist and operate as such.

However, Ormoc is not a highly urbanized, but an independent component, city created under Republic Act No. 179.<sup>[13]</sup> Section 89 thereof reads:

"Sec. 89. *Election of provincial governor and members of the Provincial Board of the Province of Leyte.* – The qualified voters of Ormoc City shall not be qualified and entitled to vote in the election of the provincial governor and the members of the provincial board of the Province of Leyte."

Under Section 451 of the LGC, a city may be either component or highly urbanized. Ormoc is deemed an independent component city, because its charter prohibits its voters from voting for provincial elective officials. It is a city independent of the province. In fact, it is considered a component, not a highly urbanized, city of Leyte in Region VIII by both Batas Pambansa Blg. 643,<sup>[14]</sup> which calls for a plebiscite; and the Omnibus Election Code,<sup>[15]</sup> which apportions representatives to the defunct Batasang Pambansa. There is neither a declaration by the President of the Philippines nor an allegation by the parties that it is highly urbanized. On the contrary, petitioner asserted in its Motion to Dismiss that Ormoc was an independent