

[REPUBLIC ACT NO. 6234, June 19, 1971]

AN ACT CREATING THE METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM AND DISSOLVING THE NATIONAL WATERWORKS AND SEWERAGE AUTHORITY; AND FOR OTHER PURPOSES.

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

SECTION 1. *Declaration of Policy.*—The proper operation and maintenance of waterworks systems to insure an uninterrupted and adequate supply and distribution of potable water for domestic and other purposes and the proper operation and maintenance of sewerage systems are essential public services because they are vital to public health and safety. It is therefore declared a policy of the state that the establishment, operation and maintenance of such systems must be supervised and controlled by the state.

SEC. 2. *Creation, Name, Domicile and Jurisdiction.*—

- a. There is hereby created a government corporation to be known as the Metropolitan Waterworks and Sewerage System, hereinafter referred to as the System, which shall be organized within thirty days after the approval of this Act.
- b. The domicile and principal place of business of the System shall be in the City of Manila. The System shall have such branches and agencies as may be necessary for the proper conduct of its affairs.
- c. The System shall own and/or have jurisdiction, supervision and control over all waterworks and sewerage systems in the territory comprising the cities of Manila,, Pasay, Quezon, Cavite and Caloocan, and the municipalities of Antipolo, Cainta, Las Pinas, Makati, Malabon, Mandaluyong, Marikina, ontalban, Navotas, Paranaque, Pasig. Pateros, San Juan, San Mateo, Taguig, Taytay, all of Rizal Province, the municipalities of Bacoor, Imus, Kawit, Noveleta, Rosario, all of Cavite province and Valenzuela, Bulacan. All other waterworks and sewerage systems now under the supervision and control of National Waterworks and Sewerage Authority (NWSA), shall remain with the System unless the provinces, cities and municipalities concerned shall elect to separate from the System, in which case, they shall communicate their decision to the System and the separation shall take effect upon agreement of the System and the local government not later than thirty (30) days from the time the System receives the notice of the decision.
The Wells and Springs Department of the National Waterworks and Sewerage Authority shall be ceded, transferred and conveyed to the Bureau of Public Works.
- d. Any provision of law to the contrary notwithstanding, all existing waterworks systems or any system that may hereafter be established by cities and

municipalities shall have exclusive control and supervision over all sources of water supply, such as rivers and streams for waterworks purposes in their respective jurisdictions, and any water right now enjoyed by the National Waterworks and Sewerage Authority in the different cities and municipalities concerned: *Provided, however,* That in case of provincial waterworks systems now existing, the said water rights shall be transferred to that provincial system.

SEC. 3. *Attributes, Powers and Functions.*—The System shall have the following attributes, powers and functions

- a. To exist and have continuous succession under its corporate name for a term of fifty (50) years from and after the date of the approval of this Act, notwithstanding any provision of law to the contrary: *Provided, however,* That at the end of the said period, the System shall automatically continue to exist for another fifty (50) years, unless otherwise provided by law;
- b. To prescribe its by-laws;
- c. To adopt and use a seal and alter it at its pleasure;
- d. To sue and be sued;
- e. To establish the basic and broad policies and goals of the System;
- f. To construct, maintain, and operate dams, reservoirs, conduits, aqueducts, tunnels, purification plants, water mains, pipes, fire hydrants, pumping stations, machineries and other waterworks for the purpose of supplying water to the inhabitants of its territory, for domestic and other purposes; and to purify, regulate and control the use, as well as prevent the wastage of water;
- g. To construct, maintain, and operate such sanitary sewerages as may be necessary for the proper sanitation and other uses of the cities and towns comprising the System;
- h. To fix periodically water rates and sewerage service fees as the System may deem just and equitable in accordance with the standards outlined in Section 12 of this Act;
- i. To construct, develop, maintain and operate such artesian wells and springs as may be needed in its operation within its territory;
- j. To acquire, purchase, hold, transfer, sell, lease, rent, mortgage, encumber, and otherwise dispose of real and personal property, including rights and franchises, consistent with the purpose for which the System is created and reasonably required for the transaction of the lawful business of the same;
- k. To construct works across, over, through and/or alongside, any stream, watercourse, canal, ditch, flume, street, avenue, highway or railway, whether public or private, as the location of said works may require: *Provided,* That, such works be constructed in such manner as to afford security to life and property and so as not to obstruct traffic: *Provided, further,* That the stream, watercourse, canal, ditch, flume, street, avenue, highway or railway so crossed or intersected be restored without unnecessary delay to its former state. Any person or entity whose right may be prejudiced by said works shall not obstruct the same; however, he shall be given reasonable notice before the construction and shall be paid just compensation. The System shall likewise have the right to locate, construct and maintain such works on, over and/or through any street, avenue, or highway and land and/or real rights of the Republic of the Philippines or any of its branches, agencies and political subdivisions upon due notice to the office, or entity concerned, subject solely to the condition that the street, avenue, or highway in which said works are

- constructed be restored without unnecessary delay to its former state unless otherwise agreed upon by the System and the office or entity concerned;
- l. To exercise the right of eminent domain for the purpose for which the System is created;
 - m. To contract indebtedness in any currency and issue bonds to finance projects now authorized for the National Waterworks and Sewerage Authority under existing laws and as may hereafter be expressly authorized by law with the approval of the President of the Philippines upon the recommendation of the Secretary of Finance;
 - n. To approve, regulate, and supervise the establishment, operation and maintenance of waterworks and deep-wells within its jurisdiction operated for commercial, industrial and governmental purposes and to fix just and equitable rates or fees that may be charged to customers thereof;
 - o. To assist in the establishment, operation and maintenance of waterworks and sewerage systems within its jurisdiction under cooperative basis;
 - p. To approve and regulate the establishment and construction of waterworks and sewerage systems in privately owned subdivisions within its jurisdiction;
 - q. To have exclusive and sole right to test, mount, dismount and remount water meters within its jurisdiction;
 - r. To render annual reports to the President of the Philippines and the Presiding Officers of the two Houses of Congress not later than January thirty-first of every year.

SEC. 4. *The Board of Trustees, composition; qualification; appointment; tenure.*—

The corporate powers and functions of the System shall be vested in and exercised by a Board of Trustees composed of a Chairman, the General Manager as *ex-officio* Vice-Chairman and three members, one of whom shall be nominated by the Labor Union representing the majority of the rank and file of the employees in the System. They shall possess any one or a combination of the following qualifications; duly licensed professional of recognized competence in civil engineering and/or sanitary engineering, business management and finance, and law, or recognized labor leader within the ranks with sufficient training, particularly in the field of labor-management relations or corporate practice, all of good moral character with at least five (5) years of actual and distinguished experience in their respective fields of expertise.

The Chairman and the three members of the Board shall be appointed by the President of the Philippines with the consent of the Commission on Appointments. The Chairman and the three members of the Board shall hold office for a period of three years, except that the members initially appointed shall serve, as designated in their appointments, one for one year, one for two years and one for three years: *Provided, That, any person chosen to fill a vacancy shall serve only for the unexpired term of the member whom he succeeds: Provided, further, That the term of the member nominated by labor maybe terminated sooner than as above provided if so requested by the nominating union in which case the President of the Philippines shall appoint a replacement who shall similarly be nominated by said union.*

SEC. 5. *The Suspension and Removal of Trustees.*—Any member of the Board of Trustees may for cause be suspended or removed by the President of the Philippines upon the recommendation of the Secretary of Justice after due notice and hearing.

SEC. 6. *Meetings of the Board; quorum, required votes; per diems.*—The Board of Trustees shall, immediately after its organization, adopt rules and procedures in the conduct of its meetings. A majority of the Board shall constitute a *quorum* for the transaction of business and the affirmative vote of three shall be required for the adoption of any action. For actual attendance at meetings, the Chairman and the three members, shall each receive a per diem of One hundred pesos but in no case shall any one receive more than four hundred pesos a month.

SEC. 7. *Other Officers and Employees; their appointment; qualifications; compensations and tenure.*—The management of the System shall be vested in the General Manager. He shall be assisted by four Assistant General Managers—one for Engineering, one for Operation, one for Finance and Administration, one for Commercial and Customers Service, and the heads of departments. Said officials shall perform managerial and/or confidential functions.

The General Manager shall be appointed by the President of the Philippines with the consent of the Commission on Appointments. He shall receive an annual compensation of Thirty-six thousand pesos (P36,000.00) and hold office for a period of six years unless sooner terminated for incapacity or other causes. The President may for cause, suspend or remove the General Manager after due notice and hearing. In case of temporary disability or absence of the General Manager, the Chairman of the Board shall designate any Assistant General Manager to act as General Manager.

The Assistant General Managers shall be appointed by the Board with the approval of the President. Each shall receive an annual compensation of Twenty-eight thousand pesos (P28,000.00) and shall hold office until retirement age as determined by law, unless sooner terminated for incapacity or other causes. In case of temporary disability or absence of any Assistant General Manager, the General Manager may designate any department head to act as Assistant General Manager.

The Assistant General Managers shall be persons of integrity, competence and experience in the technical and executive fields related to the purposes of this Act. Their other qualifications as well as powers and duties shall be determined by the Board.

The Department Heads, Division and Section Chiefs, and other officers of equivalent rank shall be appointed or promoted by the General Manager upon recommendation of the Assistant General Manager concerned, with the approval of the Board.

The powers, duties, qualifications and compensation of said officers and of the other personnel shall be determined by the Board.

All other personnel shall be appointed or promoted by the General Manager upon recommendation of the Assistant General Manager concerned. The General Manager shall submit to the Board a monthly report on such appointments and non-disciplinary transfer made in the month immediately preceding.

SEC. 8. *Other powers and duties of the General Manager.*—

- a. To direct and manage the System in accordance with and to carry out the policies of the Board;