

## REPUBLIC ACT NO. 6234

(As amended by Presidential Decree Nos. 425, 1269, 1406, & 1940,  
Batas Pambansa Blg. 799, Executive Order Nos. 197, 796 & 1056)

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.

**SECTION 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.

© 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, the municipalities of Las Piñas, Makati, Malabon, Mandaluyong, Marikina, Navotas, Parañaque, Pasig, Pateros, San Juan, Taguig, Valenzuela, all of Metropolitan Manila, the entire province of Rizal, and the municipalities of Bacoar, Imus, Kawit, Noveleta, Rosario, all of Cavite Province. The System shall also own and/or have jurisdiction, supervision and control over all waterworks and sewerage systems in Lungsod Silangan, Muntinlupa, and subject to the approval of the President, other areas that may come within the development path of the expanding Metropolitan Manila Area, which areas the Board of Metropolitan Waterworks and Sewerage System may,



System, and the Senior Deputy Administrator shall receive a basic compensation of eighty-four thousand pesos per annum and each Deputy Administrator shall receive a basic compensation of seventy-five thousand pesos per annum, unless the Board shall fix a higher amount therefor.

The Senior Deputy Administrator and the Deputy Administrators shall be persons of integrity, competence and experience in technical and executive fields related to the purpose of this Act. Their other qualifications, as well as powers and duties, shall be determined by the Board.

In case of temporary disability or absence of the Administrator, the Senior Deputy Administrator, shall act as Administrator of the System. In case of temporary disability or absence of the Senior Deputy Administrator, the Administrator may designate any of the six (6) Deputy Administrators as Acting Senior Deputy Administrator. In case of temporary disability or absence of any of the Deputy Administrators, the Administrator may designate any of the next lower ranking officers in the group as Acting Deputy Administrator.

**SECTION 8.** Other powers and duties of the Administrator –

(a) To execute and administer the policies and measures approved by the Board, and be responsible for the efficient discharge of management functions;

(b) To submit for the consideration of the Board such policies and measures which he deems are necessary to carry out the purposes and provisions of this act;

(c) To direct and supervise the operation and internal administration of the System and, for the purpose, he may delegate some or any of his administrative responsibilities and duties to other officers of the System; and

(d) Subject to the guidelines and policies set up by the Board:

(1) To appoint or promote upon recommendation of the proper Deputy Administrator with the approval of the Board, the department heads, division and section chiefs, and other officers of equivalent rank;

(2) To appoint or promote all other personnel, upon recommendation of the proper Deputy Administrator and to submit to the Board a monthly report on such appointments and non-disciplinary transfers made on the month immediately preceding;

(3) To remove, suspend or otherwise discipline for cause, or terminate by reason of incapacity, department heads, division and



section chiefs, and other officials of equal rank subject to the approval of the Board, and in accordance with the provisions of Article VII of the Civil Service Act, as amended;

(e) To detail any officer or employee when required by the exigencies of the service, for a period not exceeding six months, without reduction in salary, and his decision shall be final;

(f) To submit to the Board an annual budget and plantilla of personnel not later than sixty days prior to the beginning of a fiscal year, and thereafter such supplemental budgets as may be necessary;

(g) To submit to the Board, not later than the twentieth of every month, a financial and an operational report for the month preceding, and not later than ninety days after the close of each fiscal year an annual report, and from time to time such partial reports as he may see fit to render or as may be required by the Board; and

(h) To perform such other powers and duties as may be assigned by the Board or prescribed either by law or by the By-Laws of the System.

**SECTION 9. Authority to Incur Indebtedness and Issue Bonds; Their Conditions, Privileges, Exceptions; Sinking Funds; Guarantee –**

(a) Domestic Indebtedness – Whether the Board deems it necessary for the System to incur indebtedness or to issue bonds to carry out the purpose for which the System has been organized, it shall, by resolution, so declare and state the purpose for which the proposed debt is to be incurred. In order that such resolution be valid, it shall be passed by the affirmative vote of at least five members of the Board and approved by the President of the Philippines upon recommendation of the Secretary of Finance.

The Board shall determine the amount, terms, and conditions of domestic indebtedness, subject to approval by the Secretary of Finance.

The bonds issued under the authority of the sub-section shall be exempt from the payment of all taxes by the Republic of the Philippines, or by any authority, branch, division or political subdivision thereof, which facts shall be stated upon the face of said bonds. Said bonds shall be receivable as security on any transaction with the Government for which such security is required. A sinking fund shall create, the total thereof at each annual due date of the bonds to be equal to an amount of annuity earning an annual interest of nine-tenth of the rate of interest of the bonds as fixed by the Secretary of Finance. The sinking fund shall be under the custody of the Treasurer of the Philippines. Who