



DEPARTMENT OF

HOUSING

GOVERNMENT OF PUERTO RICO

**COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR) /
MITIGATION (CDBG-MIT)**

**AGREEMENT FOR
ACQUISITION OF BATTERY STORAGE SYSTEMS AND WATER STORAGE SYSTEMS
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
AIREKO ENERGY SOLUTION LLC**



This **AGREEMENT FOR ACQUISITION OF BATTERY STORAGE SYSTEMS AND WATER STORAGE SYSTEMS (Agreement or Contract)** is entered into in San Juan, Puerto Rico, this 21 of MAY, 2025, by and between the **PUERTO RICO DEPARTMENT OF HOUSING (PRDOH)**, a public agency created under Act No. 97 of June 10, 1972, as amended, 3 LPRA § 441, *et seq.*, known as the “Organic Act of Department of Housing” with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by Hon. Ciary Y. Pérez Peña, of legal age, single, and resident of Las Piedras, Puerto Rico, in his capacity as Secretary; and **AIREKO ENERGY SOLUTION LLC (CONTRACTOR)**, with principal offices in Las Casas Street, Lot #20, Bairoa Industrial Park, Caguas, Puerto Rico, herein represented by Waldemar E. Toro Dávila, in his capacity as President, of legal age, married, and resident of Guaynabo, Puerto Rico, duly authorized by Corporate Resolution issued on February 7, 2025.

WHEREAS, on September 2017, Hurricanes Irma and María made landfall in Puerto Rico causing catastrophic island-wide damage, knocking out power, water, and telecommunications for the entire island and its island municipalities. Hurricane María caused major structure and infrastructure damage to family homes, businesses and government facilities triggering the displacement of thousands of residents of the Island from their homes and jobs.

WHEREAS, under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017, signed into law on September 8, 2017 (Pub. L. 115-56), \$1.5 billion were allocated by the U.S. Department of Housing and Urban Development (**HUD**) for disaster recovery assistance to the Government of Puerto Rico under the Community Development Block Grant – Disaster Recovery (**CDBG-DR**) Program. These funds are intended to provide financial assistance to address unmet needs that arise and that are not covered by other sources of financial aid.

WHEREAS, on February 9, 2018, a Notice was published in the Federal Register, Vol. 83, No. 28 (83 FR 5844), that allocated \$1.5 billion for disaster recovery assistance to the Government of Puerto Rico.

WHEREAS, under the Bipartisan Budget Act of 2018, signed into law February 9, 2018 (Pub. L. 115-123), an additional \$8.22 billion were allocated by HUD for disaster recovery assistance to the Government of Puerto Rico under CDBG-DR.

WHEREAS, pursuant to a letter dated February 23, 2018, sent by the former Governor of Puerto Rico to the Secretary of HUD, the PRDOH is the governmental agency designated as the grantee of the CDBG-DR funds allocated to the Government of Puerto Rico.

WHEREAS, on August 14, 2018, a Notice was published in the Federal Register Vol. 83, No. 157, (83 FR 40314) that made an additional allocation to Puerto Rico of \$8.22 billion for recovery. With these allocations of funding, the PRDOH aims to lead a transparent, comprehensive recovery to benefit the residents of Puerto Rico. PRDOH holds accountability and is committed to the responsible, efficient, and transparent administration of CDBG-DR grant funding.

WHEREAS, On September 20, 2018, the Governor of Puerto Rico and the Secretary of HUD signed the Grant Agreement.

WHEREAS, under the Further Additional Supplemental Appropriations Act for Disaster Relief Requirements Act, 2018, (Division B, Subdivision 1 of the Bipartisan Budget Act of 2018, Pub. L. 115-123, approved February 9, 2018), \$8.285 billion were allocated by HUD for mitigation activities and assistance to the Government of Puerto Rico under the Community Development Block Grant – Mitigation (**CDBG-MIT**) Program. These funds are intended to provide financial assistance in areas impacted by recent disasters. Moreover, CDBG-MIT funds represent a unique and significant opportunity for Puerto Rico to carry out strategic and high-impact activities to mitigate disaster risks and reduce future losses.

WHEREAS, on August 30, 2019, a Notice was published in the Federal Register, Vol. 84, No. 169, (84 FR 45838), which described the grant requirements and procedures applicable to future allocations of CDBG-MIT funds to the Government of Puerto Rico.

WHEREAS, on May 12, 2021, the PRDOH Secretary and the Secretary of HUD signed Grant Agreement Number B-18-DP-72-0002; allowing PRDOH access to \$8,285,284,000 in CDBG-MIT funding, obligated under Pub. L. 115-123, as amended.

WHEREAS, the PRDOH is the government agency designated as the grantee of the CDBG-MIT funds allocated to the Government of Puerto Rico.

WHEREAS, the PRDOH is interested in contracting services to assist PRDOH with managing its CDBG-DR and CDBG-MIT Programs through experts. This firm will support PRDOH's objectives of ensuring compliance with all CDBG-DR/MIT, HUD and applicable federal and local requirements, rules and regulations, as well as in PRDOH's objectives of the Action Plan, as amended, and adequately coordinating and monitoring all CDBG-DR/MIT related activities.

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WHEREAS, on November 12, 2024, the PRDOH issued a Small Purchase (**SP**) for Acquisition of Battery Storage Systems and Water Storage Systems with CDBG-DR/MIT funds. This request was placed through the CDBG-DR Program website, and other efforts were made to provide more publicity. Through this procurement process, PRDOH received seven (7) quotations. The quotations were evaluated based on the criteria stated in the SP.

WHEREAS, on January 17, 2025, the CONTRACTOR submitted a quotation, which fully complied with the requirements set forth by the PRDOH.

WHEREAS, the PRDOH desires to enter into an Agreement with AIREKO ENERGY SOLUTION LLC to secure its services and accepts the CONTRACTOR’s Quotation and reasonable costs, and the CONTRACTOR by its acceptance of the terms and conditions of this Agreement is ready, willing and able to provide the requested services contemplated under this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the CONTRACTOR agree as follows:

I. TYPE OF CONTRACT

Contract Type: This is a fixed fee contract. Under this Agreement, the CONTRACTOR shall submit monthly invoices to the PRDOH based on the **Attachment C** (Cost Form) and as the services are rendered. Any and all changes and/or modifications to this Agreement shall be in writing and must be signed by both Parties.

Attachments Incorporated: The following attachments are incorporated into this Agreement by reference and are hereby made part of this Agreement:

Attachment A	Proposal
Attachment B	Scope of Work
Attachment C	Cost Form
Attachment D	Performance Requirements
Attachment E	Insurance Requirements
Attachment F	HUD General Provisions
Attachment G	Contractor Certification Requirement
Attachment H	Non-Conflict of Interest Certification

All Attachments hereto are fully incorporated herewith such that the terms and conditions of the Attachments shall be as binding as any terms and conditions of this executed written Agreement. The Agreement shall prevail if any inconsistency appears between the Attachments and this Agreement.

II. TERM OF AGREEMENT

- A.** This Agreement shall be in effect and enforceable between the Parties from the date of its execution. The Term of this Agreement will be for a performance period of **twenty-four months (24) months**, ending on May , 21 , 2027.
- B. Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term for an additional term of **twelve (12) months**, or expressed in days, **three hundred sixty-five (365) calendar days** upon mutual written agreement of the Parties.
- C.** The term of this Agreement shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD unless the term of the initial Grant Agreement is extended by HUD, in which case the Agreement nor extension shall not exceed said extended period.

III. SCOPE OF WORK

The CONTRACTOR will provide the services described in **Attachment B** (Scope of Work) of the Agreement. The Parties agree that the CONTRACTOR shall furnish all permits, consents, licenses, equipment, software, and supplies necessary to perform the Services, at the CONTRACTOR's sole cost.

IV. COMPENSATION AND PAYMENT

- A.** The PRDOH agrees to pay the CONTRACTOR for allowable Services rendered under this Agreement in accordance with the rates and amounts described in **Attachment C** (Cost Form) of this Agreement.
- B.** The PRDOH will pay the CONTRACTOR, for allowable services performed during the term of this Agreement, a maximum amount not to exceed **TWO HUNDRED TWENTY-SEVEN THOUSAND NINE HUNDRED THIRTY DOLLARS (\$227,930.00)**; **Accounts Number: r02h14her-doh-lm 4190-13-000 and r02h14her-doh-lm 6090-62-000.**
- C.** Such payment shall be compensation for all allowable services required, performed, and accepted under this Agreement included in **Attachment B** (Scope of Work), **Attachment C** (Cost Form) and **Attachment D** (Performance Requirements).
- D.** Any additional funds to complete the services requested by the PRDOH to the CONTRACTOR will be subject to evaluation before acceptance as well as funds availability and will require a written amendment to this Agreement signed by both Parties.

- E.** The CONTRACTOR shall submit an invoice to PRDOH on a monthly basis. Said invoice must be submitted including all required invoice supporting documents, including but not limited to monthly reports, timesheets, invoice and photos evidence, expense plan and/or work projections. If PRDOH determines that the submitted invoice and supporting documents are acceptable, then the invoice will be approved for payment.
- F.** The services rendered under the Agreement, shall be payable within **forty-five (45) business days** from the date the invoice is received and approved by a PRDOH representative for payment. If PRDOH raises any objections, PRDOH will return the invoice for corrections and the CONTRACTOR shall modify the invoice and return it within **five (5) business days**. Once the CONTRACTOR returns the modified invoice, the PRDOH shall resume and conclude the payment process within the next **forty-five (45) business days**, counted from receiving the duly modified invoice and approved by a PRDOH representative for payment.
- G.** An authorized representative of the PRDOH will review each invoice and, if adequate, will approve and process its payment. Payments to the CONTRACTOR shall be made by electronic funds transfer (**EFT**). PRDOH reserves the right to conduct any audits it deems necessary. The CONTRACTOR agrees to cooperate fully with any such audit or audits which includes, but is not limited to, after Agreement's expiration or termination.
- H.** While providing the services under this Agreement, the CONTRACTOR must adhere to applicable requirements of the CDBG-DR/MIT grant. If the CONTRACTOR performs ineligible activities under the CDBG-DR/MIT grant or program, the CONTRACTOR cannot include them in the invoice for payment to the CONTRACTOR.
- I.** CONTRACTOR shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement. CONTRACTOR shall reimburse such disallowed costs from funds other than those CONTRACTOR received under this Agreement.
- J.** The CONTRACTOR acknowledges and agrees to repay any CDBG-DR/MIT funds used for ineligible costs. As per, CDBG-DR Recapture of Funds Policy, as found in the CDBG-DR Website (<https://recuperacion.pr.gov/welcome/index.html>), which are herein included and made an integral part of this Agreement, as they may be updated time to time, and any local or federal regulation, as applicable.
- K.** In order for the CONTRACTOR to receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOH for payment:

“Under penalty of absolute nullity, I hereby certify that no public servant of the government entity is a party to or has an interest of any kind in the profits or benefits to be obtained under the contract which is the basis of this invoice, and should he be a party to, or have an interest in, the profits or benefits to be obtained under the contract, a waiver has been previously issued. The only consideration to provide the contracted goods or services under the contract is the payment agreed upon with the authorized representative of the government entity. The amount that appears in the invoice is fair and correct. The work has been performed, the goods have been delivered, and the services have been rendered, and no payment has been received therefor.”

V. REIMBURSABLE EXPENSES

The PRDOH will not reimburse any costs incurred by the CONTRACTOR not included in the approved Proposal or in an executed written amendment.

VI. ADDITIONAL SERVICES

Should additional services be needed by the PRDOH, such additional services shall be agreed upon by the Parties in a written document signed by both Parties, prior to the issuance of a notice to proceed with the performance of such additional services.

VII. OWNERSHIP AND USE OF DOCUMENTS

- A.** With the exception of the CONTRACTOR's working papers, the CONTRACTOR acknowledges the PRDOH's ownership of all information, drafts, documents, reports, papers, and other materials developed and prepared by the CONTRACTOR, its agents or representatives, for purposes of performing key obligations hereunder. In the event of any termination, which includes but is not limited to closeout process, the CONTRACTOR shall deliver such information, drafts, reports, papers and other materials to the PRDOH, in document form or as computer program data, and the CONTRACTOR recognizes the PRDOH's right to request such documentation or computer program data. If the CONTRACTOR fails to deliver said information, the PRDOH may seek a judicial order to enforce its rights.
- B.** Proof of expenditures incurred by the CONTRACTOR on behalf of PRDOH must be made available to PRDOH. The CONTRACTOR agrees to maintain accurate records and files of all contract documents, correspondence, book estimates, bills, and other information related to the CONTRACTOR account. These documents shall be open for the PRDOH examination at all reasonable times during the term of this Agreement, and up to **five (5) years** from the closeout of the grant to the state concludes, or the period required by other local applicable laws and regulations.

VIII. WORK FOR HIRE

The CONTRACTOR expressly acknowledges and agrees that all proprietary materials prepared under this Agreement shall be considered "Work Made for Hire" as defined under the Copyright Act, as amended, 17 U.S.C. § 10, and must be the exclusive property of PRDOH. These materials shall include, but shall not be limited to, any and all deliverables resulting from the Services or contemplated by the Agreement, all tangible results and proceeds of the Services, works in progress, records, diagrams, notes, drawings, specifications, schematics, documents, designs, improvements, inventions, discoveries, developments, trademarks, trade secrets, customer lists, codes, computer programs, databases, software, programs, middleware, applications, and solutions conceived, created, or discovered by the CONTRACTOR, whether independently or collaboratively, during the Services. These materials will encompass anything that may and/or has circumstantial, indirect or direct connection with the Agreement.

The CONTRACTOR commits to exercising the standard of care that a reasonably prudent person would have exercised in a similar situation, diligently safeguarding all proprietary materials, indemnifying PRDOH for any fault or negligence on its part. Additionally, the CONTRACTOR pledges to cooperate with PRDOH in any claim they may have against a third party for use of any proprietary materials.

The CONTRACTOR agrees that, under no circumstances, if the Images contain sensitive or confidential information, they shall not use these Images in their portfolio or for any other purpose that may compromise the confidentiality of the information. The CONTRACTOR acknowledges and respects the need to maintain the confidentiality of such content and refrains from using it in any manner that could disclose or compromise this confidentiality.

IX. DOCUMENTATION AND RECORDKEEPING

A. Records to be Maintained: The CONTRACTOR shall maintain records of the state and units of general local government, including supporting documentation, which must be retained for **five (5) years** from the closeout of the grant to the state concludes, or the period required by other local applicable laws and regulations, whichever is greater. Such records include but are not limited to: Records providing a full description of each activity undertaken; Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR/MIT program; Records required to determine the eligibility of activities; Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG-DR/MIT assistance; Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG-DR/MIT program regulations; Financial records as required by 24 C.F.R. § 570.506, and 2 C.F.R. part 200, including records necessary to demonstrate compliance with all applicable procurement

requirements; and other records necessary to document compliance with this Agreement, any other applicable Federal statutes and regulations, and the terms and conditions of PRDOH's Federal award.

- B. Access to Records:** The CONTRACTOR shall permit the PRDOH and auditors to have access to the CONTRACTOR's records and financial statements as necessary for the PRDOH to meet its audit requirements under the Federal award.
- C. Record Retention and Transmission of Records to the PRDOH:** Prior to closeout of this Agreement, the CONTRACTOR must transmit to the PRDOH records sufficient for the PRDOH to demonstrate and satisfy that all costs under this Agreement met the requirements of the Federal award.
- D. CONTRACTOR's Data and Privileged Information:** The CONTRACTOR is required to maintain confidential data demonstrating client eligibility for activities provided under this Agreement. Such data may include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of activities provided.
- E. PII Policy:** The CONTRACTOR must comply with the PRDOH CDBG-DR/MIT Personal Identifiable Information Policy, as found in the CDBG-DR/MIT Website (<https://recuperacion.pr.gov/welcome/index.html>), which is herein included and made an integral part of this Agreement, as it may be updated from time to time.

X. ACCESS TO RECORDS

- A.** The CONTRACTOR agrees to provide the Government of Puerto Rico, PRDOH, HUD's Secretary, the Comptroller General of the United States, or any of their authorized representative's access to any books, documents, papers, and records of the CONTRACTOR which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. The access includes, but is not limited to, as contemplated on section "VIII. Work for Hire".
- B.** The CONTRACTOR agrees to permit any of the foregoing Parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

XI. NON-DISCLOSURE AND CONFIDENTIALITY

- A. Confidential Information; Definition:** The term Confidential Information as used throughout this Section, means any information concerning PRDOH operations and that of its CONTRACTOR (e.g., the projects, computer processing systems, object and source codes and other PRDOH business and financial affairs). The term Confidential Information shall also deem to include all notes, analysis,

compilation, studies and interpretation or other documents prepared by CONTRACTOR, its agents or representatives, in connection with PRDOH operations.

- B. Non-Disclosure:** CONTRACTOR agrees to take all reasonable steps or measures to keep confidential all Confidential Information and will not, at any time, present or future, without PRDOH express written authorization, signed by the Secretary of the PRDOH, use or sell, market or disclose any Confidential Information to any third party, contractor, corporation, or association for any purpose whatsoever. CONTRACTOR further agrees that, except as they relate to the normal course of the service, the CONTRACTOR will not make copies of the Confidential Information except upon PRDOH express written authorization, signed by an authorized representative of PRDOH, and will not remove any copy or sample of Confidential Information without prior signed written authorization from PRDOH. CONTRACTOR retains the right to control its work papers subject to these confidentiality provisions.
- C. Return Documents:** Upon receipt of written request from the PRDOH, CONTRACTOR will return to PRDOH all copies or samples of Confidential Information which, at the time of the notice are in CONTRACTOR's or its agent's possession. CONTRACTOR reserves the right to retain a set of its work papers.
- D. Equitable Relief:** The CONTRACTOR acknowledges and agrees that a breach of the provision of subparagraph B and C of this Section will cause PRDOH to suffer irreparable damage that could not be remedied or compensated adequately only by mere monetary retribution. The CONTRACTOR further agrees that money damages may not be a sufficient remedy for any breach of this Section. Accordingly, the CONTRACTOR agrees that PRDOH shall have the right to seek injunctive relief and the specific performance of the provisions of this Section to enjoin a breach or attempted breach of the provision hereof, such right being in addition to any and all other rights and remedies that are available to PRDOH by law, equity, or otherwise.

XII. PERFORMANCE WARRANTY

- (a) CONTRACTOR warrants that it will perform all work and provide all Deliverables under this Contract in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.
- (b) CONTRACTOR warrants that all Deliverables it completes under this Contract shall: meet or exceed the standards of CONTRACTOR's trade, profession, or industry; meet or exceed the specifications set forth in the Attachments to this Agreement; and be fit for ordinary use, of good quality, and with no material defects, if applicable.

- (c) If CONTRACTOR submits Deliverables that do not meet specifications, fails to complete Deliverables timely, or fails to perform its obligation under this Contract, PRDOH may require CONTRACTOR, at its sole expense, if applicable, to:
1. repair or replace Deliverables that do not meet specifications;
 2. refund payment for Deliverables that do not meet specifications and accept the return of such Deliverables;
 3. pay liquidated damages for any past due Deliverable; and
 4. take necessary action to ensure that future performance and Deliverables meet specifications and conform to the Contract.

XIII. TERMINATION

- A. Termination for Cause or Default:** The PRDOH may terminate this Agreement, in whole or in part, because of CONTRACTOR's failure to fulfill any of its obligations. The PRDOH shall terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar day** notice of termination specifying the extent to which the performance of the service under this Agreement is terminated, the reason therefor and the effective date of termination. CONTRACTOR shall, upon written notice, be provided a **ten (10) calendar day** opportunity to cure the alleged defect that resulted in the perceived default. If the defect is not cured within that period of time, CONTRACTOR shall immediately discontinue all such services being terminated and deliver to the PRDOH all information, notes, drafts, documents, analysis, reports, compilations, studies and other materials accumulated or generated in performing the services contemplated in this Agreement, whether completed or in process. Notwithstanding the above, the CONTRACTOR shall not be relieved of liability to the PRDOH for damage sustained to PRDOH CDBG-DR/MIT Program by virtue of any breach of the Agreement by the CONTRACTOR. The PRDOH may withhold any payments to the CONTRACTOR, for the purpose of offset or partial payment, as the case may be, of amounts owed to the PRDOH by the CONTRACTOR. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.
- B. Termination for Convenience:** The PRDOH may terminate this Agreement, in whole or in part, whenever the PRDOH determines that such termination is necessary or convenient to the Agency. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of termination by Notice, the PRDOH shall only be liable for payment of services rendered up to and including the effective date of termination, taking into account the CONTRACTOR's obligation to immediately discontinue all affected services upon receipt of the termination notice. PRDOH

shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.

- C. Termination by Unilateral Abandonment:** The PRDOH will consider this Agreement immediately terminated, in the event that the CONTRACTOR unilaterally and without prior notice, chooses to abandon (in any shape, form or fashion according to what PRDOH deduces) cease and desist in the specific performance of its general and particular duties and responsibilities as agreed in this Agreement. Upon the knowledge of such event, the PRDOH will not be held liable and will immediately, automatically and retroactively deduct from any future reimbursement, all funds from the day such unilateral abandonment took place. The PRDOH will not be compelled to continue the performance of this Agreement, should the CONTRACTOR breach this Agreement by unilateral abandonment. For the purposes of this Section, Abandonment shall mean that CONTRACTOR voluntarily and intentionally disavows its contractual duties in a manner that is overt and without question a relinquishment of said contractual duties.
- D. Unilateral Termination:** The PRDOH may terminate this Agreement, in whole or in part, at PRDOH's sole discretion, with or without cause, at any time. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of termination by Notice, the PRDOH shall only be liable for payment of services rendered up to and including the effective date of termination, taking into account the CONTRACTOR's obligation to immediately discontinue all affected services upon receipt of the termination notice.
- E. Suspension:** The PRDOH may suspend this Agreement in whole or in part at any time for the PRDOH's convenience. The PRDOH shall give the CONTRACTOR **five (5) business days'** written notice of such suspension. Upon receipt of said notice the CONTRACTOR shall immediately discontinue all Services affected.
- F. Immediate Termination:** In the event the CONTRACTOR is subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the CONTRACTOR shall be subject to an order, judgment, or opinion, issued by any federal or local authority, a court of applicable jurisdiction, or any governmental agency, in connection with the execution, delivery, and performance by the CONTRACTOR of this Agreement or the CONTRACTOR of this Agreement has been non-compliant, breach, inaccuracy of any representation, warranties, covenants, or the certifications provided herein,

whether the noncompliance, breach or inaccuracy takes place before or after the execution of this Agreement, the PRDOH shall have the right to the immediate termination of this Agreement notwithstanding, any provisions to the contrary herein. This Section will apply, but is not limited to, in the event of any judgment that may obligate the PRDOH to terminate the Agreement pursuant to Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico.

G. Period of Transition: Upon termination or expiration of this Agreement, and for one hundred and eighty (180) calendar days, with the option of extending for two (2) additional terms of ninety (90) consecutive calendar days thereafter (the Transition Period), CONTRACTOR agrees to make himself available to assist the PRDOH with the transition of services assigned to CONTRACTOR by the PRDOH. CONTRACTOR shall provide to the PRDOH the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the Services to the PRDOH or a third party designated by the PRDOH. PRDOH reserves the right to provide for the execution of a Transition Services Agreement for the Transition Period. In such instance, the CONTRACTOR will be paid at a reasonable, agreed upon, hourly rate for any work performed for the PRDOH during the Transition Period. Transition Services Agreement for the Transition Period must be in writing, signed by both Parties, and executed before the expiration of this Agreement. Moreover, during that Transition Period, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH.

XIV. PENALTIES AND LIQUIDATED DAMAGES

A. Penalties

1. In the event the CONTRACTOR is determined to have engaged in any proscribed conduct or otherwise is in default as to any applicable term, condition, or requirement of this Agreement, at any time following the Effective Date of the Agreement, the CONTRACTOR agrees that PRDOH may impose sanctions against the CONTRACTOR for any default in accordance with **Attachment B** (Scope of Work) and **Attachment D** (Performance Requirements) and this Section. Refer to all required provisions set forth at 2 C.F.R. § 200.326 and 24 C.F.R. § 570.489(g), if applicable, and the Contract and Subrecipient Agreement Manual, Section 2, Subsection 2.4.1(a), as found in the CDBG-DR/MIT Website (<https://recuperacion.pr.gov/welcome/index.html>) which is herein included and made an integral part of this Agreement, as it may be updated from time to time.
2. If the CONTRACTOR fails to comply with federal and/or local statutes, regulations or the terms and conditions of the Agreement, PRDOH may take one or more of the following actions:

- i. Temporarily withhold cash payments pending correction of the deficiency by the CONTRACTOR.
- ii. Disallow all or part of the cost of the activity or action not in compliance.
- iii. Initiate suspension or debarment proceedings as authorized under 2 C.F.R. part 180.
- iv. Withhold further Federal awards for the project or program.
- v. Take other remedies that may be legally available.

B. Liquidated damages

The CONTRACTOR shall pay to PRDOH, as liquidated damages, one hundred dollars (\$100.00) for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of one thousand dollars (\$1,000.00) established in this Agreement between PRDOH and the CONTRACTOR, in accordance with **Attachment B** (Scope of Work) and **Attachment D** (Performance Requirements). Said sum, in view of the difficulty of accurately ascertaining the loss which PRDOH will suffer by reason of delay in the completion of the **Work hereunder**, is hereby fixed and agreed as the liquidated damages that PRDOH will suffer by reason of such delay. Liquidated damages received hereunder are not intended to be nor shall they be treated as either a partial or full waiver or discharge of PRDOH's right to indemnification, or the CONTRACTOR's obligation to indemnify the PRDOH pursuant to this Contract, or to any other remedy provided for in this Contract or by Law. Liquidated damages may be assessed at the sole discretion of PRDOH. For the purpose of applying and calculating such liquidated damages, a grace period of **ten (10) business days** shall be observed. The PRDOH may deduct and retain out of the monies which may become due hereunder, the amount of any such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages due to the PRDOH per the formula above, the CONTRACTOR shall be liable to pay the difference.

XV. LIABILITY

In no event, the PRDOH shall be liable for any indirect, incidental, special or consequential damages, or damages for loss of profits, revenue, data or use, incurred by either party or any third party, whether in an action in Agreement or tort, even if the other party or any person has been advised of the possibility of such damages. Third parties operating under this program, with their agency, will have their own general civil and criminal liability imposed by law towards the PRDOH, the CONTRACTOR and any citizen.

The CONTRACTOR shall carry the insurances as are required by law (if applicable), as set forth below. The CONTRACTOR shall furnish PRDOH certificates of insurance.

XVI. INSURANCE

A. Required Coverage

The CONTRACTOR shall keep in force and effect for the period beginning from the execution of the Agreement and ending at the completion of all services to be provided hereunder which are included in the **Attachment B** (Scope of Work) and **Attachment D** (Performance Requirements), insurance policies in compliance with the Insurance Requirements, attached hereto and made an integral part hereof as **Attachment E** (Insurance Requirements). The CONTRACTOR shall meet all other insurance requirements as may be imposed by PRDOH from time to time.

Upon the execution of this Agreement, the CONTRACTOR shall furnish PRDOH with original and two (2) certified copies of the insurance policies described in **Attachment E** (Insurance Requirements) and any other evidence PRDOH may request as to the policies' full force and effect.

Any deductible amount, under any of the policies, will be assumed in whole by the CONTRACTOR for any and all losses, claims, expenses, suits, damages, costs, demands or liabilities, joint and several of whatever kind and nature arising from the Agreement resulting from this solicitation by and between the CONTRACTOR and PRDOH.

PRDOH shall not be held responsible under any circumstances for payments of any nature regarding deductibles of any Commercial Liability Policies for the aforementioned Agreement.

B. Endorsements

Each insurance policy maintained by the CONTRACTOR must be endorsed as follows:

1. PRDOH, Government of Puerto Rico, HUD and its officers, agents and employees are named as additional insured (except Worker's Compensation) but only with respect to liability arising out of tasks performed for such insured by or on behalf of the named insured.
2. To provide waiver of subrogation coverage for all insurance policies provided or herein in favor of PRDOH and its respective officers, agents and employees.
3. The insurer shall be required to give PRDOH written notice at least **thirty (30) calendar days** in advance of the effectiveness of any cancellation in any such policies.

The CONTRACTOR shall furnish to PRDOH, prior to commencement of the work, certificates of insurance from insurers with a rating by the A.M. Best Co. of B+ and five

(5) or over on all policies, reflecting policies in force, and shall also provide certificates evidencing all renewals of such policies. Insurers shall retain an A.M. Best Co. rating of B+ and five (5) or over on all policies throughout the term of this Agreement and all policy periods required herein. The insurance company must be authorized to do business in Puerto Rico and be in good standing. The CONTRACTOR is solely responsible for reviewing whether the insurance company complies with the requirements included in this section.

C. Related Requirements

The CONTRACTOR shall furnish original Certificates of Insurance evidencing the required coverage to be in force on the Effective Date of Agreement. In the case of Payment and Performance Bond, Certificate of Authority, Power of Attorney and Power of Attorney License issued by the Commissioner of Insurance shall be furnished. THE REQUIRED DOCUMENTATION MUST BE RECEIVED PRIOR TO THE CONTRATOR COMMENCING WORK. NO CONTRACTOR OR ITS AUTHORIZED REPRESENTATIVES ARE TO BEGIN THEIR RESPONSIBILITIES UNDER THE AGREEMENT PRIOR TO FULL COMPLIANCE WITH THIS REQUIREMENT AND NOTIFICATION FROM PRDOH TO PROCEED.

Renewal Certificates of Insurance or such similar evidence is to be received by the Contract Administration of the Legal Division and/or the Finance area of the CDBG-DR/MIT program prior to expiration of insurance coverage. At PRDOH's option, non-compliance will result in one or more of the following actions: (1) The PRDOH will purchase insurance on behalf of the CONTRACTOR and will charge back all cost to the CONTRACTOR; (2) all payments due the CONTRACTOR will be held until the CONTRACTOR has complied with the Agreement; and/or (3) The CONTRACTOR will be assessed **Five Thousand Dollars (\$5,000.00) for every day of non-compliance**.

The receipt of any certificate does not constitute agreement by PRDOH that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with the requirements of the Agreement. The insurance policies shall provide for **thirty (30) calendar days'** written notice to be given to PRDOH in advance of the effectiveness in the event coverage is substantially changed, cancelled or non-renewed.

The CONTRACTOR shall require all subcontractors or consultants to maintain in force all insurance policies and/or bonds necessary to cover their individual participation in the risk or risks related to the subcontracted work or service to be rendered. The CONTRACTOR may provide the coverage for any or all of its subcontractors and if so, the evidence of insurance submitted shall so stipulate and adhere to the same requirements and conditions as outlined above.

The CONTRACTOR expressly understands and agrees that whenever the CONTRACTOR is covered by other primary, excess, or excess contingent insurance that, any insurance or self-insurance program maintained by PRDOH shall apply in excess of

and will not contribute with insurance provided by the CONTRACTOR under this Agreement.

XVII. HOLD HARMLESS

The CONTRACTOR and its affiliates, its successors and assignees will indemnify the PRDOH from any damages and/or losses arising out of any breach of this Agreement by the CONTRACTOR or against personal injuries or property damage resulting from any act of negligence, omission or intention by the CONTRACTOR and its affiliates in connection with this Agreement.

XVIII. FORCE MAJEURE

In the event of a fire, flood, earthquake, natural disaster, hurricane, riot, act of governmental authority in its sovereign capacity, pandemic officially declared by the Government of Puerto Rico, or declare by the United States of America, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any Force Majeure including inclement weather, herein collectively referred to as Force Majeure during the term of this Agreement, neither the PRDOH nor the CONTRACTOR shall be liable to the other party for nonperformance during the conditions created by such event. The party claiming Force Majeure shall exercise due diligence to prevent, eliminate, or overcome such Force Majeure event where it is possible to do so and shall resume performance at the earliest possible date.

The CONTRACTOR shall notify the PRDOH in writing as soon as possible, but in any event within **ten (10) business days** of the occurrence of the Force Majeure event and describe in reasonable detail the nature of the Force Majeure event, how the non-performance or delay relates to or arises from the Force Majeure event, its anticipated duration and any action taken to minimize its effect. The CONTRACTOR may be entitled to reasonable adjustments in schedules, among other measures, in the foregoing circumstances. If non-performance continues for more than **thirty (30) business days**, since the occurrence of the Force Majeure without reasonable justification, the PRDOH may terminate this Agreement immediately upon written notification to the CONTRACTOR.

XIX. CONFLICTS OF INTEREST

The CONTRACTOR must comply with the ethics requirements set forth herein including, but not limited to federal and local regulations, and warrant that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of the work under a PRDOH contract and CONTRACTOR'S organizational, financial, contractual or other interest are such that:

- a) Award of the Agreement may result in an unfair competitive advantage; or

b) The CONTRACTOR's objectivity in performing the contract work may be impaired.

The CONTRACTOR agrees that if after execution of this Agreement he or she discovers an organizational conflict of interest with respect to this Agreement, it shall make an immediate (within the next **seventy-two consecutive (72) hours**) and full disclosure in writing to the Contracting Officer, which shall include a description of the action, which the CONTRACTOR has taken or intends to take to eliminate or neutralize the conflict. The CONTRACTOR will disclose the details of any existing or future contractual agreement to provide services to third parties participating or for the purpose to participate in disaster recovery programs or projects in Puerto Rico. The PRDOH may, however, terminate the Agreement for the convenience of PRDOH if it would be in its best interest.

In the event the CONTRACTOR was aware of an organizational conflict of interest before the execution of this Agreement and did not disclose the conflict to the Contracting Officer, the PRDOH may terminate the Agreement for default.

The provisions of this clause shall be included in all subcontracts and/or consulting agreements wherein the work to be performed is similar to the services provided by the CONTRACTOR. The CONTRACTOR shall include in such subcontracts and consulting agreements any necessary provision to eliminate or neutralize conflicts of interest.

XX. INDEPENDENT CONTRACTOR

The relationship of the CONTRACTOR to PRDOH shall be that of an independent CONTRACTOR rendering professional services. Neither the CONTRACTOR nor any personnel of the CONTRACTOR shall have any authority to execute contractual agreements or make commitments on behalf of PRDOH. Nothing contained herein shall be deemed to create the relationship of employer/employee, principal/agent, joint venture or partner between the CONTRACTOR and PRDOH. Further, the CONTRACTOR recognizes that in view of its status as an independent CONTRACTOR, neither it nor its employees or subcontractors will be entitled to participate in or receive any fringe benefits normally granted to PRDOH employees under such programs, including, but not limited to, worker's compensation, voluntary disability, travel accident insurance, medical/dental insurance, life insurance, long-term disability, holiday pay, sick pay, salary continuation pay, leaves of absence (paid or unpaid), pension plan and savings plan.

The CONTRACTOR shall have exclusive control over its employees and subcontractors (and the CONTRACTOR's employees and subcontractors are herein, collectively, referred to as the "CONTRACTOR Personnel"), its labor and employee relations and its policies relating to wages, hours, working conditions and other employment conditions. The CONTRACTOR has the exclusive right to hire, transfer, suspend, lay off,

recall, promote, discipline, discharge and adjust grievances with its CONTRACTOR Personnel. The CONTRACTOR is solely responsible for all salaries and other compensation of its CONTRACTOR Personnel who provide Services.

The CONTRACTOR is solely responsible for making all deductions and withholdings from its employees' salaries and other compensation and paying all contributions, taxes and assessments, including union payments. The CONTRACTOR shall be responsible for and shall defend, indemnify and hold harmless PRDOH, and its agents, officers, directors, employees, representatives, CONTRACTOR's, successors and assigns against all costs, expenses and liabilities, including without limitation reasonably prudent attorneys' fees relative to the situation, in connection with the CONTRACTOR's employment and/or hiring of any CONTRACTOR Personnel providing any of the Services, including without limitation: (i) payment when due of wages and benefits, (ii) withholding of all payroll taxes, including but not limited to, unemployment insurance, workers' compensation, FICA and FUTA, (iii) compliance with the Immigration Reform Control Act, and (iv) compliance with any other applicable laws relating to employment of any CONTRACTOR Personnel of, and/or hiring by, CONTRACTOR in connection with the Services.

XXI. NOTICES

All notices required or permitted to be given under the Agreement shall be in writing, and shall be deemed given when delivered by hand, via email, or sent by registered or certified mail, return receipt requested, to the address as follows:

To: PRDOH	Ciary Y. Pérez Peña Secretary Puerto Rico Department of Housing 606 Barbosa Ave. Juan C. Cordero Dávila Bldg. San Juan, PR 00918
To: CONTRACTOR	Waldemar E. Toro Dávila President Aireko Energy Solution LLC PO Box 2128 San Juan, PR 00922

XXII. THIRD PARTIES

Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action of a third party against either the PRDOH or the CONTRACTOR.

XXIII. SUBCONTRACTS

A. General: All subcontracts shall contain the applicable provisions described in **Attachment F** (HUD General Provisions), as well as applicable provisions set forth in 2 C.F.R. § 200.101. PRDOH shall review subcontracts as part of the compliance, monitoring, and oversight process performed by PRDOH or upon request.

B. Specific Requirements: All subcontracts must contain provisions specifying:

- i. That the work performed by the subcontractor be in accordance with the applicable terms of this Agreement between PRDOH and CONTRACTOR;
- ii. That nothing contained in such subcontract agreement shall impair the rights of PRDOH;
- iii. That nothing contained herein, or under this Agreement will create any contractual relation between the subcontractor and PRDOH;
- iv. That the subcontractor specifically agrees to be bound by the confidentiality provision regarding Personal Identifiable Information set forth in this Agreement;
- v. That CONTRACTOR will be responsible for ensuring all subcontract work is performed consistent with federal and state regulations and/or policies to be eligible for reimbursement of the approved work; and
- vi. All Federal flow down provisions are included in the subcontract agreement per Federal guidelines.

C. Monitoring: CONTRACTOR shall diligently monitor all subcontracted services. If CONTRACTOR discovers any areas of noncompliance, CONTRACTOR shall provide to PRDOH summarized written reports supported with documented evidence of corrective action.

D. Content: CONTRACTOR shall cause all the applicable provisions of this Agreement to be included in, and made a part of, any subcontract executed in the performance of this Agreement.

E. Notification: Within **three (3) business days** of its execution, the CONTRACTOR shall notify the Contract Administration Area of PRDOH CDBG-DR/MIT Legal Division and provide a copy of all subcontracts related to this Agreement and CDBG-DR/MIT funds, as well as any other subcontracts listed in **Attachment G** (Contractor Certification Requirement). The CONTRACTOR is in charge of obtaining all certifications from the subcontractors listed in Article XXIV of this Agreement that are required for technical, professional, or consulting services, as well as submitting them with the copy of the subcontract and adhering to all other requirements set forth in Circular Letter 1300-16-16 from the Puerto Rico Department of Treasury. Technical, professional, or consulting services that are employed to carry out the

terms of this Agreement are referred to as subcontractors for the purposes of this article if they spend at least 25% of their time on it.

XXIV. CERTIFICATION OF COMPLIANCE WITH LEGAL REQUIREMENTS

Given that the Agreement involves funds for which HUD is the oversight agency, the CONTRACTOR agrees to carry out its obligations under this Agreement in compliance with all the requirements described in **Attachment F** (HUD General Provisions), **Attachment G** (Contractor Certification Requirement) and following provisions:

- A. Compliance with Executive Order No. 24:** Pursuant to Executive Order No.24 of June 18, 1991, the CONTRACTOR certifies and guarantees that at the signing of this Agreement it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last **five (5) years**. The CONTRACTOR further certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The CONTRACTOR expressly agrees that the conditions outlined throughout this Section are essential requirements of this Agreement; thus, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PRDOH to render this Agreement null and void and the CONTRACTOR reimburse to PRDOH all money received under this Agreement. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will be given a specific amount of time by the PRDOH to produce said documents. During the term of this Agreement, the CONTRACTOR agrees to pay and/or to remain current with any repayment plan agreed to by the CONTRACTOR with the Government of Puerto Rico.
- B. Compliance with Executive Order 52:** Pursuant to Executive Order No. 52 of August 28, 1992, amending Executive Order No.1991-24, the CONTRACTOR certifies and warrants that at the time of signing this Agreement, it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The CONTRACTOR expressly agrees that the conditions outlined throughout this Section are essential requirements of this Agreement; thus, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PRDOH to render this Agreement null and void and the CONTRACTOR reimburse to PRDOH all money received under this Agreement. The CONTRACTOR accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every CONTRACTOR and subcontractor whose service the CONTRACTOR has secured in connection with the services to be

rendered under this Agreement and shall forward evidence to PRDOH as to its compliance with this requirement.

C. Compliance with Circular Letter No. 1300-16-16 of the Puerto Rico Department of

Treasury: The CONTRACTOR accepts and acknowledges its responsibility of acquiring the certifications required in the Puerto Rico Department of Treasury Circular Letter No. 1300-16-16 issued on January 19, 2016. All certifications must be submitted during their term of validity, in accordance with applicable laws. Certifications expired or issued more than **sixty (60) calendar days** prior to the contract date will not be accepted. The last payment to be made under the contract will only be issued if the 'Debt Certifications' by the Puerto Rico Department of Treasury indicate that the CONTRACTOR has no debt with the Department of Treasury. The CONTRACTOR agrees to cancel any debt that cannot be clarified with the Department of the Treasury through a withholding made by PRDOH from the payments to which it is entitled to receive under the contract.

D. Social Security and Income Tax Retentions: The CONTRACTOR will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income from this Agreement.

E. Government of Puerto Rico Municipal Tax Collection Center (*CRIM*, for its Spanish acronym): The CONTRACTOR certifies and guarantees that at the signing of this Agreement it has no current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center. The CONTRACTOR further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will deliver upon request any documentation requested under this clause as per request of PRDOH. During the Term of this Agreement, the CONTRACTOR agrees to pay and/or to remain current with any repayment plan agreed to by the CONTRACTOR with the Government of Puerto Rico with regards to its property taxes.

F. Income Tax Withholding: The PRDOH shall retain the corresponding amount from all payments made to the CONTRACTOR, as required by the Puerto Rico Internal Revenue Code. The PRDOH will advance such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda del Gobierno de Puerto Rico*). The PRDOH will adjust such withholdings provided the CONTRACTOR produces satisfactory evidence of partial or total exemption from withholding.

G. Compliance with Act No. 45 of April 18, 1935, as amended, 11 LPRA § 1, et seq.: The CONTRACTOR certifies and guarantees that at the signing of this Agreement has valid insurance issued by the State Insurance Fund Corporation (CFSE, for its

Spanish Acronym), as established by Act No. 45, *supra*, known as the "Puerto Rico Workers' Accident Compensation Act".

- H. Government of Puerto Rico's Agency for the Collection of Child Support (*ASUME, for its Spanish acronym*):** The CONTRACTOR certifies and guarantees that at the signing of this Agreement that the CONTRACTOR nor any of its Partners, if applicable, have any debt or outstanding debt collection legal procedures with regards to child support payments that may be registered with the Government of Puerto Rico's Child Support Administration. The CONTRACTOR hereby certifies that it is a limited liability company organized and existing in good standing under the laws of the Government of Puerto Rico. The CONTRACTOR shall present, to the satisfaction of PRDOH, the necessary documentation to substantiate the same. The CONTRACTOR will be given a specific amount of time by PRDOH to deliver said documents.
- I. Compliance with Act No. 168-2000, as amended, 8 LPRA § 711, et seq.:** The CONTRACTOR is in full compliance with Act No. 168-2000, as amended, known as "Act for the Improvement of Elderly Support of Puerto Rico."
- J. Compliance with Act No. 1-2012, as amended, 3 LPRA § 1854, et seq.:** The PRDOH and the CONTRACTOR hereby certify that in signing this Agreement they are in compliance with Act No. 1-2012, as amended, known as the "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.
- K. Clause of Governmental Ethics Certification of Absence of Conflict of Interests:** The CONTRACTOR certifies that: (1) No public servant of this executive agency has a pecuniary interest in this contract, purchase or commercial transaction. (2) No public servant of this executive agency has requested me or accepted from me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts, bonuses, favors, services, donations, loans or anything else of monetary value. (3) No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment. (4) No public servant has requested from me, directly or indirectly, for him (her), for any member of her family unit, or for any other person, business or entity, some of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity. (5) I have no kinship relationship, within the fourth degree of consanguinity and second by affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.
- L. Ethics:** CONTRACTOR also acknowledges receipt and agrees to obey the Anticorruption Code for the New Puerto Rico, Act No. 2-2018, as amended, 3 LPRA §

1881, *et seq.*, known in Spanish as “Código Anticorrupción para el Nuevo Puerto Rico”.

M. Non-Conviction: The CONTRACTOR certifies that it has not been convicted nor accused of a felony or misdemeanor against the government, public faith and function, or that involves public property or funds, either federal or local in origin. Furthermore, CONTRACTOR also certifies that:

1. It has not been convicted, nor has pleaded guilty at a state or federal bar, in any jurisdiction of the United States of America, of crimes consisting of fraud, embezzlement or misappropriation of public funds, as stated in Act No. 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico, which prohibits the award of Offers or government contracts to those convicted of fraud, misappropriation of public fund.
2. It understands and accepts that any guilty plea or conviction for any of the crimes specified in Article 3 of said Act, will also result in the immediate cancellation of any contracts in force at the time of conviction, between the undersigned and whichever Government Agencies, Instrumentalities, Public Corporations, Municipalities and the Legislative or Judicial Branches.
3. It declares under oath the above mentioned in conformity with what is established as in Act No. 2 of January 2, 2018, as amended, known as the “Anti-Corruption Code for the New Puerto Rico”, which prohibits awarding Offers for government contracts, to those convicted of fraud, embezzlement or misappropriation of public funds.
4. The CONTRACTOR represents and guarantees that none of its employees, officials or agents have been convicted of a felony or misdemeanor as described in this sub-section. Moreover, the CONTRACTOR agrees to notify PRDOH should any employee, official, or agent is convicted of a felony or misdemeanor as described in this sub-section after the date of this Agreement. Said notice shall be made within **ten (10) business days** from the time of the conviction.

N. Other payments or compensation: The CONTRACTOR certifies that it does not receive payment or compensation for regular services rendered as an official or public employee to another government entity, agency, public corporation or municipality, and knows the ethical standards of his profession and assumes responsibility for his actions.

O. Consequences of Non-Compliance: The CONTRACTOR expressly agrees that the conditions outlined throughout this Section are essential requirements of this Agreement; thus, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, there shall

be sufficient cause for PRDOH to render this Agreement null and void and the CONTRACTOR reimburse to PRDOH all money received under this Agreement.

P. Non-Conflict of Interest Certification: The CONTRACTOR shall comply with **Attachment H** (Non-Conflict of Interest Certification), attached herein and made an integral part of this Agreement, which outlines several situations that may reasonably be considered as conflicts of interest. The aforementioned certification aids PRDOH, in its role as grantee, to identify, evaluate, disclose, and manage apparent potential, or actual conflicts of interest related to CDBG-DR and CDBG-MIT-funded projects, activities, and/or operations.

XXV. ACT NO. 18 OF OCTOBER 30, 1975, as amended, 2 L.P.R.A. §§ 97-98

The Parties to this Agreement agree that its effective date will be subject to the due registration and remittance to the Office of the Comptroller of Puerto Rico. No rendering or consideration subject matter of this Agreement will be required before its registration at the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended. The CONTRACTOR will be responsible for ensuring that this Agreement has been registered before the rendering of services by requesting a copy of the registered Agreement with its proper number and date of registry. No services under this Agreement will continue to be delivered after its termination date unless at the expiration date, an amendment signed by both Parties and duly registered exists. No services performed in violation of this provision will be paid. The party violating this clause will be doing so without any legal authority, this action will be deemed as *ultra vires*.

XXVI. MEMORANDUM NO. 2021-003; CIRCULAR LETTER 001-2021 OF THE OFFICE OF THE CHIEF OF STAFF OF THE GOVERNOR (SECRETARÍA DE LA GOBERNACIÓN) & THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO)

A. Interagency Services Clause: Both contracting Parties acknowledge and agree that services retained may be provided to any entity of the Executive Branch with which the contracting entity makes an interagency agreement or by direct provision of the Office of the Chief of Staff of the Governor (*Secretaría de la Gobernación*). These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Agreement. For purposes of this clause, the term "Executive Branch entity" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities and public corporations and the Office of the Governor.

B. Termination Clause: The Chief of Staff (*Secretaría de la Gobernación*) of the Governor shall have the power to terminate this Agreement at any time.

C. Contract Review Policy of the Financial Supervision and Administration Board for

Puerto Rico: The Parties acknowledge that the CONTRACTOR has submitted the certification entitled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board (**FOMB**) for Puerto Rico, effective as of November 6, 2017, as amended on October 30, 2020, signed by the Contractor's Executive Director (or another official with an equivalent position or authority to issue such certifications). A signed copy of the "Contractor's Certification Requirement" is included as **Attachment G** (Contractor Certification Requirement) to this contract.

XXVII. COMPLIANCE WITH THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (FOMB) POLICY: REVIEW OF CONTRACTS, AS MODIFIED ON APRIL 30, 2021, REGARDING PROFESSIONAL SERVICES

The FOMB Policy requires that all agreements that contemplate recurring professional services that may be performed by appropriately trained government staff include a provision of compliance with the adequate transfer of skills and technical knowledge to the pertinent public sector personnel. This requirement shall not apply to contracts that contemplate non-recurring professional services or specialized professional services that may not be performed by existing staff at the applicable governmental entity, including as a result of independence requirements.

Accordingly, given that the agreements under CDBG-DR are non-recurring professional services or specialized professional services, the PRDOH certifies that the transfer of skills and technical knowledge required by the Certified Fiscal Plan is inapplicable given the non-recurring or specialized nature of the contracted services.

As mentioned before, HUD allocated funds for disaster recovery assistance to the Government of Puerto Rico under the CDBG-DR Program. These funds are intended to provide financial assistance to address unmet needs that arise and are not covered by other sources of financial aid. In addition, with these allocations of funding under the Grant Agreement, the PRDOH will conduct a comprehensive recovery to benefit the residents of Puerto Rico.

XXVIII. COMPLIANCE WITH THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (FOMB) POLICY, REVIEW OF CONTRACTS

As part of the PRDOH contract process, and pursuant to Section 204(b)(2) of the "Puerto Rico Oversight, Management, and Economic Stability Act," 48 U.S.C. §2101, et seq., also known as "PROMESA", the Financial Oversight and Management Board for Puerto Rico (FOMB) require approval of certain contracts and amendments to assure that they "promote market competition" and "are not inconsistent with the approved fiscal plan." For the approval process, the FOMB requests, among other information, the Contractor Certification Requirement for its evaluation.

In compliance with the above, the CONTRACTOR represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate and correct, and that any misrepresentation, inaccuracy or falseness in such Certification will render the contract null and void and the CONTRACTOR will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed Amendment and original Agreement.

XXIX. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, & EXECUTIVE ORDERS

The CONTRACTOR acknowledges that HUD financial assistance will be used to fund the Agreement only. Also, the CONTRACTOR shall comply with all applicable Federal, state and local laws, rules, regulations, and policies relating to CDBG-DR/MIT and CDBG Program services. This includes without limitation, applicable Federal Registers; 2 C.F.R. part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Housing and Community Development Act of 1974; 24 C.F.R. part 570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. Part 35, 24 C.F.R. Part 58, 24 C.F.R. Part 135; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards, and the environment; and Action Plan amendments and HUD's guidance on the funds. Also, the CONTRACTOR shall comply, without limitation, with those set forth in **Attachment F** (HUD General Provisions) and in compliance with all the requirements described in **Attachment G** (Contractor Certification Requirement).

XXX. CDBG-DR/MIT POLICIES AND PROCEDURES

In addition to what is established in this Agreement, the CONTRACTOR shall comply with all CDBG-DR/MIT program specific and general policies and procedures, including, but not limited to, the Contract and Subrecipient Agreement Manual, OS&H Guideline, MWBE Policy, Procurement Manual for the CDBG-DR/MIT Program, URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Personally Identifiable Information, Confidentiality, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR/MIT Website (<https://recuperacion.pr.gov/welcome/index.html>), which are herein included and made an integral part of this Agreement, as they may be updated from time to time, and reporting requirements as established by the PRDOH.

XXXI. SECTION 3 CLAUSE

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very

low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The Parties to this contract agree to comply with HUD's regulations in 24 C.F.R. part 75, which implement Section 3. As evidenced by their execution of this contract, the Parties to this contract certify that they are under no contractual or other impediments that would prevent them from complying with the part 75 regulations.

C. The CONTRACTOR agrees to send to each labor organization or representative of workers with which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONTRACTOR'S commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth the minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 75. The contractor will not subcontract with any subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 75.

E. The CONTRACTOR acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 CFR 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.

F. The CONTRACTOR will certify that any vacant employment positions, including training positions, that are filled (1) after the CONTRACTOR is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 75 require employment opportunities to be directed, were not filled to circumvent the CONTRACTOR'S obligations under 24 C.F.R. part 75.

G. Noncompliance with HUD's regulations in 24 C.F.R. part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.

H. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this contract.

Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

I. The CONTRACTOR agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

XXXII. BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. § 1352

The CONTRACTOR certifies, to the best of his or her knowledge, that:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Forms-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. §1352 (as amended by the Lobbying Disclosure Act of

1995). The CONTRACTOR acknowledges that any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. The CONTRACTOR certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the CONTRACTOR understands and agrees that the provisions of 31 U.S.C. §3801 et seq., apply to this certification and disclosure, if any.

XXXIII. EQUAL OPPORTUNITY

- A.** The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- B.** The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C.** When applicable, the CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the CONTRACTOR's commitments under this Section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- D.** The CONTRACTOR will comply with all provisions of Exec. Order No. 11246 of September 24, 1965, as amended by Exec. Order No. 11375 of October 13, 1967, and as supplemented by the rules, regulations, and relevant orders of the United States Secretary of Labor.
- E.** The CONTRACTOR will furnish all information and reports required by Exec. Order No. 11246 of September 24, 1965, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the

Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- F.** In the event of the CONTRACTOR's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Exec. Order No.11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Exec. Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- G.** The CONTRACTOR will include the portion of the sentence immediately preceding paragraph (A) and the provisions of paragraphs (A) through (F) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Exec. Order No.11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

XXXIV. SOLID WASTE DISPOSAL ACT

1) In the performance of this contract, the CONTRACTOR shall make maximum use of products containing recovered materials that are Environmental Protection Agency (**EPA**)- designated items unless the product cannot be acquired:

- a. Competitively within a timeframe providing for compliance with the contract performance schedule;
- b. Meeting contract performance requirements; or
- c. At a reasonable price.

2) Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines website, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

3) CONTRACTOR must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include:

- a. procuring only items designated in guidelines of the EPA at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds ten thousand dollars (\$10,000) or the value of the quantity acquired during the preceding fiscal year exceeded ten thousand dollars (\$10,000);
- b. procuring solid waste management services in a manner that maximizes energy and resource recovery; and
- c. establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

XXXV. DRUG FREE WORKPLACE

The CONTRACTOR should establish procedures and policies to promote a Drug-Free workplace. Further, the CONTRACTOR should notify all employees of its policy for maintaining a Drug-Free workplace, and the penalties that may be imposed for drug abuse violations occurring in the workplace. Further, the CONTRACTOR shall notify the PRDOH if any of its employees are convicted of a criminal drug offense in the workplace no later than **ten (10) calendar days** after such conviction.

XXXVI. SUSPENSION AND DEBARMENT

- A.** This Agreement is a covered transaction for purposes of 2 C.F.R. part 180 and 2 C.F.R. part 2424. As such, the CONTRACTOR is required to verify that none of the CONTRACTOR, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. §180.905) are excluded (defined at 2 C.F.R. §180.940) or disqualified (defined at 2 C.F.R. §180.935).
- B.** The CONTRACTOR must comply with 2 C.F.R. part 180, subpart C, and 2 C.F.R. part 2424, and must include a requirement to comply with these regulations in any lower-tier covered transaction it enters into.
- C.** This certification is a material representation of fact relied upon by PRDOH. If it is later determined that the CONTRACTOR did not comply with 2 C.F.R. part 180, subpart C and 2 C.F.R. part 2424, in addition to remedies available to PRDOH, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

- D.** The CONTRACTOR agrees to comply with the requirements of 2 C.F.R. part 180, subpart C and 2 C.F.R. part 2424, while this Agreement is valid. The CONTRACTOR further agrees to include a provision requiring such compliance in its lower-tier covered transactions.

XXXVII. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION

The CONTRACTOR certifies that it is cleared and eligible for award of a contract and is not suspended, debarred, or on a HUD-imposed limited denial of participation. Subsequently, the CONTRACTOR must be registered in the System for Award Management (**SAM**) and shall maintain its registration active during contract performance and through final payment. The CONTRACTOR is responsible during performance and through final payment for the accuracy and completeness of the data within SAM. Failure to maintain registration in SAM may impact obligations and payments under this Agreement, including but not limited to, termination of this Agreement.

XXXVIII. NO OBLIGATION BY THE FEDERAL GOVERNMENT

The Federal Government is not a party to this Agreement and is not subject to any obligations or liabilities to the non-Federal entity, CONTRACTOR, or any other party pertaining to any matter resulting from the Agreement.

XXXIX. PROGRAM FRAUD & FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

The CONTRACTOR acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the CONTRACTOR's actions pertaining to this Agreement.

XL. BANKRUPTCY

In the event that CONTRACTOR files for bankruptcy protection, the Government of Puerto Rico and PRDOH may declare without notice this Agreement null and void or terminate this Agreement without notice.

XLI. ENTIRE AGREEMENT

This Agreement and all its attachments represent the entire and integrated agreement between PRDOH and the CONTRACTOR and supersede all prior negotiations, representations, agreements, and/or understandings of any kind. This Agreement may be amended only by a written document signed by both PRDOH and the CONTRACTOR.

XLII. MODIFICATION OF AGREEMENT

Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if written and signed by both Parties, and its authorized representatives. Those amendments shall make specific reference to this Agreement, comply with programmatic policies, procedures, and guidelines. Such amendments shall not invalidate this Agreement, nor relieve or release the Parties from their obligations under this Agreement.

However, PRDOH reserves the right to notify in writing to CONTRACTOR any applicable policies, procedures, regulations, requirements, guidelines, or change in law, whether existing or to be established, as well as changes and/or amendments thereof, and the notified policies, procedures, regulations, requirements, guidelines and laws shall be deemed incorporated by reference to this Agreement without the need of executing a separate written and signed amendment. Nevertheless, is complete obligation of the CONTRACTOR to keep itself updated with the programmatic policies, procedures, guidelines, and applicable and/or governing law.

XLIII. BINDING EFFECT

This Agreement shall be binding upon and shall inure to the benefit of PRDOH and the CONTRACTOR, their successors and assigns.

The CONTRACTOR shall not assign this Agreement, in whole or in part, without the prior written consent of PRDOH, and any attempted assignment not in accordance herewith shall be null and void and of no force or effect.

XLIV. ASSIGNMENT OF RIGHTS

The rights of each party hereunder are personal to that party and may not be assigned or otherwise transferred to any other person, contractor, corporation, or other entity without the prior, express, and written consent of the other party.

XLV. NON-WAIVER

The failure or delay of either party to insist upon the performance of and/or the compliance with any of the terms and conditions of this Agreement shall not be construed as a waiver of such terms and conditions or the right to enforce compliance with such terms and conditions.

The Parties expressly agree that no amendment of the Agreement or Change of Order shall be understood as a contractual novation of the Agreement, unless both Parties agree to the contrary in writing. The foregoing provision shall be equally applicable in such other cases where an extension of the Agreement is executed.

XLVI. ORDER OF PRECEDENCE

In the event of an inconsistency in this Agreement or if a conflict occurs between this Agreement and any Attachment, Appendix, Exhibit, or Schedule, unless otherwise specifically stated in those documents, the order of precedence shall be: Federal laws, regulations, and policies applicable to this Agreement, this Contract and **Attachment F** (HUD General Provisions), **Attachment B** (Scope of Work), **Attachment D** (Performance Requirements), **Attachment C** (Cost Form), and lastly, **Attachment A** (Proposal).

XLVII. GOVERNING LAW JURISDICTION

This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the Government of Puerto Rico and any applicable federal laws and regulations. The Parties further agree to assert any claims or causes of action that may arise out of this Agreement in the Puerto Rico Court of First Instance, Superior Court of San Juan, Puerto Rico.

XLVIII. TIME OF ESSENCE CLAUSE

In this Agreement, unless otherwise specified, the calculation of days shall be conducted inclusively, with the first day being included and the last day being excluded. When referring to a period of 'X days', it shall be understood as a consecutive calendar day, unless is established otherwise.

If the last day of a period falls on weekend or legal holiday recognized in the jurisdiction of the Government of Puerto Rico, the period shall be extended to include the next business day. For purposes of computing deadlines or timeframes, a day shall be considered to commence at 12:00 a.m. and conclude at 11:59 p.m. local time at the location specified to execute the Agreement. In case of any ambiguity or dispute regarding the computation of days, the determination shall be made in accordance with the applicable laws of the jurisdiction of the Government of Puerto Rico.

Time shall be the essence in the performance of all obligations under this Agreement. Any deadlines, time frames, or dates specified herein must be strictly adhere to. Failure to meet any such deadlines shall be considered a material beach of this Agreement, entitling PRDOH and/or the Government of Puerto Rico to pursue all available remedies under law or equity.

XLIX. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS

A. Consolidation or Merger

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for a consolidation or merger with another entity (private or public), by its discretion or otherwise, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov at **least fifteen (15) business days prior to the effective date** of the consolidation or merger. The notice shall include, but not limited

to, a description of: the expected effective date of the consolidation or merger; name of each of the constituent entities moving to consolidate or merge into the single resulting or surviving entity; the proposed name of the resulting entity (in case of a consolidation) or the name of the surviving entity (in case of a merger) if necessary; reference to the projected capacity of the resulting or surviving entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement as well as its Exhibits or Attachments; and a brief summary of the proposed plan to achieve the transition of duties (Scope of Work or Scope of Services), tasks, and performance goals or requirements to the resulting or surviving entity.

Upon the consolidation or the merger becoming effective, and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. Additionally, the CONTRACTOR must deliver documents requested to satisfy any reasonable requirement made by PRDOH. These requests aim to ensure the compliance with local and federal regulations, as applicable **No amendment to the Agreement will be necessary if the Subrecipient, Contractor, or Subcontractor becomes the surviving entity following a merger.**

Failure to comply with any of the before mentioned conditions, may result in the activation of the termination clauses provided in the Agreement.

B. Change of Name

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH initiates a change of name process, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov at **least fifteen (15) business days prior to the effective date of such event**. The notice shall include, but not limited to, a description of: the expected effective date of the change of name; the proposed name; inform of any change of address; and reference of any change in the capacity of the entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement, as well as its Exhibits or Attachments.

Upon the change of name becoming effective, and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. Additionally, the CONTRACTOR must deliver documents requested to satisfy any reasonable requirement made by PRDOH. These requests aim to ensure the compliance with local and federal regulations, as applicable.

Failure to comply with any of the before-mentioned conditions, may result in the activation of the termination clauses provided in the Agreement.

C. Dissolution

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for dissolution of the entity, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov at **least fifteen (15) business days prior to the effective date of such event**. The notice shall include, but not limited to, a description of the expected effective date of the dissolution; and contact information of one or more of its directors, officials or agents. Upon dissolution, becoming effective, and supporting evidence of such event is notified to PRDOH, termination of the Agreement will follow. Consequently, the signing party acknowledges and agrees to provide to the PRDOH, after termination of the Agreement, the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the tasks or services to the PRDOH or a third party designated by the PRDOH. Moreover, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH following the Agreement termination.

L. HEADINGS

The titles to the paragraphs of this Agreement are solely for reference purposes and the convenience of the Parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

LI. FEDERAL FUNDING

The fulfillment of this Agreement is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under this Agreement must be made in accordance with this Agreement, the policies and procedures promulgated under the CDBG-DR/MIT Program, and any other applicable laws. Further, CONTRACTOR acknowledges that all funds are subject to recapture and repayment for non-compliance.

LII. RECAPTURE OF FUNDS

PRDOH may recapture payments it makes to CONTRACTOR that (i) exceed the maximum allowable rates; (ii) are not allowed under applicable laws, rules, or regulations; or (iii) are otherwise inconsistent with this Agreement, including any unapproved expenditures. CONTRACTOR must refund such recaptured payments within **thirty (30) business days** after the PRDOH issues notice of recapture to CONTRACTOR.

LIII. OVERPAYMENT

CONTRACTOR shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement.

CONTRACTOR shall reimburse such disallowed costs from funds other than those CONTRACTOR received under this Agreement.

LIV. SEVERABILITY

If any provision of this Agreement shall operate or would prospectively operate to invalidate the Agreement in whole or in part, then such provision only shall be deemed severed and the remainder of the Agreement shall remain operative and in full effect.

LV. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of whom shall be deemed to be an original, however, all of which together shall constitute one and the same instrument. If the Agreement is not executed by the PRDOH within **thirty (30) calendar days** of execution by the other party, this Agreement shall be null and void.

LVI. SURVIVAL OF TERMS AND CONDITIONS

The terms and conditions of this Agreement related to the following subjects shall survive the termination or expiration of this Agreement: interpretive provisions; consideration; warranties; general affirmations, federal assurances, federal and state certifications; CDBG-DR/MIT and state funding, recapture of CDBG-DR/MIT and/or state funds, overpayment of CDBG-DR/MIT and/or state funds; ownership and intellectual property, copyright; records retention methods and time requirements; inspection, monitoring and audit; confidentiality; public records; indemnification and liability; infringement of intellectual property rights; independent contractor relationship; compliance with laws; notices; choice of law and venue; severability; dispute resolution; consolidations, merger, change of name, and dissolution. Terms and conditions that, explicitly or by their nature, evidence the Parties’ intent that they should survive the termination or expiration of this Agreement shall so survive.

IN WITNESS THEREOF, the Parties hereto execute this Agreement in the place and on the date first above written.

PUERTO RICO DEPARTMENT OF HOUSING

AIREKO ENERGY SOLUTION LLC

Ciary Y. Pérez Peña
Ciary Y. Pérez Peña (May 21, 2025 21:03 EDT)

Ciary Y. Pérez Peña
Secretary

Waldemar Toro
Waldemar Toro (Apr 22, 2025 12:15 EDT)

Waldemar E. Toro Dávila
President

ATTACHMENT A



REQUEST FOR PROPOSAL
Acquisition of Battery Storage Systems and
Water Storage Systems Community Development
Block Grant for Disaster Recovery and Mitigation
(CDBG-DR/MIT) Puerto Rico Department of Housing

Submitted to:

Puerto Rico Department of Housing
Juan C. Cordero Dávila Bldg. 2nd Floor
606 Barbosa Avenue
Río Piedras, Puerto Rico 00918

Attention : Melissa Almodóvar Suárez, Esq.
Procurement Director
CDBG-DR & CDBG-MIT Programs

ORIGINAL

Date: January 15, 2025



Submitted by:

Aireko Energy Solution, LLC.



PO Box 2128
San Juan, Puerto Rico 00922-2128
Contact: Waldemar E. Toro,
Partner & President
Phone: (787) 653-6300
Cel: (787) 487-0588
Email: wtoro@aireko.com

Entity: Aireko Energy Solution, LLC
Initials:
Date: 01/16/25

ATTACHMENT A
TERMS AND CONDITIONS TO THE CONTRACT/PURCHASE ORDERS FOR CDBG-DR

The following terms and conditions are made part of the contract/purchase order entered into between the Puerto Rico Department of Housing (**PRDOH**) and all its vendors and **CONTRACTORS** (hereinafter "**CONTRACTOR**") whether for services or supplies. The **CONTRACTOR** acknowledges that non-compliance with the terms and conditions in this attachment and the terms and conditions in the contract/purchase order may result in the termination of the contract/purchase order.

TERMS AND CONDITIONS

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1) The **CONTRACTOR** shall furnish all necessary labor, materials, tools, equipment, software, supplies, and transportation necessary for the performance of the **CONTRACTOR**'s duties under the contract/ purchase order. The Contractor shall procure all necessary permits, consents, and licenses to comply with all applicable laws, federal, state, or municipal, along with all regulations, and ordinances of any regulating body. The **CONTRACTOR** shall pay any applicable sales, use, or personal property taxes arising out of this contract/purchase order and the transactions contemplated thereby. Any other taxes levied upon this contract/purchase order, the transaction, of the equipment, or services delivered pursuant here shall be borne by the Contractor. It is clearly understood that the PRDOH is exempt from any taxes regarding performance of the scope of work of this contract/purchase order.

2) The **Contractor** shall be solely responsible for all damages to persons and/or property that occur as result of **Contractor**'s negligence, and shall take proper safety and health precautions to protect the health and the property of the general public in relation with the scope of work of the contract/ purchase order. In no event, the PRDOH shall be liable for any indirect, incidental, special, or consequential damages, or damages for loss of profits, revenue, data or use, incurred by either party or any third party, whether in an action in contract or tort, even if the other party or any person has been advised of the possibility of such damages. The **CONTRACTOR** and its affiliates, its successors and assignees will indemnify the PRDOH from any damages and/or losses arising out of any breach of this contract/purchase order by the **CONTRACTOR** or against personal injuries or property damage resulting from any act of negligence or omission by the **CONTRACTOR** and its affiliates in connection with this contract/purchase order.

3) The **CONTRACTOR** agrees to indemnify, defend and hold harmless the PRDOH, their officers, and employees from and against: 1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the contract/purchase order; 2) Any claims or losses resulting to any person or entity injured or damaged by the vendor, its officers, employees, or subcontractors by the publications, translation, reproduction, delivery, performance, use or disposition of any data used under this contract/purchase order in a manner not authorized by the contract/purchase order, or by federal or State statutes or regulations; 3) Any failure of the vendor, its officers, employees, or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws.

4) The **CONTRACTOR**'s responsibility under the contract/ purchase order will terminate when all work has been completed, the final inspection by the PRDOH has been made and the work and/or supplies have been accepted by the PRDOH authorized representative. The **CONTRACTOR** will remain responsible as required by the applicable guaranties.

5) Performance warranty:

a. **CONTRACTOR** warrants that it will perform all work and provide all Deliverables under this Contract in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

b. **CONTRACTOR** warrants that all Deliverables it completes under this Contract shall: meet or exceed the standards of **CONTRACTOR**'s trade, profession, or industry; meet or exceed the specifications set forth in the Attachments; and be fit for ordinary use, of good quality, and with no material defects.

c. If **CONTRACTOR** submits Deliverables that do not meet specifications, fails to complete Deliverables timely, or fails to perform its obligation under this Contract, PRDOH may require **CONTRACTOR**, at its sole expense, to:

i. repair or replace Deliverables that do not meet specifications;

ii. refund payment for Deliverables that do not meet specifications and accept the return of such Deliverables;

iii. pay liquidated damages for any past due Deliverable; and

iv. take necessary action to ensure that future performance and Deliverables meet specifications and conform to the Contract.

6) The **CONTRACTOR** will submit in writing to the Contracting Officer any complaint and/or dispute it might have related to its duties under the contract/ purchase order and/or the rejection of the services and/or goods by the PRDOH. The Contracting Officer will render a decision regarding the dispute within thirty (30) days, after receipt of the **Contractor**'s complaint, and this decision will be final.

7) The **CONTRACTOR** will not hire SUBCONTRACTORS that have been denied participation in HUD and/or the Government of Puerto Rico contracting programs. The **CONTRACTOR** must verify the eligibility of the subcontractors in the System for Award Management (SAM) and in the Limited Denial of Participation List (LDP), and retain documentation of the search results to confirm eligibility of the subcontractors. To comply with the eligibility verification process, the **CONTRACTOR** may request assistance from the CDBG-DR Procurement Office at the following email address: cdbgdr-procurement@vivienda.pr.gov. All terms and conditions herein apply to subcontractors.

Entity: Aireko Energy Solution, LLC
Initials: AE
Date: 01/16/25

- 8) The PRDOH, the Government of Puerto Rico, HUD, and the U.S. Comptroller General shall have unlimited access to records produced in the performance of the duties under the contract/ purchase order, whether written or mechanized in possession of the **CONTRACTOR**, for a period of five (5) years from closeout of the grant to the state, or the period required by other local applicable laws and regulations. Such records include but are not limited to: Records providing a full description of each activity undertaken; Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR program; Records required to determine the eligibility of activities; Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG-DR assistance; Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG-DR program regulations; Financial records as required by 24 C.F.R. § 570.502, and 2 C.F.R. Part 200, including records necessary to demonstrate compliance with all applicable procurement requirements; and other records necessary to document compliance with this contract/purchase order, any other applicable Federal statutes and regulations, and the terms and conditions of PRDOH's Federal award.
- 9) The **CONTRACTOR** warrants that to the best of its knowledge, it does not have any apparent or real conflict of interest, defined as a situation in which **CONTRACTOR** may have an unfair competitive advantage over other **CONTRACTORS** or prospective **CONTRACTORS** regarding any PRDOH procurement proceedings. If the **CONTRACTOR** discovers a conflict of interest after the contract was awarded, the **CONTRACTOR** before the award was made and intentionally did not disclose it to the PRDOH, the Contracting Officer may terminate the contract/ purchase order through written notification.
- 10) In the event that the **CONTRACTOR** is not in compliance with any of the terms and conditions in this attachment and/or the terms and conditions in the contract/ purchase order, the Contracting Officer may cancel the contract/purchase order immediately and it may declare the **CONTRACTOR** ineligible for further Puerto Rico Department of Housing contracts.
- 11) The PRDOH may terminate in whole or in part this contract/purchase order if **CONTRACTOR** fails to fulfil any of its obligations, for its convenience (necessary or convenient to the PRDOH), at PRDOH's discretion (with or without cause), if **CONTRACTOR** unilaterally and without prior notice chooses to abandon in any shape, form, or fashion or ceases and desists in the specific performance of its general and particular duties and responsibilities as agreed, if the **CONTRACTOR** is subject to a criminal or criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the **CONTRACTOR** is subject to an order, judgment, or opinion, issued by any federal or local authority, a court of applicable jurisdiction, or any governmental agency, in connection with the execution, delivery, and performance by the **CONTRACTOR** of this contract/purchase order, if the **CONTRACTOR** has been noncompliant, breach, inaccuracy of any representation, warranties, covenants, or the certifications provided to the PRDOH, whether the noncompliance, breach or inaccuracy takes place before or after the execution of this contract/purchase order, or if any judgment that obligates the PRDOH to terminate the contract/purchase order pursuant to Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico.
- 12) The work to be performed under this contract/purchase order is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. Thresholds for section 3 covered housing and community development assistance are the following: A- Recipient, The requirements of this part apply to recipients of other housing and community development program assistance for a section 3 covered project(s) for which the amount of the assistance exceeds \$200,000.00. B- **CONTRACTOR** and subcontractor. The requirements of this part apply to **CONTRACTORS** and subcontractors performing work on section 3 covered project(s) for which the amount of the assistance exceeds \$200,000.00 and the contract or subcontract exceeds \$100,000.00. The **CONTRACTOR** agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 135. The **CONTRACTOR** will not subcontract with any subcontractor where the **CONTRACTOR** has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 135. Noncompliance with HUD's regulations in 24 C.F.R. part 135 may result in sanctions, termination of this contract/purchase order for default, and debarment or suspension from future HUD assisted contracts.
- 13) The **CONTRACTOR** will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps shall include: (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises; (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

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- 14) Any additional funds to complete the services or goods requested by the PRDOH to the **CONTRACTOR** will be subject to evaluation before acceptance as well as funds availability and will require an amendment to this contract/purchase order.
- 15) An authorized representative of the PRDOH will review invoices and, if adequate, will approve and process its payment.
- 16) While providing the services under this contract/purchase order, the **CONTRACTOR** must adhere to applicable requirements of the CDBG-DR grant. If the **CONTRACTOR** performs ineligible activities under the CDBG-DR grant or program, the **CONTRACTOR** cannot include them in the invoice for payment to the **CONTRACTOR**.
- 17) **CONTRACTOR** shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this contract/purchase order. **CONTRACTOR** shall reimburse such disallowed costs from funds other than those **CONTRACTOR** received under this contract/purchase order.
- 18) The **CONTRACTOR** acknowledges and agrees to repay any CDBG-DR funds used for ineligible costs.
- 19) In order for the **CONTRACTOR** to receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOH for payment:
"Under penalty of absolute nullity, I certify that no public servant of the government entity is a party to or has an interest in the profits or benefits that are the product of the contract subject of this invoice, and to be a party to or have an interest in the profits or benefits of resulting from the contract, under this invoice a prior dispensation has been issued. The sole consideration to furnish the contracted goods or services subject of the contract is the payment agreed upon with the authorized representative of the parties. The amount that appears in the invoice is fair and correct. The work has been performed, the products have been delivered and the services rendered, and no payment has been received for them."
- 20) With the exception of the **CONTRACTOR**'s working papers, the **CONTRACTOR** acknowledges the PRDOH's ownership of all information, drafts, documents, reports, papers, and other materials developed and prepared by the **CONTRACTOR**, its agents or representatives, for purposes of performing key obligations hereunder. In the event of any termination, the **CONTRACTOR** shall deliver such information, drafts, reports, papers and other materials to the PRDOH, in document form or as computer program data, and the **CONTRACTOR** recognizes the PRDOH's right to request such documentation or computer program data. If the **CONTRACTOR** fails to deliver said information, the PRDOH may seek a judicial order to enforce its rights.
- 21) Proof of expenditures incurred by the **CONTRACTOR** on behalf of PRDOH shall be made available to PRDOH. The **CONTRACTOR** agrees to maintain accurate records and files of all contract/purchase order documents, correspondence, book estimates, bills, and other information related to the **CONTRACTOR** account. These documents shall be open for the PRDOH examination at all reasonable times during the term of this contract/purchase order, and up to five (5) years from closeout of the grant to the state, or the period required by other local applicable laws and regulations.
- 22) Non-disclosure and Confidentiality:
- Confidential Information; Definition: The term Confidential Information as used throughout this Section, means any information concerning PRDOH operations and that of its **CONTRACTOR** (e.g., the projects, computer processing systems, object and source codes and other PRDOH business and financial affairs). The term Confidential Information shall also deem to include all notes, analysis, compilation, studies and interpretation or other documents prepared by **CONTRACTOR**, its agents or representatives, in connection with PRDOH operations.
 - Non-Disclosure: **CONTRACTOR** agrees to take all reasonable steps or measures to keep confidential all Confidential Information and will not, at any time, present or future, without PRDOH express written authorization, signed by the Secretary of the PRDOH, use or sell, market or disclose any Confidential Information to any third party, **CONTRACTOR**, corporation, or association for any purpose whatsoever. **CONTRACTOR** further agrees that, except as they relate to the normal course of the service, the **CONTRACTOR** will not make copies of the Confidential Information except upon PRDOH express written authorization, signed by an authorized representative of PRDOH, and will not remove any copy or sample of Confidential Information without prior written authorization from PRDOH. **CONTRACTOR** retains the right to control its work papers subject to these confidentiality provisions.
 - Return Documents: Upon receipt of written request from the PRDOH, **CONTRACTOR** will return to PRDOH all copies or samples of Confidential Information which, at the time of the notice are in **CONTRACTOR**'s or its agent's possession. **CONTRACTOR** reserves the right to retain a set of its work papers.
 - Equitable Relief: The **CONTRACTOR** acknowledges and agrees that a breach of the provision of subparagraph B and C of this Section will cause PRDOH to suffer irreparable damage that could not be remedied or compensated adequately only by mere monetary retribution. The **CONTRACTOR** further agrees that money damages may not be a sufficient remedy for any breach of this Section. Accordingly, the **CONTRACTOR** agrees that PRDOH shall have the right to seek injunctive relief and the specific performance of the provisions of this Section to enjoin a breach or attempted breach of the provision hereof, such right being in addition to any and all other rights and remedies that are available to PRDOH by law, equity or otherwise.
- 23) Nothing contained in this Acontract/purchase order shall create a contractual relationship with, or a cause of action of a third party against either the PRDOH or the **CONTRACTOR**.

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24) The CONTRACTOR certifies, to the best of his or her knowledge, that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Forms-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The **CONTRACTOR** shall require that the language of this certification be included in the award documents for all subcontracts. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). The **CONTRACTOR** acknowledges that any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. The **CONTRACTOR** certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the **CONTRACTOR** understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

25) The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause. In the event of the CONTRACTOR's noncompliance with the nondiscrimination clauses of this contract/purchase order or with any of the said rules, regulations, or orders, this contract/purchase order may be canceled, terminated, or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

26) The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

27) The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.

28) The Federal Government is not a party to this contract/purchase order and is not subject to any obligations or liabilities to the non-Federal entity, CONTRACTOR, or any other party pertaining to any matter resulting from the contract/purchase order.

29) CONTRACTOR shall produce all insurance required by the PRDOH, if any.

30) In the event that CONTRACTOR files for bankruptcy protection, the Government of Puerto Rico and PRDOH may deem this contract/purchase order null and void, and terminate this contract/purchase order without notice.


31) This contract/purchase order shall be binding upon and shall inure to the benefit of PRDOH and the CONTRACTOR, their successors and assigns. The CONTRACTOR shall not assign this contract/purchase order, in whole or in part, without the prior written consent of PRDOH, and any attempted assignment not in accordance herewith shall be null and void and of no force or effect.

32) The rights of each party hereunder are personal to that party and may not be assigned or otherwise transferred to any other person, CONTRACTOR, corporation, or other entity without the prior, express, and written consent of the other party.

33) The failure or delay of either party to insist upon the performance of and/or the compliance with any of the terms and conditions of this contract/purchase order shall not be construed as a waiver of such terms and conditions or the right to enforce compliance with such terms and conditions.

34) This contract/purchase order shall be governed by, interpreted and enforced in accordance with, the laws of the Government of Puerto Rico and any applicable federal laws and regulations. The parties further agree to assert any claims or causes of action that may arise out of this contract/purchase order in the Puerto Rico Court of First Instance, Superior Court of San Juan, Puerto Rico.

35) The fulfillment of this contract/purchase order is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under this contract/purchase order must be made in accordance with this contract/purchase order, the policies and procedures promulgated under the CDBG-DR

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Program, and any other applicable laws. Further, **CONTRACTOR** acknowledges that all funds are subject to recapture and repayment for non-compliance.

- 36)** PRDOH may recapture payments it makes to **CONTRACTOR** that (i) exceed the maximum allowable rates; (ii) are not allowed under applicable laws, rules, or regulations; or (iii) are otherwise inconsistent with this contract/purchase order, including any unapproved expenditures. **CONTRACTOR** must refund such recaptured payments within thirty (30) days after the PRDOH issues notice of recapture to **CONTRACTOR**
- 37)** **CONTRACTOR** shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this contract/purchase order. **CONTRACTOR** shall reimburse such disallowed costs from funds other than those **CONTRACTOR** received under this contract/purchase order.
- 38)** The terms and conditions of this contract/purchase order related to the following subjects shall survive the termination or expiration of this contract/purchase order: interpretive provisions; consideration; warranties; general affirmations, federal assurances, federal and state certifications; CDBG-DR and state funding, recapture of CDBG-DR and/or state funds, overpayment of CDBG-DR and/or state funds; ownership and intellectual property, copyright; records retention methods and time requirements; inspection, monitoring and audit; confidentiality; public records; indemnification and liability; infringement of intellectual property rights; independent **CONTRACTOR** relationship; compliance with laws; notices; choice of law and venue; severability; dispute resolution; consolidations, merger and dissolution. Terms and conditions that, explicitly or by their nature, evidence the Parties' intent that they should survive the termination or expiration of this contract/purchase order shall so survive.
- 39)** Pursuant to CC 1300-16-16 of the Puerto Rico Department of the Treasury, the contractor certifies that it has complied with its tax responsibilities or, if there is a debt, that it is covered by a payment plan with the terms and conditions of which it is complying. Therefore, if the contract's total cost does not exceed the amount of sixteen thousand dollars (\$16,000.00), the contractor will not have to submit the required documents prior to the formalization of contracts established in CC 1300-16-16.
- 40)** The PRDOH will not accept any additional Terms and Conditions not included as part of the solicitation. In the event that the **CONTRACTOR** includes as part of their quote any additional terms to provide the services, the **PRDOH** must expressly have to agree to accept those terms. If there is any discrepancy between PRDOH's Terms and Conditions and the terms included in the quote, PRDOH's Purchase Order Terms and Conditions shall prevail.

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ATTACHMENT B
ADDITIONAL CLAUSES TO THE PURCHASE ORDERS FOR CDBG-DR OTHER THAN CONSTRUCTION

The following additional clauses are made part of the contract/purchase order entered into between the Puerto Rico Department of Housing (**PRDOH**) and its contractors for other than construction services or supplies. The **Contractor** acknowledges that noncompliance with the terms and conditions in this Attachment B and the terms and conditions in the contract/ purchase order and the Attachment A, may result in the termination of the contract/purchase order.

TERMS AND CONDITIONS

-  **1)** The **PRDOH** shall have exclusive ownership of all proprietary interest in, and the right to full and exclusive possession of all information, materials, and documents discovered or produced by **Contractor** pursuant the terms of this contract/ purchase order, including, but not limited to, reports, memorandum, or letters.
-  **2)** The **Contractor** shall comply with all mandatory standards and policies relating to energy efficiency which are contain in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163).
- 3) Procurement of Recovered Materials.**
- The Contractor shall procure items designated in the Environmental Protection Agency (EPA) guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonable available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
 - Paragraph (a) shall apply to items purchased under this contract where: (1) the **Contractor** purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the **Contractor**: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.
- 4) Termination for Cause and for Convenience (contracts of \$10,000 or more).**
- The **PRDOH** may terminate this contract in whole, or in part, for the **PRDOH**'s convenience or the failure of the **Contractor** to fulfill the contract/purchase order obligations (cause/default). The **PRDOH** shall terminate by delivering to the **Contractor** a written Notice of Termination specifying the nature, extent and effective date of the termination. Upon receipt of the notice, the **Contractor** shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the **PRDOH** all information, reports, papers, and other materials accumulated or generated in performing the contract, whether completed or in process.
 - If the termination is for the convenience of the **PRDOH**, the **PRDOH** shall be liable only for the payment for services rendered before the effective date of the termination.
 - If the termination is due to the failure of the **Contractor** to fulfill its obligations under the contract (cause/default), the **PRDOH** may (1) require the **Contractor** to deliver to it, in the manner and to the extent directed by the **PRDOH**, any work described in the Notice of Termination; (2) take over the work and continue the same to completion by contract of otherwise, and the **Contractor** shall be liable for any additional cost incurred by the **PRDOH**; and (3) withhold any payments to the **Contractor**, for the purpose of set-off or partial payment, as the case may be, of amounts owned by the **PRDOH** to the **Contractor**. In the event of termination for cause/default, the **PRDOH** shall be liable to the **Contractor** for reasonable costs incurred by the **Contractor** before the effective date of the termination. Any dispute shall be decided by the Contracting Officer.
- 5) For all other termination information, please refer to Attachment A.**

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ATTACHMENT C
CDBG-DR PURCHASE ORDERS CERTIFICATION OF COMPLIANCE WITH LEGAL REQUIREMENTS

Given that the Agreement involves funds for which HUD is the oversight agency, the CONTRACTOR agrees to carry out its obligations under this Agreement in compliance with all the requirements described in Attachment D (HUD General Provisions) and the following provisions:

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- A.** Compliance with Executive Order 24: Pursuant to Executive Order 24 of June 18, 1991, the CONTRACTOR certifies and guarantees that at the signing of this Agreement it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. The CONTRACTOR further certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will be given a specific amount of time by the PRDOH to produce said documents. During the term of this Agreement, the CONTRACTOR agrees to pay and/or to remain current with any repayment plan agreed to by the CONTRACTOR with the Government of Puerto Rico.
- B.** Compliance with Executive Order 52: Pursuant to Executive Order 52 of August 28, 1992, amending EO-1991-24, the CONTRACTOR certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The CONTRACTOR accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every CONTRACTOR and subcontractor whose service the CONTRACTOR has secured in connection with the services to be rendered under this Agreement and shall forward evidence to PRDOH as to its compliance with this requirement.
- C.** Social Security and Income Tax Retentions: The CONTRACTOR will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income from this Agreement.
- D.** Government of Puerto Rico Municipal Tax Collection Center (CRIM, for its Spanish acronym): The CONTRACTOR certifies and guarantees that at the signing of this Agreement it has no current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center. The CONTRACTOR further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will deliver upon request any documentation requested under this clause as per request of PRDOH. During the Term of this Agreement, the CONTRACTOR agrees to pay and/or to remain current with any repayment plan agreed to by the CONTRACTOR with the Government of Puerto Rico with regards to its property taxes.
- E.** Income Tax Withholding: The PRDOH shall retain the corresponding amount from all payments made to the CONTRACTOR, as required by the Puerto Rico Internal Revenue Code. The PRDOH will advance such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as Departamento de Hacienda del Gobierno de Puerto Rico). The PRDOH will adjust such withholdings provided the CONTRACTOR produces satisfactory evidence of partial or total exemption from withholding.
- F.** Compliance with Act No. 45 of April 18, 1935, as amended, 11 L.P.R.A. § 1, et seq.: The CONTRACTOR certifies and guarantees that at the signing of this Agreement has valid insurance issued by the State Insurance Fund Corporation (CFSE, for its Spanish Acronym), as established by Act No. 45, supra, known as the "Puerto Rico Workers' Accident Compensation Act".
- G.** Government of Puerto Rico's Agency for the Collection of Child Support (ASUME, for its Spanish acronym): The CONTRACTOR certifies and guarantees that at the signing of this Agreement that the CONTRACTOR nor any of its Partners, if applicable, have any debt or outstanding debt collection legal procedures with regards to child support payments that may be registered with the Government of Puerto Rico's Child Support Administration. The CONTRACTOR shall present, to the satisfaction of PRDOH, the necessary documentation to substantiate the same. The CONTRACTOR will be given a specific amount of time by PRDOH to deliver said documents.
- H.** Compliance with Act No. 1-2012, as amended, 3 L.P.R.A. § 1854, et seq.: The CONTRACTOR hereby certifies that in signing this Agreement it is in compliance with Act No. 1-2012, as amended, known as "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.

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I. Clause of Governmental Ethics Certification of Absence of Conflict of Interests - The CONTRACTOR certifies that: (1) No public servant of this executive agency has a pecuniary interest in this contract, purchase or commercial transaction. (2) No public servant of this executive agency requests or accepts me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts, bonuses, favors, services, donations, loans or anything else of monetary value. (3) No public servant (s) request or accept any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment. (4) No public servant requested me, directly or indirectly, for him (her), for any member of her family unit, or for any other person, business or entity, some of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity. (5) I have no kinship relationship, within the fourth degree of consanguinity and second by affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.

Non-Conviction. The CONTRACTOR certifies that it has not been convicted nor accused of a felony or misdemeanor against the government, public faith and function, or that involves public property or funds, either federal or local in origin. Furthermore, CONTRACTOR also certifies that:

- a.** It has not been convicted, nor has pleaded guilty at a state or federal bar, in any jurisdiction of the United States of America, of crimes consisting of fraud, embezzlement or misappropriation of public funds, as stated in Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico, which prohibits the award of Offers or government contracts to those convicted of fraud, misappropriation of public fund.
- b.** It understands and accepts that any guilty plea or conviction for any of the crimes specified in Article 3 of said Act, will also result in the immediate cancellation of any contracts in force at the time of conviction, between the undersigned and whichever Government Agencies, Instrumentalities, Public Corporations, Municipalities and the Legislative or Judicial Branches.
- c.** It declares under oath the above mentioned in conformity with what is established as in Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico, which prohibits awarding Offers for government contracts, to those convicted of fraud, embezzlement or misappropriation of public funds.
- d.** The CONTRACTOR represents and guarantees that none of its employees, officials or agents have been convicted of a felony or misdemeanor as described in this sub-section. Moreover, the CONTRACTOR agrees to notify PRDOH should any employee, official, or agent is convicted of a felony or misdemeanor as described in this sub-section after the date of this Agreement. Said notice shall be made within ten (10) days from the time of the conviction.

K. Other payments or compensation: The CONTRACTOR certifies that it does not receive payment or compensation for regular services rendered as an official or public employee to another government entity, agency, public corporation or municipality, and knows the ethical standards of his profession and assumes responsibility for his actions.

L. Consequences of Non-Compliance: The CONTRACTOR expressly agrees that the conditions outlined throughout this Section are essential requirements of this Agreement; thus, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PRDOH to render this Agreement null and void and the CONTRACTOR reimburse to PRDOH all moneys received under this Agreement.

M. Compliance with Federal Law, Regulations & Executive Orders: The CONTRACTOR acknowledges that HUD financial assistance will be used to fund the contract/purchase order only. Also, the CONTRACTOR shall comply with all applicable federal, state or local rules, regulations, or policies relating to CDBG-DR and CDBG program services. This includes without limitation, applicable Federal Registers; 2 C.F.R. part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Community Development Act of 1974; 24 C.F.R. part 570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. § 35, 24 C.F.R. part 58, 24 C.F.R. part 135; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards and the environment; and Action Plan amendments and HUD's guidance on the funds. Also, CONTRACTOR shall comply, without limitation, those set forth in HUD's General Provisions.



Battery Energy Storage System (BESS)



Request for Proposal
Acquisition of Battery Storage Systems and Water Storage Systems
Community Development Block Grant for Disaster Recovery and Mitigation
(CDBG-DR/MIT) Puerto Rico Department of Housing

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GENERAC®

PWRCELL

3.0kWh DCB BATTERY MODULE

3.0kWh PWRcell DCB Battery Module
Model #: BJ-DCB05ZKBG (Ordering SKU: G0080040)

Build a better backup system with the Generac DCB Battery Module for PWRcell™. Add capacity and backup power with as few as three or as many as six modules. Upgrade a PWRcell Battery post-installation with the addition of more DCB modules for more power and capacity.

FEATURES & BENEFITS

- Suitable for indoor and outdoor cabinets
- Modular: Stack the right number of battery modules for the application
- Upgradeable: Add more modules later when consumer needs change
- Easy to install: At just 55lbs, installers won't need special equipment to move and install these batteries

SPECIFICATIONS	
NOMINAL VOLTAGE:	46.8 VDC
USABLE CAPACITY @ TYPICAL VOLTAGE:	3.00 kWh
MAXIMUM AMBIENT OPERATING TEMPERATURE:	14 to 122 °F (-10 to 50 °C)
OPTIMAL AMBIENT OPERATING TEMPERATURE:	41 to 104 °F (5 to 40 °C)
STORAGE TEMPERATURE RANGE:	68 °F (20 °C)
SCALABILITY:	3-6 pcs in series
DIMENSIONS, L x W x H - IN (MM):	17.3" x 17.7" x 3.3" (440 x 450 x 84)
WEIGHT - LB (KG):	55 (25)
BATTERY CHEMISTRY:	Lithium Nickel Manganese Cobalt (NMC)
WARRANTY:	10 years or 7.56MWh Throughput (per module)

Note: Charge/discharge rate may be reduced at temperature extremes

Generac Power Systems, Inc.
S45 W29290 Hwy. 59, Waukesha, WI 53189
www.Generac.com | 888-GENERAC (436-3722)
A0000953959 REV D
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Specifications are subject to change without notice.





Water Storage System (WSS)



Request for Proposal
Acquisition of Battery Storage Systems and Water Storage Systems
Community Development Block Grant for Disaster Recovery and Mitigation
(CDBG-DR/MIT) Puerto Rico Department of Housing



Export Pump Tanks

EXPORT PUMP TANK FEATURES

- Drawn Steel Construction
- Diaphragm Operation
- Corrosion Resistant Base
- Lightweight
- Maximum Working Pressure 100 psi
- Pre-Charged at 25 psi

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Export Pump Tanks

EXPORT PUMP TANK PRE-PRESSURIZED DIAPHRAGM OPERATION

American export pump tanks are designed for installation flexibility, and years of trouble-free service. Smooth, dependable diaphragm design and operation provides precise control of system operation cycles. Free-standing and in-line vertical tanks are available, as well as horizontal tanks with universal pump mounting bracket.

Projection welded air charge valve.

Butyl rubber parabolic diaphragm ensures separation of air and water. Steel retaining ring “seals” diaphragm directly to tank.

HIGHER DRAWDOWN THAN COMPETITION!

The industry’s most popular “standard” tank sizes are 32-gallon and 44-gallon. American offers 36 gallon and 52-gallon tanks in the same price range. A 36-gallon American delivers 12% higher drawdown than the industry standard. A 52-gallon American delivers 18% higher drawdown than standard.

Powder coated water chamber, proven protection against internal corrosion.

Rotating corrosion resistant base assures stability. Rotates for easy alignment to connection. Slotted and notched for proper airflow, reduced condensation.

IN-LINE TANKS

In-Line Series tanks, available in 2, 4.6, and 7.3-gallon sizes and are designed to be supported by system piping (See Typical Installations, page 5).



PRE-PRESSURIZED PUMP TANK OPERATION CYCLES

28 PSI

38 PSI

50 PSI

40 PSI

START-UP CYCLE*

Diaphragm is pressed against the bottom of the chamber.

*Based on 30-50 operating system.

FILL CYCLE*

Water is pumped into the reservoir, which forces the diaphragm upward into the air chamber.

HOLD CYCLE*

Pump-cutoff pressure is attained. Diaphragm reaches its uppermost position. Reservoir is now filled to its rated capacity.

DELIVERY CYCLE*

Pump remains shut off while air pressure in top chamber forces diaphragm downward, delivering water to system.



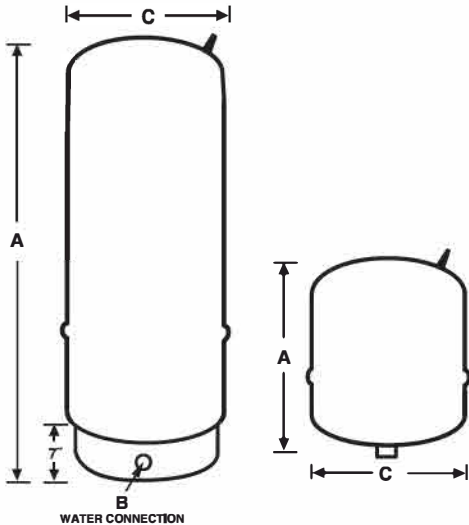
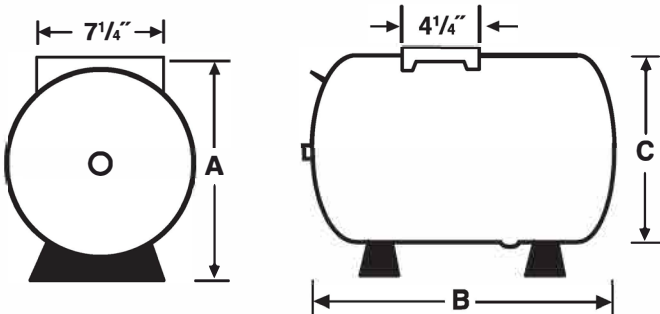
Export Pump Tanks

PRE-PRESSURIZED DIMENSIONS AND WEIGHTS

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	Model Number	Volume (Gallons)	Dimensions in Inches			Weight (lbs)
			"A" Overall Height	"B" To Center of Water Inlet	"C" Diameter	
ADX Series Free Standing	ADX-14	14.0	24-3/4	2-1/4	15-3/8	25,5
	ADX-20	20.0	32-3/4	2-1/4	15-3/8	30
	ADX-32	32.0	45-1/2	2-1/4	15-3/8	40
	ADX-36S	36.0	32-3/8	2-1/4	20	45
	ADX-52	52.0	38-5/8	2-1/4	23-3/8	77
	ADX-86	86.0	59	2-1/4	23-3/8	105
	ADX-96	96.0	63-3/8	2-1/4	23-3/8	111
	ADX-119	119.5	61-1/4	2-1/2	26	165
ADX Series In-Line	ADX-2	2.0	10-3/16	-	8-1/4	5
	ADX-5	4.6	14-3/4	-	11	9
	ADX-7	7.3	21-1/8	-	11	14
ADXH Series Horizontal				"B" Overall Length		
	ADXH-7	7.3	12-7/8	21-1/8	11	16
	ADXH-14	14.0	17-3/8	21-3/4	15-3/8	25-1/2
	ADXH-20	20.0	17-3/8	27-1/8	15-3/8	30

ADX-14, ADX-20, ADX-36S connection 1" Female.
ADX-52, ADX-86, ADX-96, ADX-119 connection 1- 1/4" Female.
Inline connection 3/4" Male.
ADXH-7 connection 3/4" Male. * ADXH-14, ADXH-20 connection 1" Male.





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PUMP TANK SIZING

FREE-STANDING SELECTION CHARTS

The charts below allow you to easily select the right free-standing tank for standard size pumps between 2-1/2 and 30 gallons in capacity and for 20-40 psi, 30-50 psi and 40-60 psi pressure ranges. Minimum run times shown (from start-up) are 1 minute, 1-1/2 minutes and 2 minutes. For example, for a system that delivers 10 gpm at 30-50 psi, with a minimum run time of 1 minute, Chart 1 indicates that the proper tank is the ADX-36S.

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IF PROPER TANK SELECTION CANNOT BE MADE USING CHART 1, FOLLOW THIS PROCEDURE:

First find the “drawdown multiplier” by matching the pump start-up and shut-off pressures on Chart 2. For example, the multiplier for a 30-50 psi pressure range is .31. Next, insert the pump GPM capacity and desired minimum run time into this formula:

$$\frac{\text{PUMP GPM} \times \text{Min. Run Time}}{\text{Multiplier}} = \text{Minimum Tank Volume Required}$$

To assume dependable Drawdown Volumes, and in keeping with present industry practice, Drawdowns are based on Boyles Law.

For example, using a 10 GPM pump, a one-minute minimum run time, and a 30-50 psi pressure range, the formula is as follows:

$$\frac{10 \times 1}{.31} = 32.25 \text{ Minimum Tank Volume}$$

Then, using Chart 3, select the tank that has a minimum volume that meets or exceeds your minimum volume requirement, and supplies adequate drawdown at the required pressure range. Minimum drawdown equals Pump GPM x Minimum Run Time. Therefore, in the above example, select the ADX-36S 36-gallon tank. It provides adequate drawdown at 30-50 psi.

Chart 1-ADX Series Free-Standing Tank Selection Chart

Pump GPM	System Pressure Ranges-PSI								
	20-40			30-50			40-60		
	Minimum Run Times (Minutes)								
	1	1-1/2	2	1	1-1/2	2	1	1-1/2	2
2.5	ADX-14	ADX-14	ADX-14	ADX-14	ADX-14	ADX-20	ADX-14	ADX-20	ADX-20
5	ADX-14	ADX-20	ADX-36S	ADX-20	ADX-36S	ADX-36S	ADX-20	ADX-36S	ADX-52
7	ADX-20	ADX-36S	ADX-52	ADX-36S	ADX-36S	ADX-52	ADX-36S	ADX-52	ADX-86
10	ADX-36S	ADX-52	ADX-86	ADX-36S	ADX-52	ADX-86	ADX-52	ADX-86	ADX-86
12	ADX-36S	ADX-52	ADX-86	ADX-52	ADX-86	ADX-86	ADX-52	ADX-86	ADX-96
15	ADX-52	ADX-86	ADX-86	ADX-52	ADX-86	ADX-119	ADX-86	ADX-96	ADX-119
20	ADX-86	ADX-86	ADX-119	ADX-86	ADX-119	[2]ADX-86	ADX-86	ADX-119	[2]ADX-86
25	ADX-86	ADX-119	[2]ADX-86	ADX-86	[2]ADX-86	[2]ADX-86	ADX-96	[2]ADX-86	[2]ADX-96
30	ADX-86	[2]ADX-86	[2]ADX-86	ADX-119	[2]ADX-86	[2]ADX-119	ADX-119	[2]ADX-96	[2]ADX-119

Chart 2- Drawdown Volume Multiplier (Approximate)

Pump Shut-Off Pressure psi	Pump Start-Up Pressure-PSI							
	10	20	30	40	50	60	70	80
20	0.26							
30	0.41	0.22						
40		0.37	0.18					
50		0.46	0.31	0.15				
60			0.40	0.27	0.13			
70			0.47	0.35	0.24	0.12		
80				0.42	0.32	0.21	0.11	
90				0.48	0.38	0.29	0.19	0.10
100					0.44	0.35	0.26	0.17

Chart 3- Drawdown in Gallons

Model No.	Vol. in Gallons	20-40	30-50	40-60
ADX-2	2.0	0.7	0.6	0.5
ADX-5	4.6	1.7	1.4	1.2
ADX-7	7.3	2.7	2.3	2.0
ADX-14	14.0	5.2	4.3	3.8
ADX-20	20.0	7.4	6.2	5.4
ADX-32	31	11.4	9.6	8.4
ADX-36S	36.0	13.3	11.2	9.7
ADX-52	52.0	19.2	16.1	14.0
ADX-86	86.0	31.8	26.7	23.2
ADX-96	96.0	35.5	29.8	25.9
ADX-119	119.5	44.2	37.0	32.3

RULE OF THUMB SYSTEM SIZING

The following water requirements figures are based on averages accepted by the industry. They represent typical household and farm animal water use requirements. Generally speaking, a reliable daily average water requirement is 100 gallons per day per person.

Average daily farm animal requirements

Gallons/Day	
Horse, Mule, Steer	12
Cow-Dry	15
Cow-Milking	35
Hog	4
Sheep	2
Chicken/100	6
Turkey/100	20

Average household water requirements (GPM) using industry-accepted 7-minute peak demand cycle

No. of Bathrooms	Type of Water Using Fixtures Installed	GPM Required
1	Sink, Toilet, Lavatory Tub/Shower	7
1 1/2	Same as Above but with Automatic Washer	10
2-2 1/2	Same as Above but with Automatic Dishwasher	14
3-4	Same as Above	17

Average home water requirements based on industry-accepted 7-minute peak demand cycle

Unit	Flow Rate GPM	Requirement Gallons
Kitchen Sink	5	3
Toilet	4	5
Lavatory	4	2
Tub or Shower	5	35
Auto Wash Machine	5	35
Dishwasher	2	14
Garden Hose (1/2")	3	Depends upon cycle time
Lawn Sprinkler	3-7	
Water Softener	7	



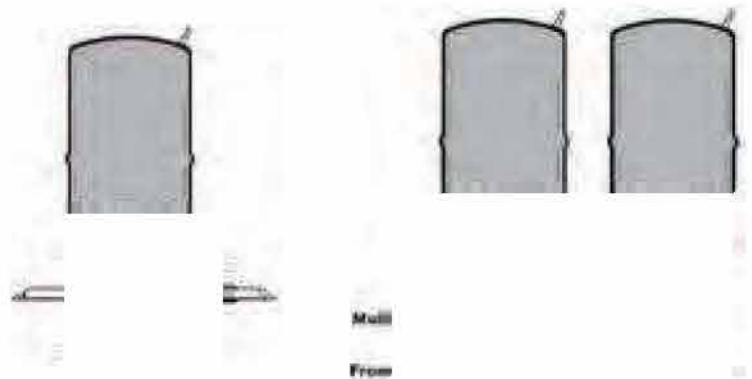
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TYPICAL INSTALLATIONS

For multiple installations, manifold size is critical. If you have questions about sizes call our Technical Engineering Services Department at 1-800-999-9515.

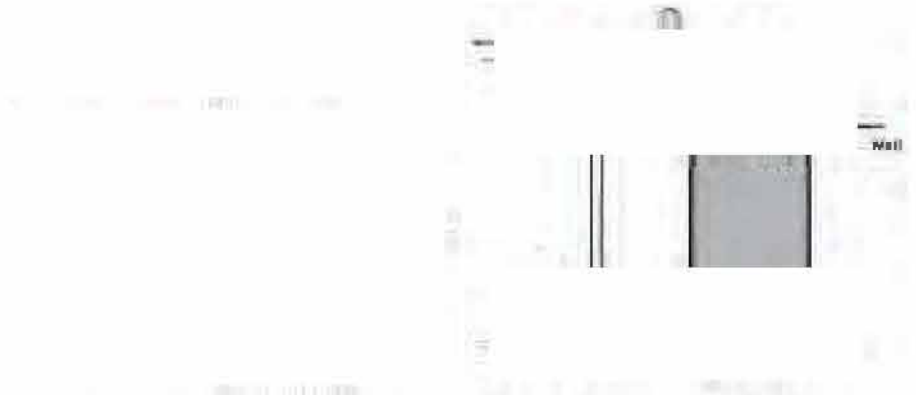
FREE-STANDING SERIES*

The standard installation, utilizing front entry, with gauge, relief valve and pressure switch installed in front of tank.



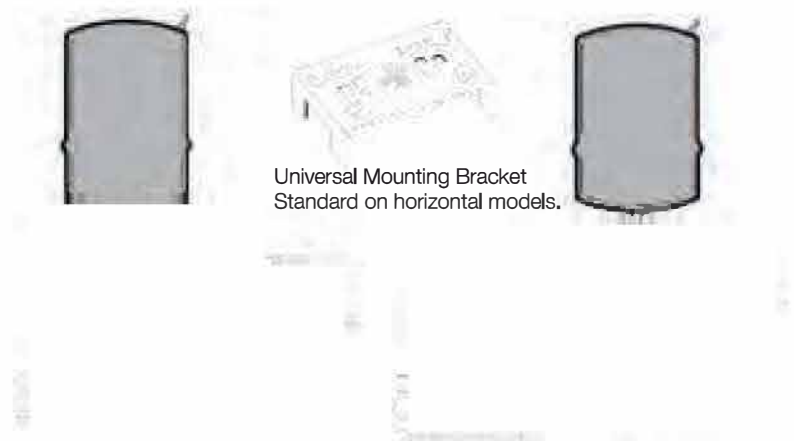
FREE-STANDING SERIES WITH PUMP MOUNTED ON TANK*

The pump can be mounted on tank using a universal mounting base. The pump and base can be strapped to the tank in the horizontal position, or mounted to the tank in a vertical position.



IN-LINE SERIES*

The In-Line Series is designed to be supported by system piping, either directly above the pump, or in a convenient place in the piping system as close to the pump as possible.



* When pump and tank are in different locations, the pressure switch should be at the tank location. Or compensating adjustment must be made for pressure loss due to head of water, i.e., one psi for every two feet of elevation.



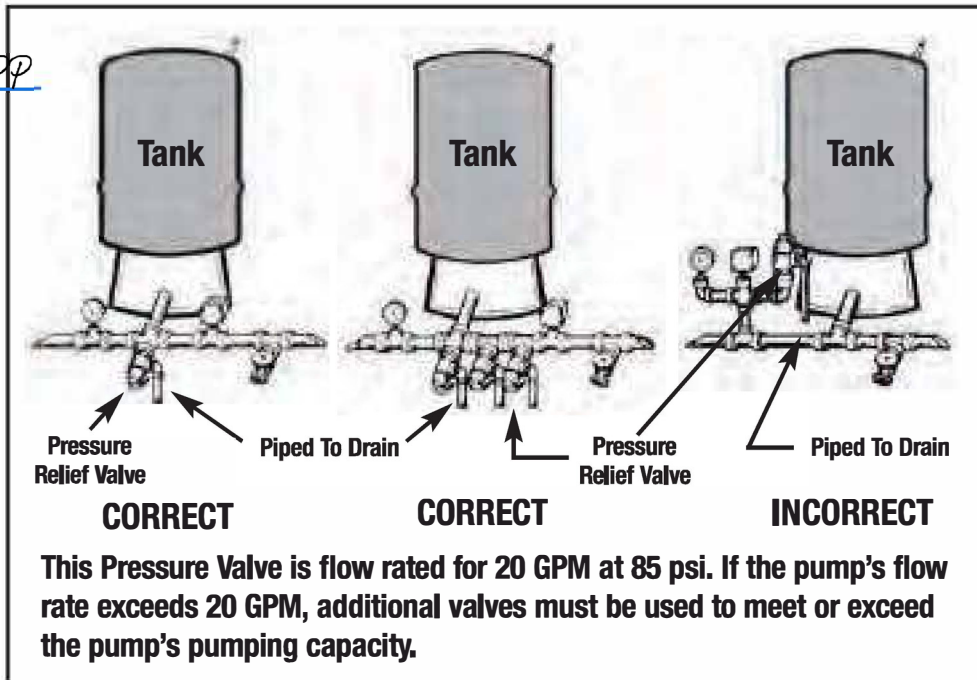
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PRESSURE RELIEF VALVE

ONLY FOR INSTALLATION ON PUMP TANK OR EXPANSION TANK SYSTEMS

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- 75 pound setting
- 20 GPM at 85 psi
- 3/4" male inlet size
- 3/4" female outlet size



- 100 pound setting
- 20 GPM at 85 psi
- 3/4" male inlet size
- 3/4" female outlet size

For technical information call (800) 999-9515. American Water Heaters reserves the right to make product changes or improvements without prior notice.

For complete warranty information consult the written warranty of American Water Heaters found at:
www.americanwaterheater.com or call (800) 999-9515 | Copyright © by American ® Water Heaters February 2016. All Rights reserved.

Owner's Manual

WATER SYSTEM TANK

- *Safety Instructions*
- *Installation*
- *Operation*
- *Maintenance*
- *Warranty*



Certified to NSF/ANSI 61

French version begins on page 9.
La version française commence à la page 9.

Spanish version begins on page 17.
Para la versión en español vaya a la página 17.



⚠️ **WARNING**

Read and understand installation manual and safety messages before installing, operating or servicing this pump tank.

Failure to follow instructions and safety messages could result in death or serious injury.

Thank You for purchasing a Water System tank. Properly installed and maintained, it should give you years of trouble free service. If you should decide that you want the new Water System tank professionally installed, contact the “Company” from which it was purchased. They will arrange for prompt, quality installation by an authorized contractors.





ALL TECHNICAL AND WARRANTY QUESTIONS: SHOULD BE DIRECTED TO THE LOCAL DEALER FROM WHOM THE PUMP TANK WAS PURCHASED. IF YOU ARE UNSUCCESSFUL, PLEASE WRITE TO THE COMPANY LISTED ON THE RATING PLATE ON THE PUMP TANK.

KEEP THIS MANUAL FOR FUTURE REFERENCE WHENEVER MAINTENANCE ADJUSTMENT OR SERVICE IS REQUIRED.

READ AND FOLLOW SAFETY INSTRUCTIONS

Your safety and the safety of others is extremely important in the installation, use and servicing of this water tank.

Many safety-related messages and instructions have been provided in this manual and on your own water tank to warn you and others of a potential injury hazard. Read and obey all safety messages and instructions throughout this manual. It is very important that the meaning of each safety message is understood by you and others who install, use, or service this water tank.

	This is the safety alert symbol. It is used to alert you to potential personal injury hazards. Obey all safety messages that follow this symbol to avoid possible injury or death.
 DANGER	DANGER indicates an imminently hazardous situation which, if not avoided, could result in death or injury.
 WARNING	WARNING indicates a potentially hazardous situation which, if not avoided, could result in death or injury.
 CAUTION	CAUTION indicates a potentially hazardous situation which, if not avoided, may result in minor or moderate injury.


All safety messages will generally tell you about the type of hazard, what can happen if you do not follow the safety message and how to avoid the risk of injury.

IMPORTANT DEFINITION:

NSF (National Sanitation Foundation) - NSF International is The Public Health and Safety Company™, providing public health and safety risk management solutions to companies, governments and consumers around the world.

SAFETY INSTRUCTIONS





 **DANGER**

For your safety, the information in this manual must be followed to minimize the risk of electric shock, property damage, personal injury or death. Read and understand manual and safety messages before installing, operating or servicing this tank. This manual should remain with the tank for future reference.

Failure to follow the warnings may result in serious or fatal personal injury and/or property damage and will void the warranty.

It is your responsibility to make sure your installation meets all national and local plumbing and electrical codes.



 **WARNING**

Explosion Hazard

Storage tanks are designed for use on ambient temperature (maximum temperature of 120°F, effective Feb. 2001) water systems. Use of this product on other applications could cause tank failure and possible personal injury. Use of this tank on other applications voids the warranty.



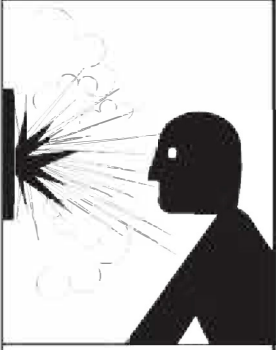
 **WARNING**


Before installing or servicing your pump or tank, be sure power source is disconnected. Failure to do this could result in death, serious bodily injury, or property damage.

 **CAUTION**

If a captive air water system tank replaces a standard galvanized tank on a submersible pump installation, bleeder orifices or other air charging charging devices must be removed. Air charging devices on jet pumps must be removed.

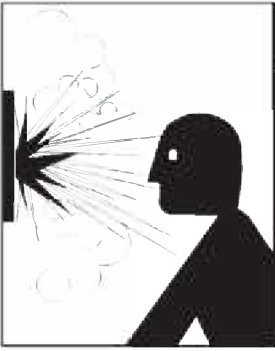
Complete pump, tank and piping system must be protected against freezing. Failure to do so will cause severe damage and will void the warranty.



**DANGER**

Explosion Hazard

- This tank is designed for operation on ambient temperature water systems limited to a maximum working pressure of 100 PSIG. If your system has the ability to exceed 100 PSIG working pressure, a suitable safety device must be installed. This can be either a high pressure electrical cut-off switch and/or a pressure relief valve. Failure to follow these instructions can cause tank rupture or explosion and result in property damage, serious personal injury or death.
- Maximum allowable inlet water pressure is 100 PSIG. If daytime pressure is over 80 PSIG, nighttime pressure may exceed the maximum. Use a pressure reducing valve to reduce the pressure if necessary.
- A relief valve should be installed which is set to open at excessive pressures (75 PSIG or no more than the tank rated pressure of 100 PSIG). The relief valve should be installed close to the connection of the tank to the system piping and have a discharge equal to the pump's capacity at 75 PSIG.



**DANGER**

Explosion Hazard

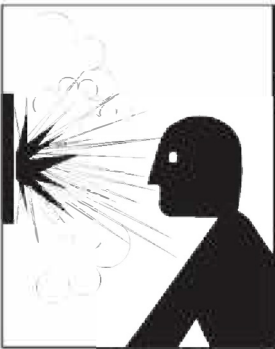
Tank contains air pressure. Do not puncture. Never discard tank into fire or incinerator. This could cause an explosion resulting in property damage, serious personal injury or death.




**DANGER**

Explosion Hazard

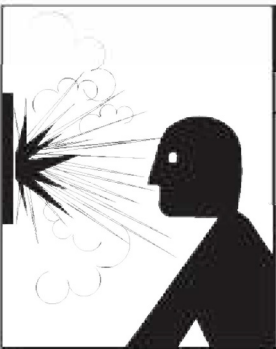
Do not adjust pressure or add pressure to a tank that is visibly corroded or damaged, as the tank could burst or explode, possibly causing property damage, serious personal injury or death. Only qualified professionals should check, adjust or reset the pre-charge pressure of the tank.



**DANGER**

Explosion Hazard

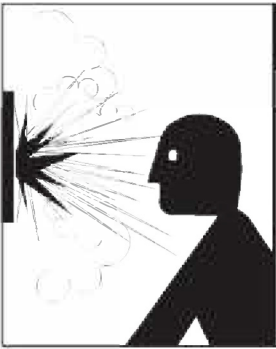
Tank must be sized in accordance with instructions from the manufacturer and in accordance with good industry practice. For proper sizing information please see the information in the pump manufacturers literature or the Water Systems Council "Water Systems Handbook". Failure to select the proper size tank could result in tank rupture or early pump motor failure.



**WARNING**

Rupture Hazard

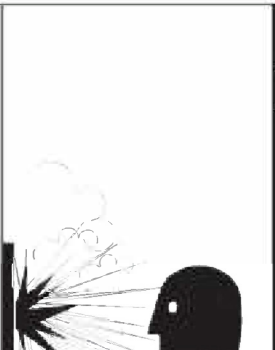
Install where tank will not be exposed to extreme temperatures (below freezing or above 120°F). Water freezing in the tank will cause it to split. Use of this tank with any other application could cause property damage, serious personal injury or death, and will void the limited warranty.




**DANGER**

Explosion Hazard

Do not install tank where it will be subjected to spray from irrigation systems. Exposure to such spray could result in corrosion of the tank, eventually leading to an explosion which can cause property damage, serious personal injury or death.



**DANGER**

Explosion Hazard

This tank, like most tanks under pressure, will over time corrode or fail and/or may burst and/or leak or flood (and in rare cases explode) which can cause serious or fatal personal injury and property damage. To minimize risk, a licensed professional must install and periodically inspect and service the unit.

A drain pan connected to an adequate drain must be installed where leaking or flooding could cause property damage.

3

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FEATURES AND OPERATING CYCLES

The Water Systems Tank Concept

The water system tank does more than simply store water. It helps to protect the system components. A properly sized tank will provide adequate flow even when the pump is not running. It saves energy by reducing the number of pump starts. In addition, the water system tank provides increased system component life due to fewer pump cycles.

The water system tank consists of a steel tank (A) containing a sealed-in-place heavy duty diaphragm (B) which separates air from the water. The portion of the tank where water is stored (C) is lined to isolate water from the metal tank. This protects the tank from corrosion.

1. Prior to shipping, the tank is pressurized to a standard precharge as defined in the “OPERATION” part of this manual.

2. As water enters the tank, the air above the diaphragm is compressed and its volume is reduced by the volume of water that enters.

3. The pressure in the tank rises. Water continues to enter until the pump cut-out pressure is reached. The pump shuts off and the tank is now filled.

4. The pressure in the air chamber forces water into the system when a demand occurs without causing the pump to operate immediately. Pressure in the chamber finally drops to the pump cut-in pressure, the pump switch activates the pump and repeats the filling cycle.

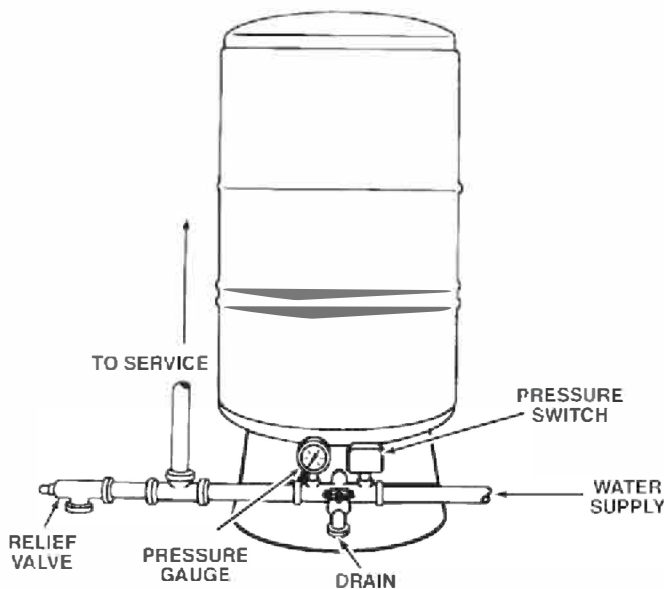
AIR

WATER

INSTALLATION PROCEDURES

Typical Submersible Pump Installation

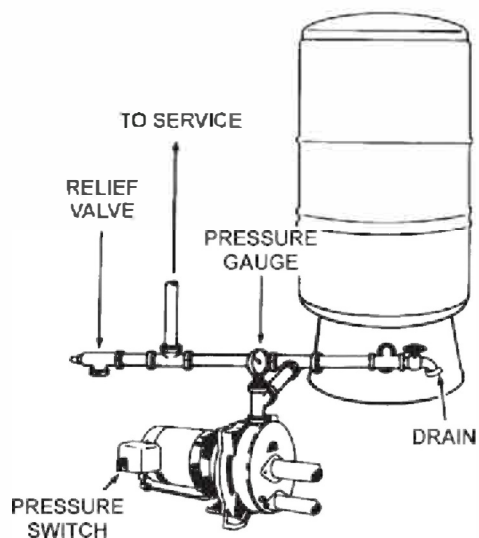
WET
CYPP



The water system tank should be installed as close as possible to the pressure switch (24 inches or less) to reduce the adverse effect of friction loss and elevation differences.

1. Disconnect electric power.
2. For installations replacing an existing water tank, drain system and remove old tank. On new system installation this step is unnecessary.
3. Locate the water system tank on a firm, level surface with adequate drainage. Typical installations are shown in the following section.

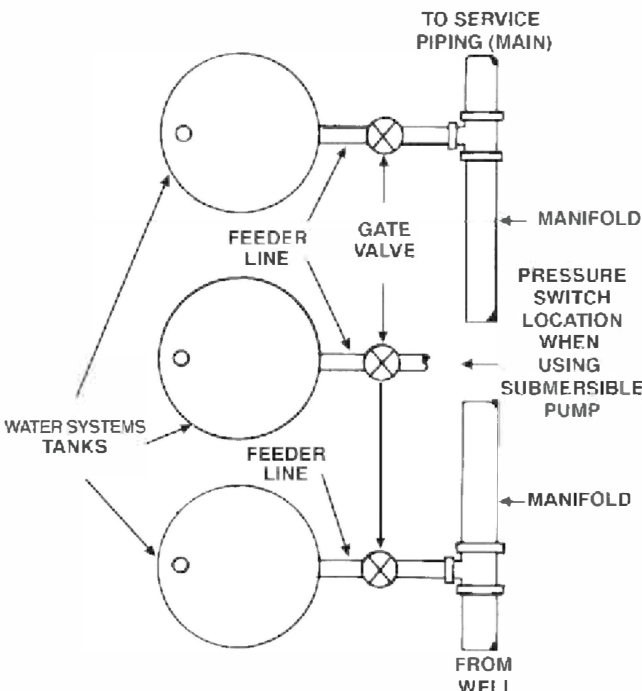
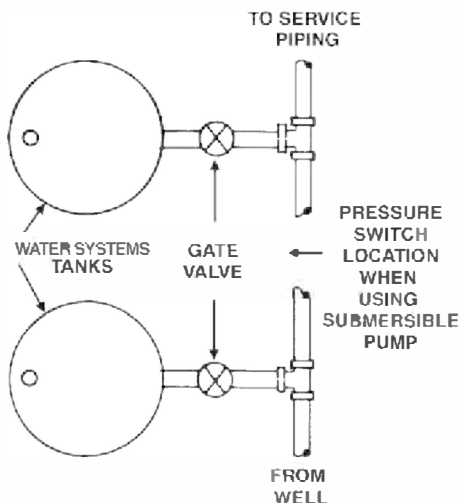
Typical Jet Pump Installation



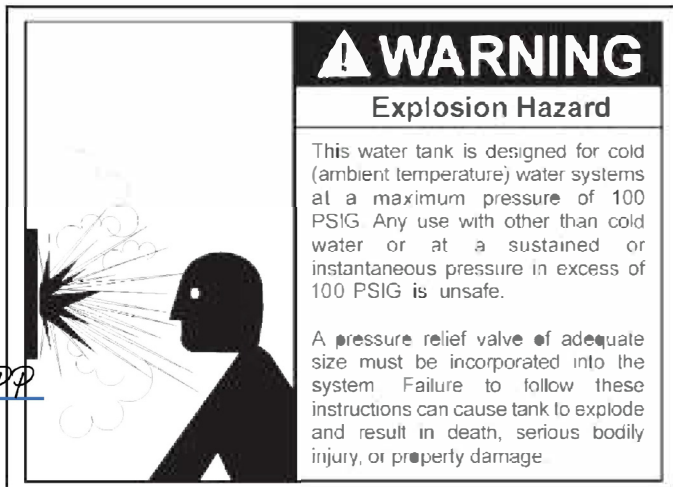
4. If your system is capable of exceeding a working pressure of 100 psig (typically submersible pumps), install a pressure relief valve (rated at 100 psig or less, but greater than turn off pressure) in the system near the tank. The valve should be the same pipe size as the tank outlet. This is not necessary on tank-mounted jet pump units.
5. Connect tank to the pump discharge line using the same size pipe as the pump tap, or larger. **WARNING:** Hold 90° tank street elbow with wrench when threading and tightening connecting pipe.
6. The tank should be flushed 5 times prior to household use, see Operation section.

MULTIPLE TANK INSTALLATION PROCEDURE

Water system tanks can be connected together to increase the supply of usable water (drawdown). Two tanks of the same size will double the supply and three tanks will triple the supply. When using a high capacity pump, the manifold and pressure switch assembly must be installed in the pipe line as close to the center of the tanks as possible. Manifold and main should be 2 times the size of the feederline.



OPERATION



Before you operate the system you must check your water system tank and system to ensure proper operation.

All water system tanks are precharged to 38 psig at the factory. The final precharge pressure should always be 2 to 3 psig below the cut-in (pump turns on) pressure of the pressure switch. Release air or add air as required using the following procedure.

1. Determine the pump cut-in pressure setting. The pressure switch should have this information located on/in the cover.
2. With no water in the tank, measure the precharge of the water system tank using an accurate pressure gauge at the air valve (similar to an auto tire gauge).
3. Release air or add air to the tank to make the pressure in the tank 2 to 3 psig *LESS* than the pump cut-in pressure setting.
4. It will be necessary to expel air from the piping system on new installations. To do this open all faucets and turn on the pump. Observe that a mixture of water and air will sputter from the faucet. Run the system until a steady flow of water exists. Open and close the faucets several times to assure that all air has been removed. If streams do not become steady, an air leak may exist. Check for leaks on suction side piping.
5. It may be necessary to make final adjustments on the system pressure switch setting because at times the actual pressure switch setting will vary from what is stated on the cover. Such variation, though not harmful, could cause a momentary lag of water delivery. To make this adjustment follow these steps:
 - a. Fill the system until the pump shuts off.
 - b. Open a faucet and drain the water system tank until the pump starts.
 - c. If there is a pause in the water flow from the time the water system tank is emptied and the pump starts up again, decrease the air pressure in the tank until it is 2 to 3 psig below the cut-in pressure setting. See Trouble Shooting section 3(a-b) for procedure.
 - d. Close the faucets and refill the water system tank. Repeat steps (b) and (c) if necessary until there is no longer a pause in water flow.

TROUBLE SHOOTING

IF YOU THINK YOU HAVE A PROBLEM WITH YOUR WATER SYSTEM TANK, YOU SHOULD MAKE THE FOLLOWING TESTS AND OBSERVATIONS BEFORE YOU CALL YOUR PROFESSIONAL DEALER.

1. Observe water system operation and note any unusual occurrence such as water spurting from a faucet rather than a steady flow (indicates air in the system) or short cycling of the pump (rapid starts and stops).
2. In the event that evidence of a small leak near the water fitting appears, check at elbow. The introduction of cold water to a warm tank may form condensation especially in warmer climates. It is important to provide adequate drainage.
3. The tank drawdown is governed by the air pressure in the tank and the cut-in and cut-out pressure settings on the pressure switch. If you have concerns about the drawdown, you should check those settings as follows:
 - a. **Air charge in Tank.** Turn off electric power to the pump. Open faucet nearby and drain the tank completely. Check the pressure in the water system tank using a standard, high quality tire gauge. If the air pressure in the tank is below the pump cut-in setting by more than 3 psi, add air to the tank to make it 2 psi less than the cut-in setting. Replace the valve stem cap. Check around the air stem using a soapy solution to check for leaks around weld seams on the remainder of the tank. If a leak appears on the tank itself then replacement of the tank will be necessary.
 - b. **Pressure Switch Setting.** Start the pump and allow the system pressure to shut off pump. Note both the cut-in and cut-off pressure values on gauge. The difference should not exceed 25 psi. Adjust the pressure switch if necessary after shutting off the electric power to show a difference of 20 psi. Instructions from the pressure switch manufacturer will explain how to do this. Test the system after adjusting the limits. If the pressure switch can't maintain the proper differential then it may need replacement rather than the tank.

LIMITED WARRANTY

A.O. Smith Corporation, the warrantor, extends the following LIMITED WARRANTY to the owner of this water system tank.

1. TANK

If within five years after installation the tank or a part thereof shall prove upon examination by the warrantor to be defective in material or workmanship, the warrantor, at his option, shall exchange or repair such part or portion. The warranty on the replacement tank will be limited to the unexpired term of the original warranty.

2. CONDITIONS AND EXPECTATIONS

This warranty shall apply only when the tank is installed in accordance with local plumbing and building codes, ordinances and regulations, and good industry practices. In addition, a high pressure electrical cut-off switch and/or a pressure relief valve must be installed when the tank is installed on an ambient temperature water system whose maximum working pressure has the ability to exceed 100 pounds per square inch gauge (psig).

- a. This warranty shall apply only when the water system is used:
 - (1) on ambient temperature water systems at pressures not exceeding the working pressure for the water system;
 - (2) in the United States, its territories or possessions, and Canada.
- b. Any accident to the water system tank, any misuse, abuse (including freezing) or alteration of it, any operation of it in a modified form, any attempt to repair tank leaks will void this warranty.

3. SERVICE AND REPAIR EXPENSE

Under this limited warranty the warrantor will provide only a replacement tank or part thereof. The owner is responsible for all other costs. Such costs may include but are not limited to:

- a. Labor charges for service, removal, repair, or reinstallation of the water system or any component part,
- b. Shipping and delivery charges for forwarding the new tank or replacement part from the nearest distributor and returning the claimed defective tank or part to such distributor except in the state of California where such charges are the manufacturer's responsibility.

4. LIMITATION ON IMPLIED WARRANTIES

Implied warranties, including any warranty of merchantability imposed on the sale of this tank under state law are limited to five (5) year duration for the tank or any of its parts. Some states do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to you.

5. CLAIM PROCEDURES

Any claim under this warranty should be initiated with the dealer who sold the tank, or with any other dealer handling the warrantor's products. If this is not practicable, the owner should contact:

U.S. Customers	Canadian Customers
Telephone: (800) 323-2636	Telephone: (888) 479-8324

- a. The warrantor will only honor replacement with identical or similar tank or parts thereof which are manufactured or distributed by the warrantor.
- b. Dealer replacements are made subject to in-warranty validation by warrantor.

6. DISCLAIMERS

NO OTHER EXPRESS WARRANTY HAS BEEN OR WILL BE MADE ON BEHALF OF THE WARRANTOR WITH RESPECT TO THE MERCHANTABILITY OF THE TANK OR THE INSTALLATION, OPERATION, REPAIR OR REPLACEMENT OF THE TANK. THE WARRANTOR SHALL NOT BE RESPONSIBLE FOR WATER DAMAGE, LOSS OF USE OF THE UNIT, INCONVENIENCE, LOSS OR DAMAGE TO PERSONAL PROPERTY OR OTHER CONSEQUENTIAL DAMAGE. THE WARRANTOR SHALL NOT BE LIABLE BY VIRTUE OF THIS WARRANTY OR OTHERWISE FOR DAMAGE TO ANY PERSONS OR PROPERTY, WHETHER DIRECT OR INDIRECT, AND WHETHER ARISING IN CONTRACT OR IN TORT.

- a. Some states do not allow the exclusion or limitation of the incidental or consequential damage, so the above limitations or exclusions may not apply to you.
- b. This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

Fill in the following for your own reference. Keep it. Registration is not a condition of warranty. The model and serial number are found on the water system tank.

Model No. _____ Serial No. _____ Date Installed _____
Dealer's Name _____
Dealer's Address _____ Phone No. _____
City and State (Provincial) _____ Zip (Postal Code) _____
Dangerous Goods Permit No. SU 5099 (Ren2) - by road or rail vehicle only, expiration date: March 31, 2003 (Pending Renewals)

KEEP THIS WARRANTY POSTED ADJACENT TO THE TANK FOR FUTURE REFERENCE.

Manual del usuario
TANQUE DE SISTEMA DE AGUA

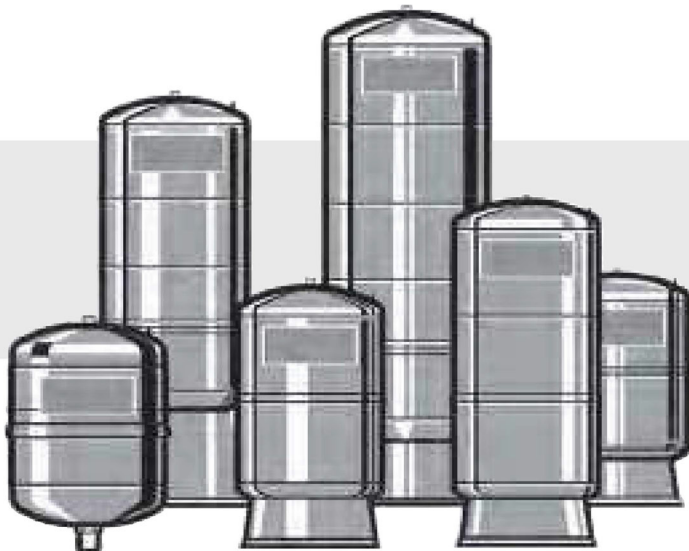
- *Medidas de seguridad*
- *Instalación*
- *Funcionamiento*
- *Mantenimiento*
- *Garantía*



Este producto cumple con los requisitos de la norma NSF/ANSI 61.

French version begins on page 9.
La version française commence à la page 9.

Spanish version begins on page 17.
Para la versión en español vaya a la página 17.



ADVERTENCIA

Antes de efectuar la instalación, poner en marcha, o dar servicio a este tanque de bombeo, lea y asegúrese de entender el manual de instrucciones y los mensajes de seguridad.

La negligencia en seguir las instrucciones o las medidas de seguridad podría originar lesiones personales graves o mortales

Gracias por haber comprado un tanque de sistema de agua. Con la instalación y el mantenimiento adecuados, deberá darle años de servicio sin problemas. Si desea que lo instale un especialista, comuníquese con la “Compañía” que se lo vendió. Ahí harán los arreglos necesarios para que un contratista autorizado realice una instalación rápida y de calidad.





PARA ACLARAR CUALQUIER DUDA TÉCNICA O SOBRE LA GARANTÍA, COMUNÍQUESE DIRECTAMENTE CON EL DISTRIBUIDOR LOCAL QUE LE VENDIÓ EL TANQUE DE BOMBEO. SI NO OBTIENE NINGUNA RESPUESTA ESCRIBA AL FABRICANTE CUYO NOMBRE APARECE EN LA PLACA DE IDENTIFICACIÓN DEL TANQUE DE BOMBEO.

GUARDE ESTE MANUAL PARA CONSULTARLO CUANDO SE REQUIERAN MANTENIMIENTO, AJUSTES O SERVICIO.

LEA CON ATENCIÓN Y SIGA TODAS LAS INSTRUCCIONES DE

La seguridad de usted y de cualquier otra persona es absolutamente importante durante la instalación, uso y mantenimiento de este calentador de agua.

La información incluida en este manual y en su calentador de agua proporciona una gran cantidad de mensajes e instrucciones sobre seguridad, con el propósito de advertirle a usted y a cualquier otra persona sobre posibles peligros de sufrir lesiones. Lea con atención y siga todas las instrucciones y medidas de seguridad indicadas en este manual. Es muy importante que usted o la persona que efectúe la instalación, use o dé servicio al calentador de agua, entienda el significado de los mensajes de seguridad.



	Este es el símbolo de alerta de seguridad. Se usa para indicar que existe la posibilidad de sufrir lesiones personales. Siga todas las medidas de seguridad indicadas con este símbolo para prevenir posibles lesiones graves o mortales.
 PELIGRO	PELIGRO indica una situación de peligro inminente que, si se ignora, podría originar lesiones graves o mortales.
 ADVERTENCIA	ADVERTENCIA indica una situación de peligro probable que, si se ignora, podría originar lesiones graves o mortales.
 CUIDADO	CUIDADO indica una situación de peligro probable que, si se ignora, puede originar lesiones menores o moderadas.

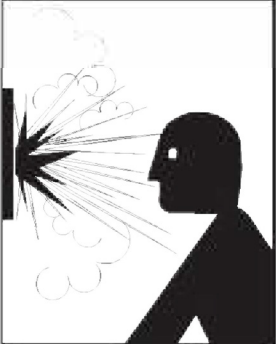
En general todos los mensajes de seguridad indicarán el tipo de peligro, los riesgos que se corren si no se siguen las medidas de seguridad, y la forma en que pueden evitarse los riesgos de sufrir lesiones.


DEFINICIONES IMPORTANTES

NSF (National Sanitation Foundation) - NSF International es The Public Health and Safety Company^{MR}, que proporciona soluciones de gestión de riesgos de salud y seguridad pública a compañías, gobiernos y consumidores de todo el mundo.

INSTRUCCIONES DE SEGURIDAD

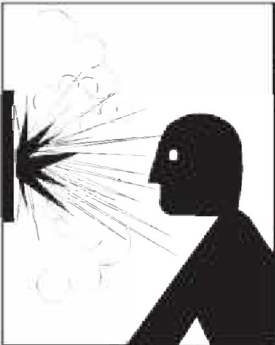
	<p> PELIGRO</p> <p>Por su seguridad, para reducir al mínimo el riesgo de originar un shock eléctrico, daños materiales o lesiones personales graves o mortales, debe seguir este manual. Antes de efectuar la instalación, poner en marcha, o dar servicio a este calentador de agua, lea y asegúrese de entender las instrucciones y los mensajes de seguridad. Guarde este manual cerca del tanque por si necesita consultarlo en el futuro.</p> <p>La negligencia en seguir las instrucciones o las medidas de seguridad podría originar lesiones personales graves o mortales, e invalidará la garantía.</p> <p>Usted es responsable de asegurar que su instalación cumpla con todos los códigos de plomería y electricidad nacionales y locales.</p>	<p> ADVERTENCIA</p> <p>Peligro de explosión</p> <p>Los tanques de almacenamiento están diseñados para sistemas de agua a una temperatura ambiente máxima de 120°F (a partir de febrero de 2001). De lo contrario se corre el riesgo de causar fallas en el tanque o lesiones personales, y se invalidará la garantía.</p>
	<p> ADVERTENCIA</p> <p>Antes de instalar o dar servicio a la bomba o el tanque, verifique que estén desconectados del suministro de corriente eléctrica. De lo contrario, corre el riesgo de causar lesiones corporales graves o mortales, y/o daños materiales.</p>	<p> CUIDADO</p> <p>Si en una instalación de bomba sumergible usted cambia un tanque galvanizado estándar por un tanque de sistema de agua de aire cautivo, deberá eliminar los crificios de purga u otros dispositivos de carga de aire. También tendrá que eliminar estos dispositivos si se trata de una bomba de eyección.</p> <p>El sistema completo de la bomba, el tanque y la tubería debe estar protegido contra las temperaturas de congelamiento. De lo contrario, corre el riesgo de causar daños graves e invalidará la garantía.</p>



**PELIGRO**

Peligro de explosión

- Este tanque está diseñado para sistemas de agua a una temperatura ambiente con una presión de trabajo máxima de con una presión máxima de 100 PSIG. Si la presión de trabajo de su sistema puede rebasar este valor, debe instalar un dispositivo de seguridad adecuado, por ejemplo, un interruptor de corte eléctrico de alta presión y/o una válvula de alivio de presión. De lo contrario corre el riesgo de que el tanque se rompa o de causar una explosión y lesiones personales graves o mortales, o daños materiales.
- La presión de entrada de agua máxima permitida es de 100 PSIG. Si la presión diurna es superior a 80 PSIG, es posible que la nocturna exceda el límite máximo. En caso necesario, instale una válvula de alivio de presión.
- Debe instalarse una válvula de alivio de presión y ajustarse para que se abra cuando haya presiones excesivas (entre 75 PSIG y 100 PSIG, que es la presión nominal del tanque). Debe instalarse cerca de la conexión del tanque a la tubería del sistema y tener una capacidad de descarga igual a la de la bomba a 75 PSIG.



**PELIGRO**

Peligro de explosión

El tanque contiene presión de aire. No lo perforo. No intente destruirlo quemándolo. De lo contrario, puede causar una explosión y lesiones personales graves o mortales, o daños materiales.



**PELIGRO**

Peligro de explosión


No ajuste ni aumente la presión si el tanque está visiblemente corroído o dañado, ya que puede explotar y causar lesiones personales graves o mortales y daños materiales. Solicite a un técnico calificado que revise y ajuste la presión de precarga del tanque.




**ADVERTENCIA**

Peligro de ruptura

Instale el tanque en un lugar que no esté expuesto a temperaturas extremas (ya sea de congelamiento o de más de 120°F). Si el agua del tanque se congela, provocará que se rompa y esto puede causar lesiones personales graves o mortales e invalidará la garantía limitada.



**PELIGRO**

Peligro de explosión

El tanque debe ser del tamaño adecuado conforme a las instrucciones del fabricante y las buenas prácticas industriales. Consulte la información sobre las dimensiones en los folletos de los fabricantes de bombas o en el "Manual sobre sistemas de agua" del Water Systems Council. Si su tanque no es del tamaño adecuado, es posible que se rompa o que el motor de la bomba falle prematuramente.



**PELIGRO**

Peligro de explosión

Este tanque, como la mayoría de los tanques a presión, con el tiempo se corroe o falla y/o puede romperse y/o presentar fugas (y, en raros casos, explotar), por lo que se corre el riesgo de que cause lesiones personales graves o mortales o daños materiales. Para reducir al mínimo este riesgo, solicite a un técnico calificado que instale la unidad y la revise periódicamente.

Instale un recipiente y drenaje adecuados cuando la instalación se efectúe en lugares donde las fugas del tanque puedan ocasionar daños materiales.



**PELIGRO**

Peligro de explosión

No instale el tanque en un lugar expuesto a salpicaduras de un sistema de irrigación. De lo contrario puede corroerse y explotar, y causar lesiones personales graves o mortales y daños materiales.

CONTENIDO

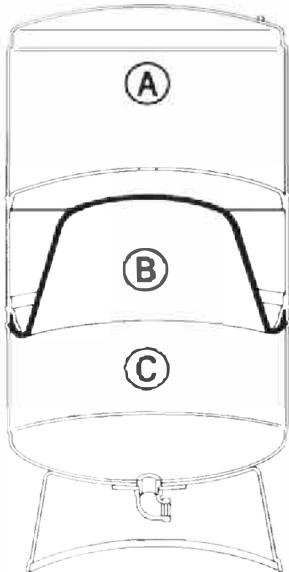
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CARACTERÍSTICAS Y CICLOS DE FUNCIONAMIENTO

Concepto del tanque de sistema de agua

La función del tanque va más allá del simple almacenamiento de agua, ya que ayuda a proteger los componentes del sistema y, si es del tamaño adecuado suministra un flujo adecuado aunque la bomba no esté funcionando. Además, debido a que reduce el número de arranques y ciclos de la bomba, ahorra energía y prolonga la vida de los componentes del sistema.

Los componentes del tanque de sistema de agua son: un tanque de acero (A) que contiene un diafragma de uso rudo sellado en su lugar (B) que separa el aire del agua. La porción del tanque donde se almacena el agua (C) está recubierta para aislar el agua del metal del tanque y así protegerlo contra la corrosión.



1. Antes de ser embarcado, se presuriza a la precarga estándar que se indica en la sección titulada “FUNCIONAMIENTO” de este manual.

2. El volumen del aire que se encuentra arriba del diafragma se comprime proporcionalmente al volumen de agua que entra en el tanque.

3. La presión del tanque se eleva. El agua continúa entrando hasta que se alcanza la presión de corte de la bomba y ésta se desactiva, lo cual indica que el tanque está lleno.

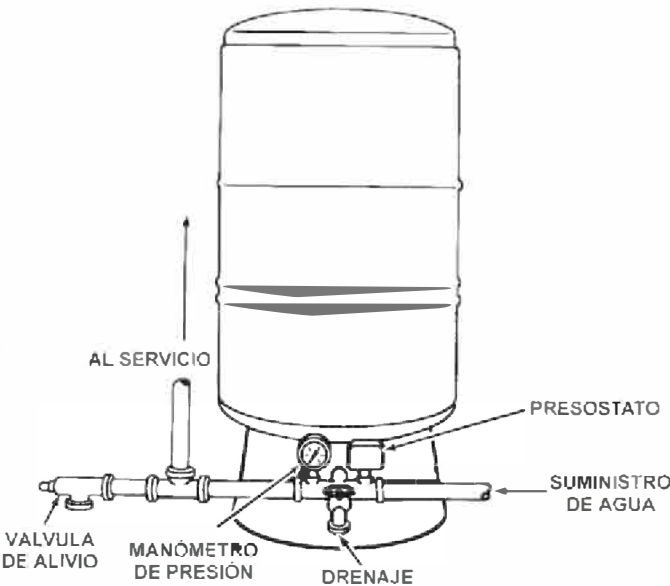
4. La presión en la cámara de aire fuerza la entrada de agua al sistema cuando se demanda, sin que la bomba funcione de inmediato. Cuando la presión finalmente disminuye al nivel de activación de la bomba, el interruptor la pone en funcionamiento para que se repita el ciclo de llenado.

AIRE

AGUA

PROCEDIMIENTOS DE INSTALACIÓN

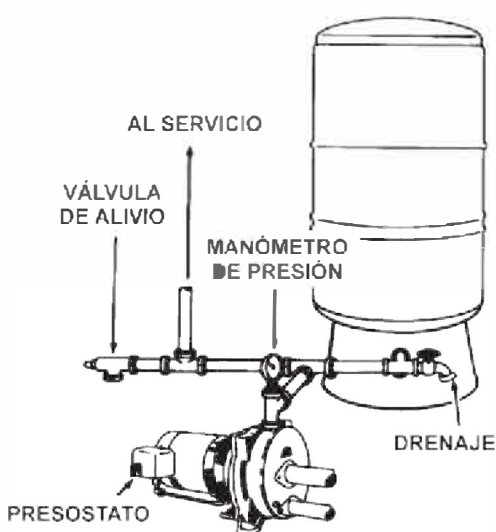
Instalación típica de una bomba sumergible



El tanque de sistema de agua debe instalarse lo más cerca posible del presostato (a 24 pulgadas o menos), a fin de reducir los efectos adversos de las pérdidas por fricción y las diferencias de elevación.

1. Desconecte el suministro de energía eléctrica.
2. Antes de reemplazar el tanque de agua instalado, drene el sistema. Omite este paso si va a instalar un sistema nuevo.
3. Coloque el tanque de sistema de agua en una superficie firme y plana con un drenaje adecuado. En la siguiente sección se muestran instalaciones típicas.

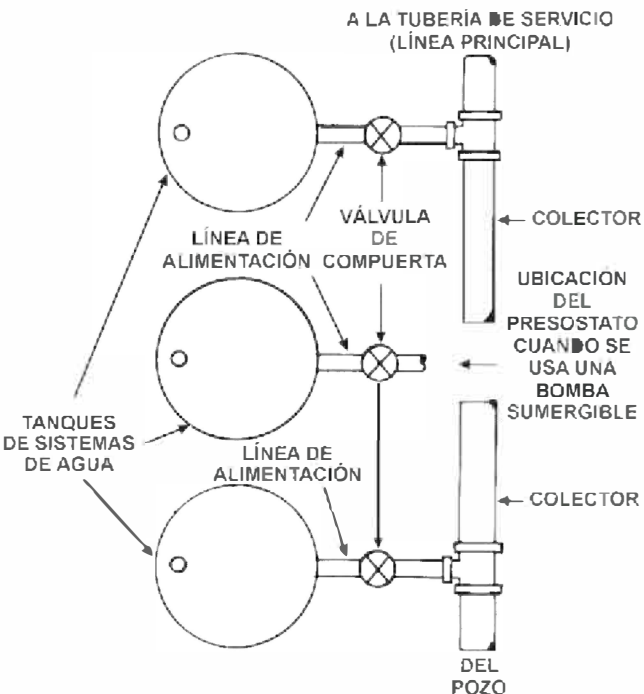
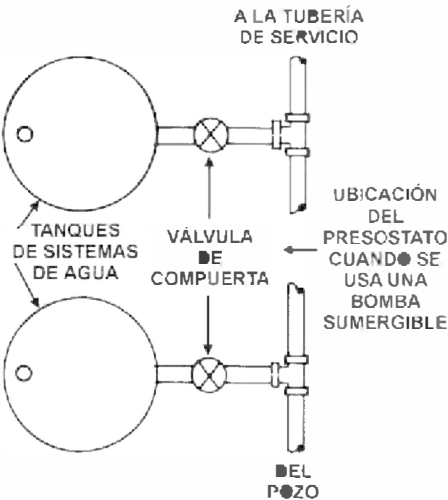
Instalación típica de una bomba eyectora



4. Si la presión de trabajo de su sistema puede rebasar los 100 PSIG (689.5 kPa) (como es el caso de la mayoría de las bombas sumergibles), instale cerca del tanque una válvula de alivio de presión (con una capacidad nominal de 100 PSIG (689.5 kPa) o menos, pero mayor que la presión de apagado). La válvula debe ser del mismo diámetro que la tubería de salida del tanque. Esto no es necesario en las unidades de bombas eyectoras montadas en tanques.
5. Conecte el tanque a la línea de desagüe de la bomba con tubería del mismo diámetro, o mayor, que la salida de la bomba. ADVERTENCIA: Para roscar y apretar la tubería de conexión, sostenga a 90° el codo macho-hembra del tanque con una llave inglesa.
6. Antes de usar el tanque, deberá dejar fluir el agua totalmente 5 veces. Consulte la sección titulada "Funcionamiento".

PROCEDIMIENTO DE INSTALACIÓN MÚLTIPLE DE TANQUES

Los tanques de sistema de agua pueden conectarse juntos para aumentar el suministro de agua utilizable (cantidad extraíble). Dos tanques del mismo tamaño duplicarán el suministro, y tres lo triplicarán. Cuando se usa una bomba de alta capacidad, el colector y el interruptor de presión deben instalarse en la tubería lo más cercanos posible al centro de los tanques. La medida del colector y de la línea principal debe ser del doble de la línea de alimentación.



FUNCIONAMIENTO



Antes de empezar a utilizar el sistema, verifique que éste y el tanque funcionen correctamente.

Todos los tanques de sistemas de agua se precargan a 38 PSIG (268 kPa) en la fábrica. La presión de precarga final debe ser de entre 2 y 3 PSIG (13.80 y 20.68 kPa) abajo de la presión de activación (pone en marcha la bomba) del presostato. Libere o aumente la cantidad de aire necesaria con el siguiente procedimiento.

- 1. Vea cuál es la presión de activación de la bomba preestablecida en el anverso o el reverso de la tapa del presostato.
- 2. Con el tanque vacío, mida la precarga introduciendo un manómetro de presión exacto en la válvula de aire (como se mide la presión de un neumático de auto).

- 3. Libere o agregue aire hasta que la presión en el tanque quede entre 2 y 3 PSIG (13.80 y 20.68 kPa) POR DEBAJO de la presión de activación preestablecida de la bomba.
- 4. Si la instalación es nueva, tendrá que purgar el aire del sistema de tubería. Para hacer esto, abra todas las llaves y encienda la bomba. Una mezcla de agua y aire saldrá a presión. Deje correr el agua en el sistema hasta que el flujo sea estable. Para asegurar que salga todo el aire, abra y cierre las llaves varias veces. Si el flujo no se estabiliza, es posible que exista una fuga de aire. Revise que no haya fugas en la tubería de aspiración.
- 5. A veces es necesario hacer algunos ajustes finales cuando la presión real difiere de la preestablecida en la tapa del presostato, lo cual no es peligroso pero puede causar que el flujo de agua se detenga momentáneamente. Para ajustarla, siga estos pasos:
 - a. Llene el sistema hasta que la bomba se apague.
 - b. Abra una llave y drene el tanque de sistema de agua hasta que la bomba se encienda.
 - c. Si hay una pausa en el flujo de agua entre el momento en que se vacíe el tanque y la bomba se vuelva a poner en marcha, reduzca la presión del aire en el tanque hasta que quede de 2 a 3 PSIG (13.80 a 20.68 kPa) por debajo de la presión de corte indicada. Vea el procedimiento en el apartado 3 (a-b) de la sección titulada "Identificación de fallas".
 - d. Cierre las llaves y vuelva a llenar el tanque del sistema de agua. Repita los pasos (b) y (c) hasta que deje de haber pausas en el flujo de agua.

IDENTIFICACIÓN DE FALLAS

SI CREE QUE EL TANQUE DEL SISTEMA DE AGUA TIENE PROBLEMAS, ANTES DE LLAMAR A SU DISTRIBUIDOR LOCAL DEBE HACER LAS SIGUIENTES PRUEBAS Y OBSERVACIONES.

- 1. Observe cómo funciona el sistema de agua para verificar que no ocurra ninguna anomalía –por ej., que el flujo de agua de una llave sea inestable (lo cual indica la presencia de aire en el sistema) o que el ciclo de la bomba sea demasiado corto (arranque y parada rápidos).
- 2. Si observa algún indicio de una pequeña fuga cerca de un empalme de tubos, revise el codo. La introducción de agua fría en un tanque caliente puede generar una condensación, sobre todo en un clima cálido, por lo que es importante drenar el sistema correctamente.
- 3. Mida la capacidad de agua extraíble del tanque recolectando agua en un recipiente de tamaño adecuado entre el momento en que la bomba se apague (punto de desactivación) y el momento en que se encienda (punto de activación). Compare los galones con el valor que se indica en la siguiente tabla para su modelo de tanque. Si el volumen es similar al que aparece en la tabla, su sistema está funcionando correctamente.

- a. **Carga de aire en el tanque.** Desconecte el suministro de energía eléctrica a la bomba. Abra una llave cercana y drene el tanque completamente. Con un calibrador de aire estándar de alta calidad para neumáticos, verifique la presión en el tanque del sistema de agua. Si la presión del aire es inferior por más de 3 PSI (20.68 kPa) al valor de activación de la bomba preestablecido, agregue aire al tanque hasta que la presión quede 2 PSI (13.80 kPa) por debajo de dicho valor. Cambie la tapa del vástago de la válvula. Revise alrededor del vástago del aire y aplique una solución jabonosa para verificar que no haya ninguna fuga en las juntas y uniones del tanque. Si detecta una fuga en el cuerpo del tanque, será necesario que lo cambie.
- b. **Ajuste del presostato.** Encienda la bomba y deje que la presión del sistema la apague. Observe los valores de las presiones de activación y desactivación en el manómetro. La diferencia no debe ser mayor de 25 PSI (172.37 kPa). Si es necesario, después de desconectar el suministro de electricidad ajuste el presostato de manera que la diferencia sea de 20 PSI (137.90 kPa). Para hacerlo consulte las instrucciones del fabricante del presostato. Después de ajustar los límites, pruebe el sistema. Si el presostato no puede mantener la diferencia adecuada, tal vez sea necesario cambiarlo en vez de sustituir el tanque.

GARANTÍA LIMITADA

A.O. Smith Corporation, el garante, extiende la siguiente GARANTÍA LIMITADA al propietario de este tanque de sistema de agua.

1. TANQUE

Si dentro de los cinco años siguientes a la instalación, el tanque o una de sus piezas presenta un defecto de fabricación o en sus materiales comprobado por el garante, éste reemplazará o reparará la pieza o parte defectuosa. La garantía de reemplazo del tanque se limita al plazo vigente de la garantía original.

2. CONDICIONES Y EXPECTATIVAS

Esta garantía se aplicará únicamente cuando el tanque se instale de conformidad con los códigos, leyes y reglamentos y las buenas prácticas industriales locales de plomería y construcción y en la inteligencia de que, cuando el tanque se encuentre instalado en un sistema de agua a la temperatura ambiente cuya presión de trabajo máxima pueda ser superior a 100 libras por pulgada cuadrada manométrica (PSIG) (689.5 kPa), cuente con un interruptor de corte eléctrico de alta presión y/o una válvula de alivio de presión.

- a. Esta garantía se aplica únicamente cuando el sistema de agua se usa:
 - (1) con agua a la temperatura ambiente y a presiones que no exceden la presión de trabajo del sistema;
 - (2) en los Estados Unidos, sus territorios o posesiones, y Canadá;
- b. La presente garantía quedará invalidada por cualquier accidente que ocurra al tanque de sistema de agua, o por mal uso o abuso (incluido el congelamiento) del mismo, o si se practican modificaciones a su forma o funcionamiento, o por cualquier intento de reparación de fugas del tanque.

3. GASTOS DE REPARACIÓN Y SERVICIO

La obligación que asume el garante conforme a esta garantía se limita al reemplazo del tanque o las piezas mencionadas en la misma. El propietario es responsable de cualesquiera costos adicionales. Dichos costos pueden incluir, entre otros:

- a. Mano de obra por servicio de desinstalación, reparación o reinstalación del sistema de agua o de cualquier pieza.
- b. Los cargos de embarque y entrega del tanque nuevo o la pieza de repuesto del distribuidor más cercano y la devolución de la pieza o el tanque defectuoso a dicho distribuidor, salvo en el Estado de California, donde deben ser cubiertos por el fabricante.

4. LIMITACIÓN DE LAS GARANTÍAS IMPLÍCITAS

Las garantías implícitas, incluida cualquier garantía mercantil establecida para la venta de este tanque de conformidad con las leyes del Estado, tienen una vigencia de cinco (5) años para el tanque y cualquiera de sus piezas. Algunos estados prohíben poner límites a la vigencia de una garantía implícita de manera que esta limitación podría no aplicarse en su área.

5. PROCEDIMIENTO DE RECLAMACIÓN

Cualquier reclamación relacionada con esta garantía debe iniciarse con el distribuidor que vendió esta unidad o con cualquier otro distribuidor que maneje los productos del garante. En caso de que esto no sea factible, el propietario deberá dirigirse a:

Cientes en Estados Unidos:	Cientes en Canadá:
Teléfono: (800) 323-2636	Teléfono: (888) 479-8324

- a. La obligación del garante bajo esta garantía se limita al reemplazo de piezas o tanques por piezas o tanques idénticos o similares, fabricados o distribuidos por el garante.
- b. Los reemplazos del distribuidor están sujetos a la aprobación de la garantía por el garante.

6. DESCARGO DE RESPONSABILIDADES

EL GARANTE NO RECONOCE NINGUNA OTRA GARANTÍA EXPRESA PRESENTE O FUTURA OFRECIDA EN SU NOMBRE EN RELACIÓN CON EL TANQUE O LA INSTALACIÓN, EL FUNCIONAMIENTO, LA REPARACIÓN O EL REEMPLAZO DEL MISMO. EL GARANTE NO ASUME NINGUNA RESPONSABILIDAD POR DAÑOS CAUSADOS POR EL AGUA, INTERRUPCIÓN DEL USO DE LA UNIDAD, INCONVENIENCIA, PÉRDIDA O DAÑOS DE PROPIEDAD PERSONAL U OTROS DAÑOS O PERJUICIOS. EL GARANTE NO ASUME NINGUNA RESPONSABILIDAD POR DAÑOS PERSONALES O MATERIALES, DIRECTOS O INDIRECTOS, O QUE SE DERIVEN O NO DE UN CONTRATO.

- a. Algunos Estados prohíben la exclusión o limitación de daños incidentales o consecuenciales, de manera que las limitaciones o exclusiones anteriores podrían no aplicarse en su área.
- b. Esta garantía le da derechos legales específicos. Otros Estados le otorgan derechos adicionales que pueden variar de un estado a otro.

Anote los siguientes datos y consérvelos como referencia. El registro no es una condición de la garantía. El modelo y el número de serie aparecen en el tanque de sistema de agua.

No. de modelo _____ No. de serie _____ Fecha de instalación _____
Nombre del distribuidor _____
Dirección del distribuidor _____ No. de tel. _____
Ciudad y Estado _____ Código postal _____
Permiso para productos peligrosos No. SU 5099 (Ren2) - para transporte por carretera o ferrocarril únicamente, fecha de vencimiento: (renovaciones pendientes)

GUARDE ESTA GARANTÍA CERCA DEL TANQUE PARA TENERLA A LA MANO EN CASO NECESARIO.



Pump Tanks

5-Year Limited Warranty*



Metal Air Valve



100 PSI Working Pressure

Multiple Head Construction

- Provides added structural strength and more capacity within the same diameters

Interior Epoxy Coating

- Permanently bonded to the tank shell to provide the ultimate protection on the water side of the tank

Butyl Rubber Parabolic Diaphragm

- Ensures long life
- Prevents rubbing on the tank wall or rolling over on itself

Positive Lock Retention System

- Quality controlled compression in the diaphragm connection eliminates loss of air or water leaks in the tank

Ultra-UV Exterior Powder Coat

- Tough powder coating provides the ultimate exterior protection and is undercoated with zinc phosphate for the highest corrosion resistance



*For complete warranty information consult the written warranty of American Water Heaters found at www.americanwaterheater.com, or call (800) 999-9515.



Pump Tanks

Diaphragm Pump Tanks

American Diaphragm Pump Tanks are designed for great flexibility in installation and years of trouble-free service. They offer numerous advantages over competitive tanks. Smooth, dependable diaphragm design and operation provides precise control of system operation cycles.

Free-standing and in-line vertical tanks are available, as well as horizontal tanks with universal pump mounting bracket.

In-Line Tanks

APTI Series tanks, available in 2-, 5-, and 7-gallon sizes, are designed to be supported by system piping. (See Typical Installations, page 4)



Metal Air Charge Valve is on all models

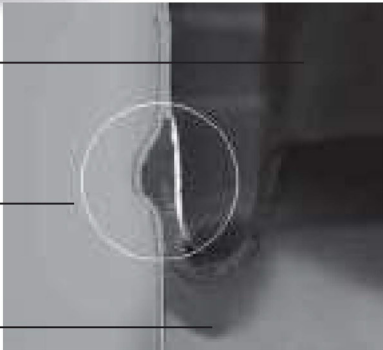
Ultra-UV exterior powder coating provides the ultimate protection and is undercoated with zinc phosphate for the highest corrosion resistance

Durable polymer rotating base resists corrosion and allows easy plumbing alignment

Butyl rubber parabolic Diaphragm ensures long life

Positive Lock Retention System quality controlled compression in the diaphragm connection eliminates the loss of air or water leaks in the tank

Interior Epoxy Coating permanently bonded to the tank shell to provide the ultimate protection on the water side of the tank



Pre-Pressurized Pump Tank Operation Cycles



Start-Up Cycle*
Diaphragm is pressed against the bottom of the chamber.



Fill Cycle*
Water is pumped into the reservoir, which forces the diaphragm upward into the air chamber.



Hold Cycle*
Pump-cutoff pressure is attained. Diaphragm reaches its uppermost position. Reservoir is now filled to its rated capacity.



Delivery Cycle*
Pump remains shut off while air pressure in top chamber forces diaphragm downward, delivering water to system.

* Based on 30-50 PSI operating system.



Pump Tanks

Sizing

The charts below allow you to easily select the right American APT Series tank for standard-size pumps between 2-1/2 and 30 gallons in capacity and for 20-40 PSI, 30-50 PSI and 40-60 PSI pressure ranges. Minimum run times shown (from start-up) are 1 minute, 1-1/2 minutes and 2 minutes. For example, for a system that delivers 12 GPM at 30-50 PSI, with a minimum run time of 1 minute, Chart 1 indicates that the proper tank is the APT-45.



Chart 1 – APT Series Free-Standing Tank Selection Chart

Pump GPM	System Pressure Ranges (PSI)								
	20-40			30-50			40-60		
	Minimum Run Times (Minutes)								
	1	1.5	2	1	1.5	2	1	1.5	2
2.5	APT-14	APT-14	APT-14	APT-14	APT-14	APT-20	APT-14	APT-20	APT-20
5	APT-14	APT-20	APT-45	APT-20	APT-32	APT-32	APT-20	APT-32	APT-45
7	APT-20	APT-32	APT-45	APT-32	APT-45	APT-45	APT-32	APT-45	APT-65
10	APT-32	APT-45	APT-86*	APT-32	APT-65	APT-65	APT-45	APT-65	APT-86*
12	APT-32	APT-65	APT-86*	APT-45	APT-65	APT-86*	APT-45	APT-65	APT-86*
15	APT-45	APT-65	APT-86*	APT-65	APT-86*	APT-119	APT-65	APT-86*	APT-119
20	APT-65	APT-86*	APT-119	APT-86*	APT-119	(2)APT-65	APT-86*	APT-119	(2)APT-86*
25	APT-86*	APT-119	(2)APT-86*	APT-86*	(2)APT-86*	(2)APT-86*	APT-119	(2)APT-86*	(2)APT-119
30	APT-86*	(2)APT-86*	(2)APT-86*	APT-119	(2)APT-86*	(2)APT-119	APT-119	(2)APT-119	(2)APT-119

* 85 or 86

Chart 2 – Drawdown Volume Multiplier (Approximate)

Pump Shutoff Pressure (PSI)	Pump Start-Up Pressure (PSI)							
	10	20	30	40	50	60	70	80
20	.26							
30	.41	.22						
40		.37	.18					
50		.46	.31	.15				
60			.4	.27	.13			
70			.47	.35	.24	.12		
80				.42	.32	.21	.11	
90				.48	.38	.29	.19	.10
100					.44	.35	.26	.17

If proper tank selection cannot be made using Chart 1, follow this procedure. First, find the “drawdown multiplier” by matching the pump start-up and shut-off pressures on Chart 2. For example, the multiplier for a 30-50 PSI pressure range is .31.

Next, insert the pump GPM capacity and desired minimum run time into this formula:

Pump GPM x Min. Run Time

Multiplier

=

Minimum Tank

Volume Required

To assume dependable drawdown volumes, and in keeping with present industry practice, drawdowns

Chart 3 – Drawdown in Gallons

Model No.	Volume in Gallons	20-40	30-50	40-60
APTI-2	2.0	0.7	0.6	–
APTI-5	4.6	1.7	1.4	–
APTI-7	7.3	2.7	2.3	–
APTI-14	14.0	5.2	4.3	3.8
APT-14	14.0	5.2	4.3	3.8
APT-20	20.0	7.4	6.2	5.4
APT-32	32.0	11.5	9.6	8.4
APT-45	45.0	16.7	13.9	12.1
APT-65	65.0	24.1	20.1	17.5
APT-85	85.0	31.5	26.7	22.9
APT-86	86.0	31.8	26.7	23.2
APT-119	119.5	44.2	37.0	32.3

are based on Boyle’s Law. For example, using a 10 GPM pump, a one-minute minimum run time, and a 30-50 PSI pressure range, the formula is as follows:

12 x 1

.31

=

38.7

Minimum Tank
Volume

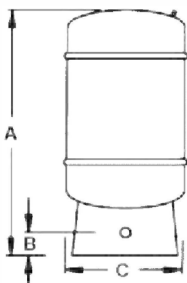
Then, using Chart 3, select the tank that has a minimum volume that meets or exceeds your minimum volume requirement and supplies adequate drawdown at the required pressure range. Minimum drawdown equals Pump GPM X Minimum Run Time. Therefore, in the above example, select the APT-45 45-gallon tank. It provides adequate drawdown at 30-50 PSI.



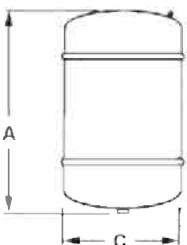
Pump Tanks

MODEL	VOL. U.S. GAL	DRAW DOWN 30-50PSI	CONN SIZE NPT INCHES	A INCHES	B INCHES	C INCHES	SHIPPING WEIGHT LBS
FREE-STANDING PUMP TANKS							
APT-14	13.9	4.3	1 F	24-15/16	2	15-3/8	23
APT-20	19.9	6.1	1 F	32-3/8	2	15-3/8	34
APT-26	25.9	8.0	1 F	39-9/16	2	15-3/8	43
APT-32	31.8	9.9	1 F	47-1/4	2	15-3/8	52
APT-45	45.2	13.9	1-1/4 F	36-9/16	2	22	64
APT-65	65.1	20.0	1-1/4 F	48-5/8	2	22	89
APT-85	84.9	26.2	1-1/4 F	60-11/16	2	22	113
APT-86	83.5	25.9	1-1/4 F	46	2-1/2	26	116
APT-119	115.9	35.9	1-1/4 F	61-5/16	2	26	161
IN-LINE PUMP TANKS							
APTI-2	1.9	.6	3/4 M	10-3/16	—	8-1/4	5
APTI-5	4.8	1.5	3/4 M	14-3/4	—	11	9
APTI-7	7.3	2.3	3/4 M	21-1/16	—	11	14
HORIZONTAL PUMP TANKS							
APTH-7	7.3	2.3	3/4 M	12-7/8	21-1/16	11	16
APTH-14	13.9	4.3	1 M	18-1/4	21-1/16	15-3/8	25
APTH-20	19.9	6.1	1 M	18-1/4	28-1/2	15-3/8	36

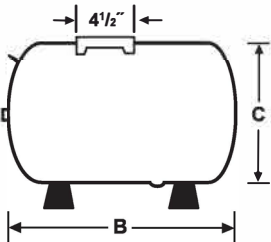
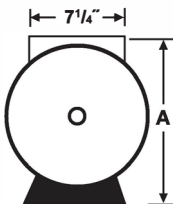
FREE-STANDING



IN-LINE

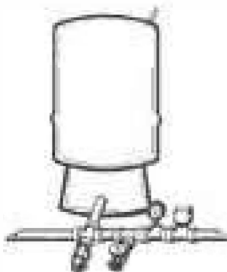


HORIZONTAL

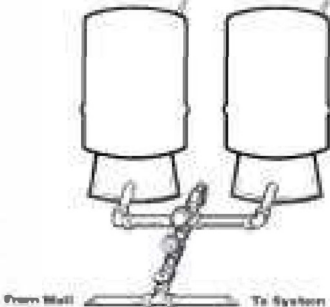


APT Free-Standing Series

The standard front-entry installation. Gauge, relief valve and pressure switch are installed in front of tank.



Single Installation

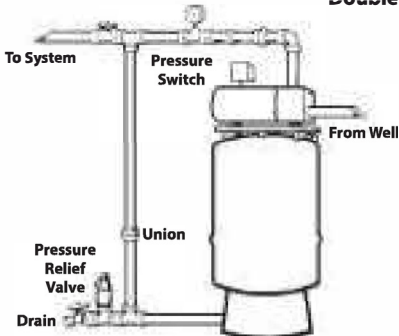


Double Installation

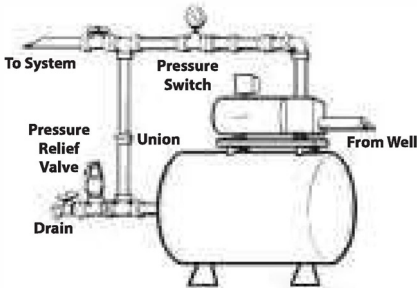
APT Free-Standing Series with Pump Mounted on Tank*

The pump can be mounted on the tank using a universal mounting base. The pump can be attached to the top of either a vertical or horizontal tank. For installation convenience, the horizontal series is available with pump mount and legs factory installed.

*Pump mount bracket available.



Vertical Installation



Horizontal Installation

Distributed By:

Order Entry and Sales

500 Princeton Road (FEDEX, UPS)
Johnson City, TN 37601-2030
P. O. Box 4056 (Mailing)
Johnson City, TN 37602-4056
(800) 937-1037
FAX (800) 581-7224

Warranty and Service

500 Princeton Road (FEDEX, UPS)
Johnson City, TN 37601-2030
P. O. Box 1597 (Mailing)
Johnson City, TN 37601
(800) 999-9515
FAX (800) 999-5210



WET

CYPP

Item	Description	
RS-WT450-LP	450-gallon low profile water tank	
RS-WT-550-LP	550-gallon low profile water tank	



Item	Description	
RS-WT90	90-gallon water tank - cylinder	
RS-WT125	125-gallon water tank –cylinder	
RS-WT200	200-gallon water tank–cylinder	
RS-WT400	400-gallon water tank–cylinder	
RS-WT500	500-gallon water tank –cylinder	
RS-WT600	600-gallonwater tank–cylinder	
RS-WT1000	1000-gallon water tank–cylinder	



LIMITED WARRANTY POLICY

1. INITIAL WARRANTY STATEMENT

- a. Rotosolutions extends this LIMITED WARRANTY to original Purchasers of Rotosolutions product. This LIMITED WARRANTY is extended only to original Purchasers; it may not be passed along to any subsequent purchaser or assignee. THIS LIMITED WARRANTY IS EXCLUSIVELY AND EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES (EXCEPT TITLE), WHETHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE. ROTOSOLUTIONS SHALL UNDER NO CIRCUMSTANCES BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES. This limited Warranty shall be effective for all Rotosolutions product shipped on or before January 1, 2019 and will be extended for a five (5) year period from the purchase of the product by the Original Purchaser.

2. SCOPE OF WARRANTY

- a. Rotosolutions warrants that its product will be free from defects in materials and workmanship and that the product will be manufactured in accordance with applicable material specifications using Rotosolutions' specifications as a standard. Rotosolutions will replace or, at its option, issue credit for Rotosolutions' product found by Rotosolutions to be defective or not in conformity with such material specifications.

3. PURCHASER RESPONSIBILITIES AND CLAIMS PROCESSING

- a. The Purchaser must carefully inspect each Rotosolutions product and laboratory test the product to ensure that it performs satisfactorily for its intended use. Every claim under this Limited Warranty shall be deemed waived unless written notice is made in writing and received by Rotosolutions within 15 days of the defect or nonconformity was or should have been discovered and within six months of the date the product was shipped. Within 2 weeks of the date written notice of the defect or nonconformity is received by Rotosolutions and within 6 months of the product is shipped, Purchaser must return and Rotosolutions must receive the defective or nonconforming product.
- b. Within a reasonable time, frame after Rotosolutions receives the returned product, Rotosolutions shall determine if such defect or nonconformity actually exists and shall notify the Purchaser of its determination. Within a reasonable time thereafter, Rotosolutions shall replace the defective or nonconforming product with no defective product of like quantity, or at its sole option, issue credit for such defective or nonconforming product.
- c. Unless prohibited or restricted by law, this Limited Warranty Policy shall be the sole and exclusive remedy of the Purchaser with respect to Rotosolutions products. Rotosolutions' sole liability on any claim arising out of the sale of the product or Rotosolutions' replacement of defective product, whether in contract, warranty, tort or otherwise shall be limited to the purchase price of the goods that prove defective or nonconforming. In no event shall Rotosolutions be liable, and the Purchaser shall hold Rotosolutions from, any damages, direct or indirect or consequential whether resulting from Rotosolutions' negligence or otherwise, arising out of, in connection with or resulting from the goods sold to the Purchaser and any and all claims, actions, suits and proceedings which may be instituted in respect to the foregoing, including those made by subsequent owners and users of the goods. In no event Rotosolutions be liable for any alleged negligence, breach of warranty, strict liability, incidental or consequential damages or any other theory, other than the Limited Warranty set forth herein.

WET

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Roto-molded polyethylene tanks are designed to provide exceptional strength and stress crack resistance. **ROTOTANKS** are durable, lightweight, easy to install and maintain. Most **ROTOTANKS** have molded in volume markers and convex bottom for improved drainage. The great majority of our ROTOTANKS have built in ribs around the cylindrical body for additional strength. These qualities make them the ideal alternative for your water needs and prolonged outdoor exposure. They are manufactured as a one-piece construction providing structural stability and leak resistance, while insulating the water from the elements found in the external environment.

All of ROTOTANKS are manufactured with a **MEDIUM DENSITY POLYETHYLENE** and **FDA APPROVED**. Also, all **ROTOTANKS** come in four standard colors: **White, Blue, Gray and Black**, with an inlet hole for level valve of **5/8"**, a top ventilation hole **5/8"**, and a bottom outlet fem thread of **1 1/4"**.

	Capacity Gallons	Part #	Type	Top Opening Size (In.)	Height (In.)	Width (In.)	Diameter (In.)	Length (In.)	Weight (Empty)	Weight (Full)	Wall Thick. Approx.
1	125	RS-WT-125	CYLINDRICAL	14"	40	-	35	-	40	1,082	0.180
2	150	RS-WT-150	VERTICAL	14"	65	-	27	-	42	1,125	0.180
3	200	RS-WT-200	CYLINDRICAL	14"	39	-	43	-	42	1,709	0.180
4	250	RS-WT-250	CYLINDRICAL	14"	27	-	62	-	63	2,063	0.180
5	400	RS-WT-400	CYLINDRICAL	14"	46	-	56	-	83	3,416	0.210
6	450	RS-WTH-450	HORIZONTAL	14"	48	45	-	68	110	3,693	0.210
7	500	RS-WT-500	CYLINDRICAL	14"	54	-	60	-	100	4,267	0.250
8	600	RS-WT-600	CYLINDRICAL	14"	52	-	64	-	120	5,117	0.280
9	1000	RS-WT-1000	CYLINDRICAL	14"	66	-	75	-	189	8,522	0.320
10	1000	RS-WTS-1000	STACKABLE	14"	67	-	81	-	300	8,633	0.320
11	450	RS-WTLP-450	LOW PROFILE	14"	24	57	-	120	151	3,886	-
12	550	RS-WTLP-550	LOW PROFILE	14"	25	61	-	123	180	5,096	-
13	800	RS-WT-800	HORIZONTAL	25.6"	65	60	-	74	400	5,120	.450
14	1650	RS-WT-1650	HORIZONTAL	25.6"	78	74	-	90	843	14,592	0.610
15	530	RS-ECO-530	CYLINDRICAL	21"	37	-	70	-	85	4,493	0.230
16	660	RS-ECO-660	CYLINDRICAL	21"	39	-	83	-	120	5,793	0.230
17	800	RS-ECO-800	CYLINDRICAL	21"	53	-	72	-	120	6,583	0.230
18	1200	RS-ECO-1200	CYLINDRICAL	21"	75	-	72	-	160	10,151	0.230



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ABOUT US

In 2017, ROTOSOLUTIONSPR,LLC inaugurated its rotomolding manufacturing plant with the acquisition of two large-size rotomolding machines and specially designed aluminum molds using the latest technology from Italy.

- o Carrousel-closed oven-type machines
- o Computer-controlled three-axis movement

OUR PROMISE

High-quality products, always.	Continuous Innovation.	Environmentally Conscious.
We offer high-quality products that meet or exceed the standards established by our industry. The continuous improvement of our processes and services allow us to effectively satisfy the needs of our customers.	We are growing and constantly evolving. We are at the fore front creating and using technologies that prove our competitiveness in the global market.	We are committed to the conservation of the environment by promoting recycling programs and developing products that protect the natural resources of our planet.

Advantages of our product line: WATERTANKS

Polyethylene Plastic Material	Lightweight	Impact Resistance	Sun Light Resistance	FDA Approved Materials	Easy to Transport
Easy to Install	Threaded Top Cap	Water Level Indicator	Will not Corrode	Fused FPT plastic fittings	

Daelim LH3750M

Metallocene Medium Density Polyethylene



Rotational Molding

Characteristics

- Excellent Impact Strength
- Excellent Stiffness
- Excellent Surface Appearance
- Can decreasing cycle time

Applications

- Water / Chemical tanks
- Foaming tanks
- Parts for Pipe Systems and Underground

Processing Recommendation

- Stock Temp. : 200 ~ 250 °C

Specification data

- Meets FDA Regulation 177.1520

Nominal Physical Properties

Properties	Test Method	Unit	Value
Density	ASTM D1505	g/cm ³	0.9380
Melt Index (190 °C, 2.16 kg)	ASTM D1238	g/10min	5.0
Additives	-	-	AO, UV
Melting Point	ASTM D3418	°C	124
Tensile Strength at Yield	ASTM D638	kg/cm ² (MPa)	210(20.6)
Elongation at Break	ASTM D638	%	>800
Heat Deflection Temperature(0.45MPa)	ASTM D648	°C	70
Flexural Modulus	ASTM D 790	kg/cm ²	8500
Hardness	ASTM D785	Shore D	65
Dart Impact Strength(5mm, -40 °C)	ISO 6603-2 (Impact Energy 10J)	-	Not Broken
ESCR (100% Igepal, F50)	ASTM D1693	hr	>1,000

Remark> 1. Additive : AO (Anti-Oxidant), UV (UV Stabilizer)

2. Physical properties reported herein were determined on compression molded specimens prepared in accordance with procedure C of ASTM D1928



TEL : 82-2-3708-3341, FAX: 82-2-753-4958

Distributed By Daelim Corporation

TEL : 82-2-3708-3312, FAX: 82-2-771-0926

WAYNE®

MODEL: SWS50, 1/2 HP, MODEL: SWS75, 3/4 HP, MODEL: SWS100, 1 HP

WELL PUMP

WET

CYPP
CYPP

WAYNE Shallow Well Jet Pump

CONSTRUCTION

- Corrosion Resistant All Cast Iron Motor Housing
- 3/4 in. NPT Discharge
- Reliable Thermoplastic Impeller for Maximum Water Flow
- Dual Voltage 120 V / 240 V and a 30/50 Pressure Switch included

BENEFITS

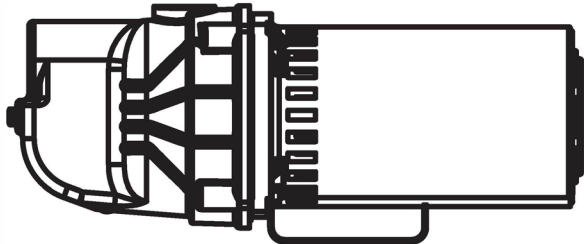
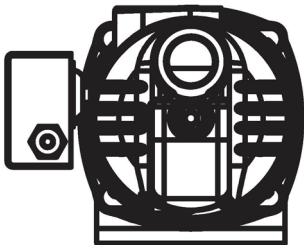
- This pump is assembled in the USA to deliver dependable performance that lasts for years.
- Fresh, clean, water is important to you and our pumps are designed to dependably deliver it to your home or business.
- Self priming and designed to reliably pump water from 25 ft. deep wells, or shallower.

✓ SWS50: Pump Part #56907

• SWS75: Pump Part #56914

• SWS100: Pump Part #56921





WAYNE SHALLOW WELL JET PUMP

MODEL: SWS50, 1/2 HP, MODEL: SWS75, 3/4 HP, MODEL: SWS100, 1 HP

PUMP SNAPSHOT

- **HP** ✓ SWS50, 1/2 HP | SWS75, 3/4 HP | SWS100, 1 HP
- **Construction** - Cast Iron
- **Switch Type** - N/A
- **Motor** - 120/240V Split Phase Oil-Filled
- **Impeller** - Centrifugal
- **Intake** - 1 1/4 in. NPT
- **Discharge** - 3/4 in.
- **Submersible** - N/A
- **SWS50 UPC** - 040066106117
- **SWS75 UPC** - 040066106131
- **SWS100 UPC** - 040066106155

PUMP SPECIFICATIONS

- **Length** - 24 In.
- **Width** - 12 1/2 In.
- **Height** - 8 In.
- **Weight** - 43.6 Lbs.
- **Power Cord** - Wire in Field

PERFORMANCE

- **SWS50** - 1/2 HP - Max Flow 711 GPH: 674 GPH @ 5ft.
- **SWS75** - 3/4 HP - Max Flow 779 GPH: 750 GPH @ 5ft.
- **SWS100** - 1 HP - Max Flow 1084 GPH: 1022 GPH @ 5ft.

PERFORMANCE: SWS100, SWS75, SWS50

MODEL	PSI	MAX FLOW	5'	10'	15'	20'	25'
SWS100	30	1084	1022	960	899	837	775
	40	799	737	675	613	551	490
	50	513	451	389	328	266	204
SWS75	30	779	750	721	691	662	633
	40	644	615	586	557	528	499
	50	510	481	451	422	393	364
✓ SWS50	30	711	674	638	601	565	529
	40	543	506	470	433	397	361
	50	375	338	302	265	229	193

FLOW RATE: GALLONS PER HOUR

✓ SWS50 - 1/2 HP	GPH @ 5'	GPH @ 10'	GPH @ 15'	GPH @ 20'
Gal/Hr @0 Max Flow 711	674 @ 30 PSI	638 @ 30 PSI	601 @ 30 PSI	565 @ 30 PSI
SWS75 - 3/4 HP	GPH @ 5'	GPH @ 10'	GPH @ 15'	GPH @ 20'
Gal/Hr @0 Max Flow 779	750 @ 30psi	721 @ 30 PSI	691 @ 30 PSI	662 @ 30 PSI
SWS100 - 1 HP	GPH @ 5'	GPH @ 10'	GPH @ 15'	GPH @ 20'
Gal/Hr @0 Max Flow 1084	1022 @ 30 PSI	960 @ 30 PSI	899 @ 30 PSI	837 @ 30 PSI



3 YEAR LIMITED WARRANTY

- Assembled in USA with Foreign and Domestic Parts
- 30/50 Pressure Switch Included



SCOPE OF WORK

Small Purchase

Acquisition of Battery Storage Systems and Water Storage Systems

Community Development Block Grant – Disaster Recovery

Community Development Block Grant – Mitigation

Puerto Rico Department of Housing

1. Introduction

The Puerto Rico Department of Housing (**PRDOH**) is issuing this Small Purchase (**SP**) for the **Acquisition of Battery Storage Systems and Water Storage Systems** for the Community Energy and Water Resilience Installation Program (**CEWRI**) for the Community Development Block Grant – Disaster Recovery (**CDBG-DR**) Program, as well as for the Grant Agreement of mitigation funds under the Community Development Block Grant – Mitigation (**CDBG-MIT**) Programs, under the current and subsequent Action Plans. Suppliers must understand the CDBG-DR and CDBG-MIT program initiatives, goals, and regulations.

This document defines the work and requirements the Selected Supplier(s) must perform to support PRDOH with the Acquisition of Battery Storage Systems and Water Storage Systems for the CEWRI Program.

1.1 CEWRI Program

The CEWRI Program provides homeowners energy and water efficiency improvements to promote resilience during emergencies with the installation of Photovoltaic System (PV Systems) with battery back-up for critical loads and Water Storage System (**WSS**). The CEWRI program also assists homeowners that have been recipients of Repair, Reconstruction, or Relocation under the Repair, Reconstruction, or Relocation Program (**R3 Program**).

A more detailed description of the CDBG-DR and CDBG-MIT programs are included in the Action Plans approved by HUD, available on the CDBG-DR and CDBG-MIT Program Website (<https://recuperacion.pr.gov/en/action-plans/action-plan-cdbg-dr/>) and its approved Guidelines available on the Program Website (<https://recuperacion.pr.gov/en/download/community-energy-and-water-resilience-installations-program/>).

The PRDOH anticipates awarding the Contract for an initial term of **two (2) years**. The PRDOH may, at its sole discretion, extend the contract term for **one (1)** year extensions upon mutual written agreement of the parties. If additional CDBG-DR and CDBG-MIT funds are allocated to Puerto Rico during the Contract's life, the Selected Supplier(s) for the Acquisition of Battery Storage Systems and Water Storage Systems may be assigned to work on those future federal grants awarded. There is no guarantee of a minimum level of services that the PRDOH may request under the Contract.

The Selected Supplier(s) will be an integral part of the Program and will be required to work in harmony with other stakeholders such as PRDOH, Grant Management, Program Managers (PM), as well as other staff and contractors retained by the PRDOH for the implementation of the Program. The Selected Supplier(s) will be directly responsible for ensuring the accuracy, timeliness, quality, and completion of all tasks assigned under the Contract and providing applicants with the highest customer service standards.

2. PRDOH's Reservation of Rights

The PRDOH reserves the right, without limitations, to:

- (i) Reject any or all proposals, waive any informality in the SP process, or terminate the SP process at any time, if deemed to be in its best interests.
- (ii) Reject and not consider any proposal that does not meet the requirements of this SP, including but not necessarily limited to, incomplete proposals and/or proposals offering alternate or non-requested goods.
- (iii) Cancel this solicitation and reissue the SP or another version of it, if it deems that doing so is in the Public Interest.
- (iv) PRDOH shall have no obligation to compensate any Supplier for any costs incurred in responding to this SP.
- (v) To reduce or increase estimated or actual quantities in whatever amount necessary without prejudice or liability to, if:
 - a. Funding is not available.
 - b. Legal restrictions are placed upon the expenditure of monies for this category.
 - c. PRDOH's requirements in good faith change after the award of the Contract.
- (vi) To require additional information from all suppliers to determine the level of responsibility.
- (vii) To contact any individuals, entities, and/or organizations that have had a business relationship with the Supplier, regardless of their inclusion in the reference section of the proposal's submittal.
- (viii) In the event any resulting contract is prematurely terminated due to nonperformance and/or withdrawal by the Contractor, PRDOH reserves the right to:
 - a. seek monetary restitution (to include but not limited to withholding of monies owed or the execution of the payment and performance bond) from the Contractor to cover costs for interim services and/or cover the difference of a higher cost (difference between terminated Contractor's rate and new company's rate) beginning the date of Contractor's termination through the contract expiration date.
- (ix) To amend the Contract (s) of the Selected Supplier(s) to, among others, extend its original duration, as further explained in the SP, or to extend the scale of its scope to include work under subsequent CDBG-DR and CDBG-MIT action plans as related to the services requested herein, or to reduce the scale of its scope to decrease work as a consequence of underperformance or inexcusable delays related to the services requested herein.

- (x) To contract with one or more qualified Suppliers as a result of the selection of the SP or the cancellation of this SP.
- (xi) To negotiate any price from the awarded Supplier(s) in response to a specific order under this solicitation.
- (xii) To modify the quantity of the listed items and/or services during the contract term without exceeding the small purchase threshold in compliance with policies and procedures.
- (xiii) To withdraw from the contracting process with the selected Supplier(s), if the selected Supplier does not provide the required contract documents, including insurance requirements, within **ten (10) business days** of contract Award Notice.
- (xiv) The PRDOH can extend the time of the Contract if deemed necessary.

3. Staff Requirements

The Selected Supplier(s) shall have or will secure, at its own expense, all personnel required to perform the services under the Contract. PRDOH expects the Selected Supplier(s) to provide competent and fully qualified staff authorized or permitted under federal, state, and local law to perform the Scope of Work under the Contract. The PRDOH reserves the right to request the removal of any staff not performing to standard.

The Selected Supplier(s) must always ensure the professional, architectural, engineering, and management work services are performed by licensed professionals with the proper qualifications, skills, and experience, necessary to perform such services, according to applicable federal and local rules (state and municipal) and regulations.

4. Requirements

4.1 General Requirements

- All written means of communication (electronic or otherwise), emails, requests for information, questions, responses, design descriptions, text in drawings, reports, and others must be in English.
- The Selected Supplier(s) will conduct pre-installation assessments, technical evaluations, coordination, progress, and production meetings in coordination with Program(s) representatives. The frequency of these meetings will depend on the phase and volume of assigned Task Orders or upon Program operational needs. These meetings may be carried out in Spanish or English, depending on the participants.
- The price of equipment and installation shall include all expenses, including but not limited to site assessments, technical evaluation, load analysis, design drawings, technical specifications, permitting (if required), delivery, installation, commissioning, overhead, profit, fringe benefits, incidentals, and any other administrative fees.
- Obtaining all necessary federal, state, or municipal permits, certificates, or endorsements to close the rehabilitation work.

- Must be a Certified Renovation Firm, according to the EPA's Lead Renovation, Repair, Painting (RRP) Rule.
- Selective costs of labor, materials, supplies, tools, equipment, and any other expenses ancillary or required to complete the work shall be included Acquisition of Battery Storage Systems and Water Storage Systems cost proposal under the Price Form.
- Cost of labor, materials, supplies, tools, equipment, and any other expenses ancillary or required for the repairs of the property shall be included in the Acquisition of Battery Storage Systems and Water Storage Systems cost proposal under the Price Form.
- The PRDOH, or Program, will not incur any incidental damages to property or additional cost and will not be responsible for reimbursement or expense related to per-diem, tolls, parts, or labor for equipment under warranty service.

4.2 Systems Requirements:

- All technical support or any warranty servicing from the manufacturers must be generated and managed by the Selected Supplier once contracted by the PRDOH.
- The Selected Supplier(s) must not provide equipment close to the end of life or may become unsupported by the manufacturer during the required warranty period. If any equipment becomes unsupported by the manufacturer, the Supplier will be obligated to replace the equipment with an equivalent that meets the applicable warranty period, with similar or better specifications than the original, without incurring any additional financial obligation from PRDOH.
- All prices submitted by the Selected Supplier(s) must include all expenses, including incidentals, taxes, delivery fees, construction fees, installation fees, profits, overhead, and other applicable administrative fees. The PRDOH will not cover any additional costs. Only the unit price submitted for the equipment and installation services will be considered.
- The PRDOH will not be responsible for reimbursement or expense related to per-diem, tolls, parts, or labor for equipment under warranty service.

4.3 Code Compliance:

- Design, construction, installation, and equipment shall comply with applicable building, mechanical, fire, seismic, structural, and electrical codes included in the Joint Regulation for the Evaluation and Grant of Permits Related to Developments, Land Use, and Business Operations (**Joint Regulation**), as amended. Suppliers must abide by the "Joint Regulation," as amended, "Regulation No. 7796", "Regulation No. 8080," the Puerto Rico Civil Code in "Article 250" and "Article 252," and any other State regulation that regulates the installations within this Program or the equivalent regulation in place at the time of installation.

- The Selected Supplier(s) must install solar system equipment in compliance with Puerto Rico Residential Code 2018 (**PRRC**), National Electric Code (**NEC**), Puerto Rico Electrical Power Authority (**PREPA**), and Permit Management Office (**OGPe**, for its Spanish acronym) Regulations or the equivalent code in place at the time of installation.

4.4 General Responsibilities:

The Selected Supplier(s) is responsible for delivering quality services in compliance with the project requirements. Also, it is the responsibility of the Selected Supplier(s) to:

- Hold the correct permits and licenses necessary to conduct business in Puerto Rico and the city where the project is taking place, and the Bidder must have qualified and licensed personnel as required by the Puerto Rico government to perform PV Systems and/or WSS installations. Evidence must be included with the Request for Quotation package submitted to PRDOH.
- The Designer for the BSS Systems must be a licensed engineer in compliance with Puerto Rico's Act Number 173 of August 12, 1988, with the Renewable Solar Energy Installer (Photovoltaic) Certificate from the Public Energy Policy Program (PEPP) under the Department of Economic Development and Commerce (DDEC, for its Spanish acronym). Must have at least five (5) years of experience performing PV system design. Such a designer will also be in charge of the Pre-Installation Assessment. Evidence must be included with the Request for Quotation package submitted to PRDOH.
- BSS Systems installers must be professional with the Renewable Solar Energy Installer (Photovoltaic) Certificate from the Public Energy Policy Program (PEPP) under the Department of Economic Development and Commerce (DDEC, for its Spanish acronym). Evidence must be included with the Request for Quotation package submitted to PRDOH.
- The Designer for the WSS must be a licensed engineer in compliance with Puerto Rico's Act Number 173 of August 12, 1988. Must have at least two (2) years of experience performing WSS design. Such a designer will also be in charge of the Pre-Installation Assessment. Evidence must be included with the Request for Quotation package submitted to PRDOH.
- Uphold a professional demeanor while on a job site.
- Coordinate with PRDOH-selected Program Managers (**PMs**) the tasks related to this Scope of Work.
- Coordinate with the selected PM to Conduct a Pre-Installation Assessment. This action will provide the Designer with the necessary data to perform the design and/or to determine what remediation will be needed for the installation.
- Perform a Pre-Installation Assessment site visit.

- Perform work after the corresponding reviews, approvals, and or notices to proceed are issued by the selected PRDOH Program Manager.
- Perform work as specified in accordance with all project requirements and all applicable laws and codes.
- Dispose of all materials in a safe manner in accordance with all local and federal regulations.
- Perform commissioning tests and correct any findings. Corrections will be paid by the Supplier, and PRDOH will not reimburse them.
- Participate in closeout inspections and address findings.
- Work with PMs to ensure the project is completed within the project timeline and budget while minimizing disturbance.

5. Project Types Description

Given the locations of these households and the diversity of construction types, including the diverse topographic conditions of each, Installation types and design recommendations were defined and classified based on different house and site condition types.

The Program has identified the households' existing conditions and needs and the construction types, including the diverse topographic conditions of each. As a result, the Program design recommendations were defined and classified based on different house and site condition types.

- **Battery Backup System (BSS):**
 - The required battery chemistry is Lithium-Ion.
 - A battery bank voltage with a minimum of 48V and a required battery bank output of a minimum of 9 kWh or 12.8 kWh with an autonomy of twenty (20) hours; the loads also include one (1) life support device.
 - Will include one of the following BSS capacities:
 - 9 kWh/day Battery Storage
 - 12 kWh/day Battery Storage
- **Water Storage System (WSS):**
 - WSS installations are expected to occur mostly on rooftops if the structure allows it.
 - WSS capacities:
 - 300 gallons
 - 400 gallons
 - 500 gallons
 - Pump: ½ horsepower with a pressurized tank with pump cover.
 - A diaphragm-type pressurized tank.
 - Piping: Only copper piping is authorized.

- Sediment filter: Should be able to filtrate 10-micron particles.
- Sensor level
- Install a Buoy
- Check valve for backflow prevention.
- The water storage tank must be watertight and intended for potable water use.

5.1. Permits

The Selected Supplier(s) must obtain all required permits and licenses for the project. Also, the Selected Supplier(s) must be responsible for any certification and/or notification to the applicable state agencies regarding the services to be provided to each project, including interconnection certifications and fees in accordance with Act 17 of April 11 of 2019 ("Ley de Política Pública Energética de Puerto Rico"). All fees associated with the permits, notifications, and licenses are the responsibility of the Selected Supplier(s).

Any additional documentation required, or corrections of deficiencies identified by Puerto Rico Utility Electric Provider (PREPA), the Transmission and Distribution (T&D) Operator (LUMA), or any other permitting agencies after the certification and notification required by the Program must be addressed and brought to a conclusion by the Selected Supplier(s) at no additional cost to PRDOH.

6. Battery Backup System (BSS):

- All BSS equipment must be duly certified in accordance with Section IV of Regulation No. 7796. Equipment that requires certification prior to installation includes photovoltaic modules, inverters, charge controllers, batteries, and other equipment for a renewable energy generation system in Puerto Rico.
- Batteries used for BSS shall have lithium-ion chemistry, but PRDOH may approve additional battery technologies.
- The Selected Supplier(s) must provide a new electrical panel (critical load panel) to be interconnected with the BSS.
- BSS must be capable of running critical electrical loads, some household appliances and equipment (refrigerators, lighting, water pump, etc.), life support or medical devices, and permit shelter-in-place occupants' ability during electrical grid outages. Design should be standard, with minimal deviation to allow for consistency in cost across various single-family homes. In the event of a power outage, the protected appliances, tank's water pump, medical devices, and any load connected to the PV and battery back-up system will continue to work with no disruptions.
- Backup Storage System
 - The required battery chemistry is Lithium-Ion.
 - The minimum required battery bank voltage is minimum of 48 V.
BSS must be able to be configured in AC Coupling with the existing grid tie inverter (s) present on the PV System.

- Most repairs houses under the CEWRI Program presents unforeseen conditions that are detected during the Pre-Installation Assessment. CEWRI Program has identified the following subtasks to address those existing electrical unforeseen conditions that affects the PV system installation.

- **New Exposed Branch Circuits Installation**

- The new exposed branch circuits (AFCI breakers) will be installed for the following uses/areas:
 - One (1) new exposed receptacle for the refrigerator.
 - One (1) new exposed receptacle to be installed at a selected area by the applicant, in such case where there is a medical device this new circuit will be intended for that use.
- For Repair homes selected new branch circuits (AFCI Breakers) will be installed on the new electrical panel (critical load panel). Existing lighting branch circuits will continue to be segregated as intended by the Program.
- Related material for complete installation should include but is not limited to:
 - Conduit PVC schedule 40 ½" for exposed (exterior) and surface metal raceway or EMT for interior work, #12-gauge copper wire.

- **Meter Base Grounding System**

- Where a repair home's existing meter base grounding system is missing and miscellaneous components (e.g. terminals), install the missing grounding system as required by the NEC.
- Related material for complete installation should include but is not limited to:
 - Grounding rod, copper wire, rigid metal conduit ½". Miscellaneous components (e.g., terminals) must be considered.

- **Panelboard Grounding System**

- Where a repair home ground conductor between existing MDP to existing Meter Base is missing or not working properly, install the missing ground conductor (up to 100 LF) as required by the NEC.
- Related material for complete installation should include but is not limited to:
 - Conduit PVC schedule 40 (exterior), copper wire. For conduit passing through soil, trench must be considered; passes through concrete surfaces must ensure conduit' protection.

Passes through ceilings, walls, or other areas of the residence shall be adequately restored, sealed, and returned to their original condition.

The required subtasks, if any, will be identified as part of the Pre-Installation Assessment. PRDOH and/or their designated vendor will review the Pre-Installation Assessment for approval or denial of subtasks to be invoiced from the **allowance funds**.

6.1. Pre-Installation Assessment

The Selected Supplier(s) must be responsible for the Pre-Installation Assessment of each project site where the installation will be performed. A certified installer, a licensed professional engineer, and/or a licensed architect in Puerto Rico with the expertise of five **(5)** years or more in the Photovoltaic system industry and at least two **(2)** years of experience performing WSS design shall conduct the assessment.

6.2. Design

The Selected Supplier(s) must design a battery storage system for an existing photovoltaic system and water storage for single-family homes based on the pre-installation assessment conducted. The design would vary based on defined project types and specific case needs.

6.3. Installation Service

- The Selected Supplier(s) must be responsible for acquiring all permits and endorsements for system installation, system operation, and system interconnection in accordance with Act 17 -2019 ("Ley de Política Pública Energética de Puerto Rico").
- For the Installation of the BSS, the Selected Supplier(s) must design, supply, install, and commission the BSS. Installation costs shall be standardized to accommodate installation across various types of single-family homes within the same project type. Inverters and batteries shall be installed in a shaded location and shall not be exposed to direct sunlight.
- BSS installation in the living area of dwelling units or in sleeping units will not be permitted by the Program.
- An existing backup generator connected with an external Automatic Transfer Switch (ATS) or a Manual Transfer Switch (MTS) shall be integrated with the new BSS.
- Install materials following the manufacturer's requirements.
- Provide all labor, materials, tools, equipment, and services required to complete the project as specified.
- Responsible for the cost of all items required for a complete operating system.
- The Selected Supplier(s) must be obligated to maintain a torque log of the installations, following designers' specifications.
- No material should be installed if:
 - o Materials are not compatible with existing conditions.
 - o Installation of materials violates equipment warranty.
 - o Installation is not to code or industry standard.
 - o Such are not in compliance with the conditions established by the program, federal or state regulations, or this SP.
 - o Existing equipment of the PV System needs to be replaced.

6.4. Pre-Inspection Package

- Perform Commissioning and Inspection following the current industry standards. The Commissioning should verify that the project is performing as per project design.
- A qualified professional shall perform the Commissioning of the equipment required. This data shall be used to confirm the proper performance of the system(s). Performance tests shall be conducted at the final commissioning/acceptance testing.
- After completion of the Commissioning, the Selected Supplier(s) will be responsible for submitting a Pre-Inspection Package with the following reports to be submitted to the PM before Inspection:
 - o Commissioning Report
 - o Design Drawings
 - o Design Specifications
 - o Submittals Certifications
 - o Credentials of the Design Team
 - o Warranties

6.5. Inspection

For additional information, refer to Section 8, Other Tasks, applicable for PV System and Water Storage System services.

7. Water Storage System (WSS):

7.1. Pre-Installation Assessment

The Selected Supplier(s) shall be responsible for the Pre-Installation Assessment for the project's site where a service will be performed. The structural evaluation will be performed by a licensed professional with structural engineering degree or studies. Such task includes but is not limited to the following activities:

- Evaluate the property's roof capacity to support the WSS system by completing a roof capacity checklist for home installations. The Selected Supplier(s) will generate a scope of work based on the findings from the roof capacity checklist. A complete evaluation should provide information on roof load capacity and all required analyses to allow the system to function correctly at the installation site. The Scope of Work generated shall detail the installation plan on the roof of the dwelling unit to support its installation and full functionality.
- Assess if the proposed equipment can be located on the rooftop without interfering with the other equipment mounted and/or to be mounted on it.
- Assess the home's interior and exterior elements and determine their conditions to facilitate the WSS components installation. This assessment should be included within the PVS and BSS assessment whenever possible. Home interior and exterior elements may include (but are not limited to):
 - Structural, electrical, plumbing, Heating, Ventilation, and Air Conditioning (HVAC) systems are installed on the roof.

- Main panelboard
- Any electrical conduit that might interfere with the WSS components installation.
- After examining the home's roof elements and determining their condition, home site elements shall be examined, which include (but are not limited to):
 - Site restrictions
 - Site accessibility
 - Yards and courts
- Verify the roof's load capacity to support the equipment load of home's exterior elements and determine their conditions. Home external elements may include (but are not limited to):
 - Roof weatherproofing and covering, including asphalt shingles, wood shingles or shakes, metal roofing, cement shingles, built-up roofing, single-ply membranes, and roll roofing, among others.
 - Skylights
 - Gutters and downspouts
 - Parapets and gables
 - Lightning protection
 - Electrical service entry including overhead wires, electric meter, service entry conductor.

7.2. Design Service:

The Selected Supplier(s) must design the Water Storage System for single-family homes following the requirements stated in Section 7.6 of this Scope of Work (Technical Specifications for the Water Storage System).

7.3. Water Storage System Installation Services

- The Selected Supplier(s) must be responsible for acquiring all equipment and its installation.
- The Selected Supplier(s) must be responsible for all permits and endorsements for system installation (as required).
- Installation of Water Storage System- The selected Supplier(s) must install the Water Storage System. Installation costs must be standardized to accommodate installation across various types of single-family homes.
- Install materials following the manufacturer's requirements. The Selected Supplier(s) must coordinate with BSS installers to ensure the water pump is connected to a PV stand-alone electrical system circuit (as required).
- The water pump shall not shade or otherwise obstruct the photovoltaic modules.

- Provide all labor, materials, tools, equipment, and services required to complete the project as specified, including electrical work associated with the WSS operation.
- Responsible for the cost of all items required for a complete operating system.
- No materials shall be installed if:
 - Materials are not compatible with existing conditions.
 - Installation of materials violates equipment warranty.
 - Installation is not to code or industry standard.
 - Materials are not in compliance with the conditions established by the program, federal or state regulation, or this SP.

7.4. Pre-Inspection Package

- Perform Commissioning and Inspection following the current industry standards. The Commissioning should verify that the project is performing as per project design.
- The Designer shall perform the Commissioning of the entire Water Storage System. This data shall be used to confirm the proper performance of the system(s). Performance tests shall be conducted at the final commissioning/acceptance testing.
- After completion of the Commissioning, the Selected Supplier(s) will be responsible for submitting a Pre-Inspection Package with the following reports to the PM before Inspection:
 - Commissioning Report
 - Design Drawings
 - Design Specifications
 - Submittal Certifications
 - Credentials of the Design Team
 - As-Built Drawings, as applicable
 - Warranties

7.5. Inspection:

For additional information, refer to Section 8, Other Tasks applicable for the BSS and Water Storage System services.

7.6. Technical Specifications for Water Storage System:

The Selected Supplier(s) must obtain all necessary equipment, materials, design, and testing services to install the WSS. The system must:

- Provide domestic water to the home from the water storage tank using an electric water pump, controls, and a diaphragm-type pressurized tank to provide a backup water supply to the domestic water line. The pressurized tank should be sized to meet the home's water needs by providing adequate pressure without damaging water fixtures. The WSS shall supply each household with potable water supply during a water service interruption scenario.

- If the roof structure allows, the water storage tank shall store a maximum capacity of 500 Gallons per household, complete with all its necessary accessories and instrumentation for full functionality of water storage and distribution within the home during a water service interruption scenario. The Designer should define the capacity of the tank according to the household needs. The water storage tank shall be connected to the main water line that serves the property or home with a water level control valve and backflow preventer designed to prevent backflow from the water storage tank to the main water line. The water storage tank shall have instrumentation to monitor and control pressure and water levels.
- The water storage tank shall be located on the rooftop of the home. If the house's structural integrity does not support the load of any applicable water tank size options, then the feasibility of ground existing pad or prefabricated pad installation should be evaluated.
- If the house loses power, the electric pump should be able to work off-grid from the main electrical utility supported by the PV and battery system granted to the applicant from the CEWRI program, when applicable.
- The water storage tank shall be constructed of ultraviolet (**UV**) and corrosion-resistant material, approved for potable water, and have the Food and Drug Administration (**FDA**) and the National Safety Foundation (**NSF**) approval.
- Other related material for complete installation should include but is not limited to:
 - Pump: ½ horsepower with a pressurized tank with pump cover. It must be mechanically attached.
 - Piping: Only copper piping is authorized. Using chlorinated polyvinyl chloride (**CPVC**) or Cross-linked Polyethylene (**PEX**) will be approved under extraordinary circumstances and requires PRDOH's prior approval on a case-by-case basis.
 - Sediment filter: Should be able to filtrate 10-micron particles.
 - Sensor level
 - Install a Buoy
 - Backflow prevention system to prevent cross-connection between household water system and water main.
 - The water storage tank must be watertight and intended for potable water use.
- All water storage tanks must be specifically manufactured for potable water use in accordance with FDA food-grade specifications, NSF standards, or other nationally recognized standards for potable water. Documentation from the manufacturer stating that tanks are approved for potable water must be available for inspection. Water Storage tanks must be installed according to the manufacturer's specific instructions.

- All water storage tanks must be vented to allow the free flow of air into and out of the tank as the water level inside the cistern changes. The vent opening must be turned down and screened with a 24-mesh screen cloth to prevent the entry of insects, birds, and other animals.
- Connect to the water utility main to provide a continuous water flow through the water storage tank.
- Before filling and using, the water storage tank and pressure tank must first be cleaned and disinfected.
- Disinfection of the water storage tank and pressure tank after installation is mandatory, and the Selected Supplier(s) must follow the manufacturer's recommendation for potable water systems.

8. Other tasks applicable for services of the Battery Storage Systems and the Water Storage Systems:

8.1. Pre-installation Assessment Visit, Report, and Cases Scope of Work

- Perform a Pre-Installation Assessment visit to each dwelling unit and develop the Pre-Installation Assessment report for each case project. Submit the report to the PMs for approval.
- Develop case Scope of Work for each project. Submit the Scope of Work to the PMs for approval.

8.2. Award Visit:

The Selected Supplier(s) will perform the following tasks during the award visit, including but not limited to:

- To complete the Project Grant Agreement, perform award visits with the PMs to each Applicant's property.
- Perform orientation to Applicants of the offered measures, which may be installed in the unit.
- Ensure that the Applicant is informed on the process and the works to be performed, including images of the equipment to be installed, location, piping route and installation methods, light unit framing units (if applicable), and the conditions of the award prior to any work being performed.
- Assist the PMs during the applicant award process. The Selected Supplier(s) will be responsible for clarifying to the owner any design-related clarification that might be needed.

8.3. Inspection

The Selected Supplier(s) will visit the project site along with the PRDOH Program Manager and inspect works for overall quality standards. Upon completion of the installation, the PM's Inspector will inspect the physical installation, and all paperwork submitted in the Pre-Inspection Package by the Selected Supplier(s).

Once on-site, the PM's Inspector shall ensure that all contractually agreed upon work was completed and confirm:

- That the equipment installation is in accordance with the design and installation drawings and specifications.
- The model of the equipment installed is in accordance with the designer's specifications.
- Quality workmanship of installation has been performed.
- A brief review of findings compared to the site's initial description, scope of work, any change order(s), and final invoice.
- All warranties are included and active.

During the post-install site inspection, the Inspector will record any corrections to the installation that need to be made by the Selected Supplier(s). If, during the post-installation Inspection, the Program finds discrepancies between the work performed and the Scope of Work, installation standards, and/or equipment specifications, the Selected Supplier(s) will be responsible, at the Selected Supplier's expense, for bringing the installation into conformance before the Selected Supplier(s) is paid in full. Installation corrections, as noted during final acceptance or the post-installation inspection, shall be performed within ten (10) calendar days. If the Selected Supplier(s) cannot undertake corrective actions within ten (10) calendar days, the Selected Supplier(s) must deliver reasons for the delay to the PM in writing. The PM shall determine the validity and allow for a delay no longer than twenty (20) calendar days after validity is determined. Any discrepancies or disagreements between the PM and the Selected Supplier(s) shall be escalated to the adjudicating official within PRDOH.

8.4. Orientation and Training to Applicants

- The Selected Supplier shall perform orientation and training for the Applicants regarding the operation and maintenance of the installed systems and equipment.
- The Selected Supplier(s) must deliver all applicable Operation and Maintenance Manuals of the installed systems to each Applicant receiving a system and any other required documents.

8.5. Health and Safety:

The Selected Supplier(s) shall observe and comply with all applicable laws, ordinances, codes, and regulations of governmental agencies, including federal, state, municipal, and local governing bodies having jurisdiction over any or all of the Scope of Work, including all provisions of the Occupational Safety and Health Act of 1979, as amended, and all other applicable federal, state, municipal and local safety regulations. All services performed by the Selected Supplier(s) must be in accordance with these laws, ordinances, codes, and regulations. The Selected Supplier(s) shall release, defend, indemnify, and hold harmless the PRDOH, its officers, agents, volunteers, and employees from all damages, liability, fines, penalties, and consequences from any non-compliance or violation of any laws,

ordinances, codes, or regulations. Additionally, the following requirements must be met:

- Provide a statement of how the Selected Supplier(s) will be prepared to work within the project timeline and on time, ensure conformance with quality control standards, and respond to quality control issues during and after completing the project.

8.6. Reporting

The Selected Supplier(s) will be responsible for the creation and submission of the following reports to the CEWRI Program Manager:

- All equipment requested by PRDOH and the equipment provided by the Supplier.

9. Warranty: The Selected Supplier(s) must warrant all its products for the following period:

- **Ten (10) years** guarantee on Battery Bank and inverter.
- **Five (5) years** for the WSS.

Warranties shall include:

- The Selected Supplier is not allowed to provide equipment that is close to the end of its life, or that will no longer be supported by the manufacturer's warranty. If any equipment, parts, or products become defective, the supplier must repair, replace, or provide other compensation for the faulty equipment within thirty (30) business days at no additional cost to PRDOH.
- Parts, labor, faulty material, manufacturing defects, defective items, emergency works of the systems, and installation costs related to the failure of equipment under warranty (when due to equipment failure during the warranty period during the five **(5)** years of operation for the WSS).
- Repair or replacement of all system components for the WSS, including but not limited to faulty material manufacturing defects, during the warranty period.
- All unscheduled or emergency warranty works must be completed within seven **(7)** days of notification to the Selected Supplier(s) from PRDOH or the PM at no additional cost to PRDOH or the homeowner during the warranty period. If the 7-day period is not enough due to equipment shortage, the Selected Supplier(s) must provide a written explanation and a copy of the equipment's delivery documents.
- Full warranty documents for all installations shall be submitted to the Applicants and duplicated to the CEWRI PMs firm.

After full payment for the acquisition of the equipment, no further costs will be paid by PRDOH.

10. Deliverables: The key deliverables to be provided include, but are not limited to, the following:

- The Selected Supplier(s) must submit monthly reports to CEWRI Program Manager and PRDOH. Monthly reports shall be due the fifth (5th) day of each month and shall include:
 - Copies of all notifications from CEWRI PMs
 - Inspection orders placed within the previous calendar month and inspection reports, as applicable.
 - Notices to begin the design phase within the previous calendar month.
 - Notices of accepted/rejected designs within the previous calendar month.
 - Locations of all pending and completed tasks within the last calendar month.
 - Explanation of pending and completed design tasks within the previous calendar month.
 - Explanation of pending and completed installation tasks within the previous calendar month.
 - Copies of all payment requests sent to PM within the last month.
 - Payment receipt notifications with the date payment was received.
- The Selected Supplier(s) must develop and submit to the PMs the following but not limited to:
 - Pre-Installation Assessment Visit and Report for each project
 - Case Scope of work for each project.
 - System Designs for Each Project
 - Systems Installation Report
 - Commissioning Report
 - All technical documentation, including the Component's data sheets and listing.
 - Warranties
 - Installation and operation manuals
 - As-built version of system drawings, cable lists, routing, wirings, and grounding system.
 - Any other documentation required or requested by PRDOH.

The Selected Supplier(s) must provide the equipment in accordance with Section 11, Delivery Schedule.

11. Delivery Schedule

- Coordinate with Applicant and CEWRI Program Manager for pre-installation assessment visits, installation, and closeout inspections.
- Upon notice from the PM firm, the Selected Supplier(s) shall perform the pre-installation assessment and report within the timeframe indicated in the performance requirements.
- Upon notice from the PM firm, the Selected Supplier(s) must perform the delivery within the timeframe indicated in the performance requirements.
- Upon notice from the PM firm, the Selected Supplier(s) must provide the equipment requested within the timeframe indicated in the performance

requirements. If the afforded timeframe is not enough due to equipment shortage, the Supplier(s) must provide a written explanation and a copy of the equipment's delivery documents.

- Upon completion the delivery of the equipment, the Selected Supplier(s) must submit the official payment request to PM with all applicable documentation, including warranty. Warranty documentation shall be submitted in duplicate (one for PM/PRDOH and one for the homeowner/applicant). The Selected Supplier(s) delivers warranty information to the homeowner/applicant.

12. Allowance

In addition to the services included in this Scope of Work, some projects may require additional services, due to unforeseen conditions for the Contractor to deliver a complete and thorough service. These are considered Additional Services by PRDOH. For such services, the Contract will include an allowance of \$62,010.

Whenever Additional Services are required, the Contractor shall develop an Additional Service Work Plan, including a justification of need for the service, the scope of work, the credentials of the staff to perform the services, a schedule, the costs, and a list of deliverables to be prepared. The Additional Service Work Plan shall be submitted by the Contractor to the PRDOH through a Request for Approval (RFA) for approval prior to the Contractor performing the services. PRDOH will evaluate each Additional Service for need and cost reasonableness and, if determined to be of need and in the best interest of the project, approve the performance of the services by the Contractor. No Additional Service shall be performed by the Contractor without the written approval of PRDOH.

All Additional Services shall be prepared in compliance with applicable federal, state, and local codes, regulations, and laws, and whenever applicable, shall be prepared and certified by competent professionals with the proper authorizations to perform the work.

13. Terms and Conditions

The following terms and conditions are designed to state expectations relating to the project and the Selected Supplier(s)' work performed. Should the Selected Supplier(s) deviate from these standards and guidelines, all costs and liability associated with the observed deviation will be the Selected Supplier(s)' sole responsibility.

13.1 Interpretation of Scope of Work:

The Selected Supplier(s) is responsible for reading and fully understanding the Scope of Work. The Acquisition of Battery Storage Systems and Water Storage Systems approach allows for continual collaboration; however, any proposed changes to the original proposal must be approved in writing by PRDOH and PM through the change order process before proceeding.

PRDOH reserves the right to modify the policies established in the Program Guidelines without the need to amend this Scope of Work. The Selected Supplier(s) is responsible for complying with Program Guidelines, as amended.

If the approved amended version of the guidelines varies from the Scope of Work herein, and the modifications do not represent a contract cost change, the amended version fully supersedes the Scope of Work and should be used as the basis for the work to be performed.

13.2 Communication:

The Selected Supplier(s) shall respond to information requests within two (2) business days. The request will determine the response form. The response may be in the following forms but not be limited to E-mail, hardcopy, or fax.

13.3 Terms of Contract:

The Contract will be in effect and enforceable between the parties once the PRDOH Contracting Officer approves it. The PRDOH anticipates awarding the Contract for an initial term of two (2) years. The PRDOH may, at its sole discretion, extend the contract term for one (1) year extensions upon mutual written agreement of the parties. Any renewals are subject to the Contractor's satisfactory performance and the availability of funds.

The Contract may be increased or decreased after the proposal is accepted. Under no circumstances shall the Selected Supplier(s) deviate from the work defined in the Scope of Work without advance written approval from PRDOH.

13.4 Final Acceptance:

A project will not be considered complete until all project steps are completed, including quality control inspection, training, and all project deliverables.

By signing this document, I acknowledge that I have read, understand, and accept its contents as described:

Aireko Energy Solution, LLC

Supplier Entity Name



Supplier Authorized Representative Signature

01/16/25

Date

Waldemar E. Toro Dávila

Supplier Authorized Representative Printed Name

COST FORM
Small Purchase
Acquisition of Battery Storage Systems and Water Storage Systems
Community Development Block Grant – Disaster Recovery and
Community Development Block Grant – Mitigation

Name of Proposer: Aireko Energy Solution, LLC

Equipment Description ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	Price per Unit	Qty.	Total
Battery Storage and related Services [A]			
9 kWh/day Battery Storage with installation	\$ 11,012.00	1	\$ 11,012.00
12 kWh/day Battery Storage with installation	\$ 12,315.55	9	\$ 110,840.00
Water Storage System and related Services [B]			
300 Gallons	\$ 4,207.00	1	\$ 4,207.00
400 Gallons	\$ 4,338.00	1	\$ 4,338.00
500 Gallons	\$ 4,440.38	8	\$ 35,523.00
Allowance[C]			\$62,010.00
Total ([A]+[B]+[C])			\$ 227,930.00

Notes

- (1) All equipment to be submitted with the Proposal must comply with the specifications included in the Scope of Work.

(2) Proposer shall submit technical/specification documentation for all equipment offered as part of the proposal.

(3) All equipment offered as part of the proposal is subject to the Warranty conditions set forth in the Scope of Work.


(4) The pricing submitted must include all services associated with the Battery Storage, and WSS included in the Scope of Work. The supplier shall include all expenses including incidentals, taxes, handling, and delivery costs. The agency will not cover any additional cost, only the unit price submitted will be taken into consideration. The agency will not be responsible for reimbursement or expenses related to per-diem tolls or parts of labor for the equipment under warranty service.

(5) Estimated Battery Storage, and Water Storage System and Related Services Sub-Totals represent the estimated Sub-Totals per systems in the Cost Form. These amounts should not be interpreted as a cap on the allowed quantities. The aggregate total cost amount to be invoiced for Battery Storage and Related Services and Water Storage System and Related Services should not exceed the amount established as the Total Proposal Cost (BSS + Water Storage System + Allowance); therefore, there could be instances when the estimated quantities indicated in Cost Form vary, according to Program needs, as long as the Selected Proposer does not invoice an amount greater than the one established as the Total Proposal Cost.

(6) Whenever Additional Services are required, the Contractor shall develop an Additional Service Work Plan, including a justification of need for the service, the scope of work, the credentials of the staff to perform the services, a schedule, the costs, and a list of deliverables to be prepared. The Additional Service Work Plan shall be submitted by the Contractor to the PRDOH through a Request for Approval (RFA) for approval prior to the Contractor performing the services.

(7) The PRDOH will evaluate each Additional Service for need and cost reasonableness and, if determined

to be of need and in the best interest of the project, approve the performance of the services by the Contractor. No Additional Service shall be performed by the Contractor without the written approval of PRDO.

Supplier's Signature 

01/16/25

Date

Supplier's Printed Name Waldemar E. Toro Dávila

END OF DOCUMENT



DEPARTMENT OF

HOUSING

GOVERNMENT OF PUERTO RICO

ATTACHMENT D

PERFORMANCE REQUIREMENTS

Acquisition of Battery Storage Systems and Water Storage Systems

Scope of Work

The Contractor is responsible for compliance with all aspects of the Scope of Work included as **Attachment B** of the Contract.

Practice of Licensed Professions

Contractor and its subcontractors, agents, and employees, shall comply with all applicable federal and local laws and regulations, including but not limited to those that relate to the practice of licensed professions and those that could affect the Contractor's ability to carry out the Scope of Work under the Contract. Contractor certifies that it possesses all necessary permits, endorsements, and approvals necessary to perform the Work, which are to be valid and updated for the duration of the Contract. Contractor and each of its employees, agents, subcontractors, and subconsultants must have all licenses, permits, authorizations, consents, and approvals necessary for the performance of the Scope of Work under the contract, and such licenses, permit, authorizations, consents, and approvals are to be up to date and in full force and effect from the date of Contract execution and for the duration of the Contract. Contractor must always ensure that professional, architectural, or engineering work is performed by qualified professionals with the proper education, know-how, training, knowledge, expertise, experience, and license to perform such works, according to applicable federal and local rules and regulations.

Code Compliance

Installation and equipment shall comply with applicable building, mechanical, fire, seismic, structural, and electrical codes, included in the Joint Regulation for the Evaluation and Grant of Permits Related to Developments, Land Use, and Business Operations (Joint Regulation), as amended. The Contractor must abide by the "Joint Regulation", as amended, "Regulation No. 7796", "Regulation No. 8080," and any other State regulation that regulates the installations within this Program.

Contractor must install the equipment in compliance with Puerto Rico Residential Code 2018 (PRRC), National Electric Code (NEC), Puerto Rico Electrical Power Authority (PREPA) and Permit Management Office (OGPe, for its Spanish acronym) Regulations, as they may be amended.

Deliverables

The key deliverables to be provided include, but are not limited to, the following:

- Installer/Contractor must submit progress reports to CEWRI Program Manager and PRDOH during each invoice period. The reports shall include:
 - Copies of all notifications from CEWRI PMs and PRDOH.
 - Inspection orders placed and inspection reports, as applicable.
 - Notices to begin the design phase.
 - Notices of accepted/rejected designs.
 - Locations of all pending and completed tasks.
 - Explanation of pending and completed design tasks.
 - Explanation of pending and completed installation.
 - Copies of all payment requests sent to PRDOH.
 - Payment receipt notifications with the date payment was received.

- Installer/Contractor must develop and submit to the PMs and PRDOH the following but not limited to:
 - Pre-Installation Assessment Visit and Report for each project
 - Case Scope of work for each project.
 - System Designs for each Projects
 - Systems Installation Report
 - Commissioning Report
 - All technical documentation, including Component data sheets and listing
 - Warranties
 - Installation and operation manuals
 - As-built version of system drawings, cable lists and routing, wirings, grounding system,
 - Any other documentation required or requested by PRDOH.

Delivery Schedule

- Coordinate with Applicant, the CEWRI Program Manager, or PRDOH for any pre-installation assessment visits, installation, and closeout inspections.
- Upon notice from the CEWRI PM firm, the Installer/Contractor shall perform the pre-installation assessment and report within the timeframe indicated in the table below.



- Upon notice from the CEWRI PM firm, the Installer/Contractor shall perform the design of the project and submission of the Interconnection Package to the utility company (if applicable) within the timeframe indicated in the table below.
- Upon notice from the CEWRI PM firm or PRDOH, the Installer/Contractor shall install the system(s), perform the commissioning of the project, and submission of the Pre-Inspection Package within the timeframe indicated in the table below. If the afforded timeframe is not enough due to equipment shortage, the Installer/Contractor must provide a written explanation and a copy of the equipment's delivery documents.
- Upon completion of installation, Installer/Contractor shall submit the official payment request to CEWRI PM with all applicable documentation, including warranty. Warranty documentation shall be submitted in duplicate (one for PM/PRDOH and one for the homeowner/applicant) Installer/Contractor is responsible for delivering warranty information to the homeowner/applicant.

Tasks and Services	DESCRIPTION	TIMEFRAME DATES	DELIVERABLES
Pre-Installation Assessment and Scope of Work	<p>- Perform a Pre-Installation Assessment visit to each dwelling units and develop the Pre-Installation Assessment report for each case project. Submit report to the PMs for approval.</p> <p>-Develop case Scope of Work for each project. Submit scope of work to the PMs for approval.</p>	Upon notice from the CEWRI PM firm, the Installer/Contractor shall, within ten (10) business days , perform the pre-installation assessment and report.	For each Application, provide the Pre-Installation Report Form signed and sealed by the licensed professional, and provide any other document required by PRDOH.
Design Services & Permits	The Installer/Contractor must design a battery storage system for an existing photovoltaic system and water storage for single-family homes.	Upon notice from the CEWRI PM firm, the Installer/Contractor shall, within six (6) businessdays , perform the design of the project.	For each assigned project, the Installer/Contractor must submit System Designs and any applicable permit for each Projects.
Installation Service & Commissioning	- For each assigned project, the Installer/Contractor shall install the system(s) and perform the commissioning of	Upon notice from the CEWRI PM firm, the Installer/Contractor shall, within seven (7) businessdays , install the system(s), perform the	For each assigned project, the Installer/Contractor must submit the Pre- Inspection Package, including but not limited to Systems Installation Report, Commissioning

Tasks and Services	DESCRIPTION	TIMEFRAME DATES	DELIVERABLES
	<p>the project.</p> <p>- The Installer/Contractor shall perform orientation and training to the Applicants regarding operation and maintenance of the installed systems and equipment.</p> <p>- The Installer/Contractor must deliver all applicable Operation and Maintenance Manuals of the installed systems to each Applicant receiving a system along with any other required documents.</p>	<p>commissioning of the project, and submission of the Pre-Inspection Package. If the 7-day period is not enough due to equipment shortage, the Installer/Contractor must provide a written explanation and a copy of the equipment's delivery documents.</p> <p>For repairs cases with unforeseen conditions upon notice from the CEWRI PM firm, the Installer/Contractor will have up to (14) working days to install the system(s), perform the commissioning of the project, and submission of the Pre-Inspection Package.</p>	<p>Report, all technical documentation, including components data sheets and listing, warranties, installation and operation & maintenance manuals, as-built version of system drawings, cable lists and routing, wirings, grounding system, and any other document required by PRDOH. The Pre-Inspection package must also include evidence of submission of the Interconnection Package (if applicable) to the utility company.</p>
Award Visit	<p>-Perform award visit with the PMs to each applicant's property to complete the Project Grant Agreement.</p> <p>-Perform orientation to Applicants of the measures that are being offered and that may be installed in the unit.</p> <p>-Ensure that the applicant is informed on the process, the works to be performed, and the conditions of the award prior to any work being performed.</p> <p>- Assist the PMs during the applicant award process.</p>	<p>- As per coordination with Applicant and CEWRI Program Manager for award visit.</p>	<p>For each assigned project, the Installer/Contractor must participate and assist in the Award Visit.</p>

Tasks and Services	DESCRIPTION	TIMEFRAME DATES	DELIVERABLES
Inspections	For each project the Installer/Contractor will visit the project site along with the PRDOH Program Manager and inspect works for overall quality standards.	<p>- As per coordination with Applicant and CEWRI Program Manager for closeout inspections.</p> <p>- Installation corrections, as noted during final acceptance or the post- installation inspection, shall be performed within ten (10) business days. If the Installer/Contractor cannot undertake corrective actions within ten (10) business days, the Installer/Contractor shall deliver to the PM, in writing, reasons for the delay.</p>	For each assigned project, the Installer/Contractor must participate and assist in the Inspection Visit.
Reporting	-Invoicing period reporting is required to update the Program's implementation and development status, while providing visibility of the Program's actual status to stakeholders.	-Installer/Contractor must submit reports to CEWRI Program Manager and PRDOH within each invoice period.	The Installer/Contractor shall submit the following: <ul style="list-style-type: none">-Copies of all notifications from CEWRI PMs- Inspection orders placed and inspection reports, as applicable.- Notices to begin the design phase.- Notices of accepted/rejected designs.- Locations of all pending and completed tasks.- Explanation of pending and completed design tasks.- Explanation of pending and completed installation tasks.-Copies of all payment requests.-Payment log.-Any other document required by PRDOH.

At PRDOH’s discretion and in benefit to the Program, taking into consideration the particular circumstances of each case, timelines may be modified without the need to amend the contract.

The Installer/Contractor shall develop workplans, schedules, reports and/or any other document as may be requested by PRDOH or Representative in connection to the above timelines and performance goals. The Installer/Contractor shall submit any of such documents for review and approval as requested by the PRDOH within the specified time frame provided for such request. PRDOH reserves the rights to request any information as part of the Grantee responsibilities. The Installer/Contractor is also responsible for providing and performing all the services stated in the Scope of Work.

Liquidated Damages & Penalties

Contractor performance is subject to the following liquidated damages and penalties:

- **Liquidated Damages:** The Contractor shall pay to PRDOH, as liquidated damages, as related to their timeframes of performance. The PRDOH and the Contractor will agree on the timetable for the deliverable of each task. The Contractor shall pay to the PRDOH, as liquidated damages, the amount established below for each calendar day that a deliverable required is late until deemed in compliance subject to a maximum amount as established below.

Type of Work	Liquidated Damages for each calendar day	Maximum Amount of Liquidated Damages per occurrence, deliverable and task
BSS and WSS	\$100.00	\$1,000.00
Equipment, Installation, and related services		

Said sums, in view of the difficulty of accurately ascertaining the loss which PRDOH and/or homeowner will suffer by reason of delay in the completion of Works requested, are hereby fixed and agreed as the liquidated damages that PRDOH and/or the homeowner will suffer by reason of such delay. Liquidated damages received are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the PRDOH’s right to indemnification, or the Contractor’s obligation to indemnify the PRDOH, or to any other remedy provided for as a provision of the Contract or Law. Liquidated damages may be assessed at the sole discretion of PRDOH. For the purpose of applying and calculating such liquidated damages, a grace period of ten (10) days shall be observed. The PRDOH may deduct and retain out of the monies which may become due to the Contractor, the amount of any such liquidated damages; and in case the amount which may become due is less than the amount of liquidated damages due to the PRDOH per the formula above, the Contractor shall be liable to pay the difference.

INSURANCE REQUIREMENTS

Small Purchase

Acquisition of Battery Storage Systems and Water Storage Systems
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Community Development Block Grant – Mitigation
Puerto Rico Department of Housing

SPECIAL INSURANCE AND BONDING SPECIFICATIONS

A. The successful proposer, before the contract execution, must submit to the **Puerto Rico Department of Housing (*PRDOH)** the hereafter mentioned certificates of insurance policies and/or bonds including all endorsements and agreements required under the special contractual conditions, in form satisfactory to ***PRDOH**, as provided in detail in this Insurance Requirements as per the following:

1. **(X) State Insurance Fund Workers' Compensation Insurance Policy**

The successful proposer shall furnish the ***PRDOH** a certificate from the State Insurance Fund Corporation (*Spanish Acronym, CFSE*) covered by the Worker's Compensation Act No. 45 of the Government of Puerto Rico. The successful proposer shall also be responsible for compliance with said "Worker's Compensation Act" by all his subcontractors and agents.

2. **(X) Contractor's Liability Insurance (Special Form) including the following insurance limits and coverages**

The policy shall contain the following endorsements: "XCU" (explosion, collapse, underground damage) for those classifications excluded under the policy and contractual liability. If Contractor is performing asbestos- related work the policy shall contain a pollution liability endorsement.

COVERAGE	LIMIT
I. Commercial General Liability:	
• Each Occurrence Limit	\$1,000,000
• General Aggregate Limit	\$1,000,000
• Products & Complete Operations Aggregate Limit	\$1,000,000
• Personal Injury & Advertising Limit	\$1,000,000
• Fire Damage Limit	\$100,000 (Any one Fire)
• Medical Expense Limit	\$5,000 (Any one person)
II. Employer's Liability Stop Gap:	
• Bodily Injury by Accident: Each Employee	\$1,000,000
Each Accident	\$1,000,000
• Bodily Injury by Disease:	

INSURANCE REQUIREMENTS

Small Purchase

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Puerto Rico Department of Housing

SPECIAL INSURANCE AND BONDING SPECIFICATIONS

COVERAGE	LIMIT
Each Employee	\$1,000,000
Each Accident	\$1,000,000

3. (X) Contractors Automobile Liability Form including the following insurance coverages

LIMIT
<ul style="list-style-type: none">Auto Liability - \$1,000,000Physical Damages - \$1,000,000Medical Payments - \$ 5,000
The Commercial Auto cover must be applied to the following symbols:
<ul style="list-style-type: none">Liability Coverage -1
<ul style="list-style-type: none">Physical Damages – 2 and 8
<ul style="list-style-type: none">Hired – Borrowed Auto – 8
<ul style="list-style-type: none">Non-Owned Auto Liability – 9
<ul style="list-style-type: none">All Risk Transportation coverage

4. (X) Professional Liability &/or Errors & Omissions Policy coverage for Design/Engineer and any other licensed professional related to the project.

- (X)A. Risk, interest, location and limits.
- (X) A.1 Description of work to be done.
- (X) A.2 Limits:

(X) Each occurrence

\$1,000,000

(X) Aggregate

\$1,000,000

(X) Deductible

\$ 10,000

(X) A.3 Certification that the insurance contract has been given as surplus lines coverage under the Commonwealth of Puerto Rico Insurance Code, as applicable.

5. (X) Commercial Umbrella Insurance

Limit - \$1,000,000

INSURANCE REQUIREMENTS

Small Purchase

Acquisition of Battery Storage Systems and Water Storage Systems

Community Development Block Grant – Disaster Recovery

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Puerto Rico Department of Housing

SPECIAL INSURANCE AND BONDING SPECIFICATIONS

9. (X) The policies to be obtained must contain the following endorsements including as additional insured the ***Puerto Rico Department of Housing (*PRDOH), U.S. Department of Housing and Urban Development (HUD), and the Government of Puerto Rico.***

- (X) a. Breach of warranty
- (X) b. Waiver and / or Release of Subrogation
- (X) c. Additional Insured Clause
- (X) d. Hold Harmless Agreement
- (X) e. 30 Days Cancellation Clause

10. The insurance carrier or carriers, which will present said certificates of insurance must have at least a B+ Rating according to the Best Rating Guide.

B. IMPORTANT NOTICE TO INSURANCE AND SURETY COMPANIES AND THEIR REPRESENTATIVES

All insurance companies and all guarantors who issue policies or bonds under our special contractual conditions are subject to:

1. Be authorized to do business within the Commonwealth of Puerto Rico and have the corresponding license issued by the Commissioner of Insurance of Puerto Rico.
2. To be enjoying a good economic situation and classified under the Category of B+ by the AM Best Rating Guide.
3. Submit to the ****PRDOH*** a written certification as evidence of full payment of premiums by the Contractor. Mention each risk coverage premium separately.
4. INSURANCE CERTIFICATES: The insurance company, or its representative, shall submit an insurance certificate evidencing the coverage as required under contract and indicating the Additional Insured status as required therein. ****PRDOH*** will not pay the successful proposer for any services if satisfactory proof of insurance is not provided prior the execution of contract.

INSURANCE REQUIREMENTS

Small Purchase

Acquisition of Battery Storage Systems and Water Storage Systems

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SPECIAL INSURANCE AND BONDING SPECIFICATIONS

5. Any failure of the ***PRDOH** to demand or receive proof of insurance coverage shall not constitute a waiver of Proposer's obligation to obtain the required insurance. The receipt of any certificate does not constitute an agreement by the ***PRDOH** that the insurance requirements in the contact have been fully met or that the insurance policies on the certificate follow all contact requirements.
6. Non-fulfillment of the insurance conditions may constitute a violation of the contract and the ***PRDOH** retains the right to stop services until proper evidence of insurance is provided, or the contract may be terminated.
7. Avoid sub-contractual obligations of premium financing or any other kind, which may be detrimental to the public interest.
8. Avoid any request for cancellation by the contractor prior to the expiration date of the policy, without the consent of the Contract Division of the ***PRDOH**: Discuss any refund of unearned premium.
9. Follow all Federal Bail and Acceptance Insurance Regulations, as applicable.
10. Indicate in the appropriate place of all insurance policies and/or bonds, the full description of the project, work or service to be rendered.
11. Not to make any **endorsement** to insurance policies and bonds issued under the special conditions mentioned above, unless approved by the Insurance Section of the ***PRDOH**.
12. To ensure that all insurance policies or bonds are issued to comply with all of our special insurance conditions with respect to the period of coverage, type of risk coverage, as well as all limits, as specified,
13. Clarify any questions regarding insurance requirements by any means of communication with the Insurance Specialist of the ***PRDOH** under the Contract Division of the CDBG-DR/MIT Program.
14. The Contractor shall assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverages.

INSURANCE REQUIREMENTS

Small Purchase

Acquisition of Battery Storage Systems and Water Storage Systems

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Puerto Rico Department of Housing

SPECIAL INSURANCE AND BONDING SPECIFICATIONS

15. Insurance coverage in the minimum limit amounts set forth herein shall not be construed to release the Contractor from liability in excess of such coverage limit. Contractor must give thirty (30) calendar days written notice to ***PRDOH** before any policy coverage is change, canceled or not renewed and shall cause the insurance carrier to do the same.

C. EVIDENCE OF INSURANCE COVERAGE OF EACH SUBCONTRACTOR TO BE SUBMITTED BY THE SUCCESSFUL PROPOSER AS THE PRIME CONTRACTOR:

The successful proposer, as the prime contractor, has the duty to require each of the subcontractors to maintain in force all insurance policies and/or bonds necessary to cover their individual participation in the risk or risks related to the subcontracted work or service to be rendered.

Therefore, prior to commencing work or receiving written notice to proceed with such work, the successful prime contractor has the responsibility to provide the ***PRDOH** with all the **certificates of insurance and/or bonds required** under the special conditions approved by the Insurance Section of the ***PRDOH**. All insurance policies shall remain in effect for the entire contractual period.

In case of any **change order** and/or amendment resulting in alteration of the original project completion date or total original cost, the prime contractor shall take the necessary steps to request the insurer to include such changes in all related insurance policies and/or bond and to submit evidence by appropriate endorsements with effective dates. Cancellations without consent are not accepted. The ***PRDOH** reserves the right to stop any work or service under contract until the breach of these requirements has been remedied, so that any delay in the performance of the contract based on any breach of the insurance coverage requirements shall be deemed the sole responsibility of the Main Contractor.

D. CONFLICT OR DIFFERENCE BETWEEN THE SPECIFICATIONS OF THE TENDERING, PROCEDURE AND SPECIAL INSURANCE CONDITIONS AND BONDS

In the event of any conflict or difference in the description of coverage or amount or limits, etc., with respect to insurance requirements, the **"Special Conditions of Insurance and Bonds"** as set forth in this Insurance Requirements shall prevail over any other insurance specifications.

INSURANCE REQUIREMENTS
Small Purchase
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SPECIAL INSURANCE AND BONDING SPECIFICATIONS

***PRDOH** reserves the right to modify any Insurance Requirements at any time, in accordance with the Program's needs.

E. CERTIFICATE OF CONTRACT DIVISION

We hereby certify, to our best knowledge and understanding, that we have prepared the aforementioned “**Insurance and Bonds Special Conditions**” after a proper evaluation of the related risks, based on the information of the nature of the project and description submitted to us, as requested by the Contracting Program through a written application.

DESCRIPTION OF THE SERVICES:

Small Purchase
Acquisition of Battery Storage Systems and Water Storage Systems
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
Puerto Rico Department of Housing

December 12st, 2024
Date

Sonia Damaris Rodriguez
Sonia Damaris Rodriguez
Insurance Specialist
CDBG-DR & MIT Programs



DEPARTMENT OF

HOUSING

GOVERNMENT OF PUERTO RICO

ATTACHMENT F

HUD GENERAL PROVISIONS

Given that the Contract involves funds for which the U.S. Department of Housing and Urban Development (**HUD**) is the oversight agency, the following terms and conditions may apply to this Contract. In addition, Contractor shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at <https://www.hud.gov/sites/dfiles/OCHCO/documents/4010.pdf> and must include Form HUD-4010 clauses as an appendix, or by reference, to all covered contracts. Also, contractors and subcontractors are required to insert them in any lower-tier subcontracts.

The terms and conditions outlined in this document (HUD General Provisions) must be included in their entirety by the CONTRACTOR in all purchase orders or subcontracts that are directly related to the Agreement, even though some of the terms and conditions might not apply to a particular kind of purchase order or subcontract.

These general provisions may be updated from time to time. It is the sole responsibility of the CONTRACTOR to be aware of any changes hereto, to amend and implement such changes and to ensure subcontracts terms and conditions are modified as necessary, if any.

General Provisions:

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Contract shall forthwith be physically amended to make such insertion or correction.

2. STATUTORY AND REGULATORY COMPLIANCE

CONTRACTOR shall comply with all laws and regulations applicable to the Community Development Block Grant-Disaster Recovery funds appropriated by: the Continuing Appropriations Act, 2018, and Supplemental Appropriations for Disaster Relief Requirements, 2017 (**Pub. L. 115-56**) approved on September 8, 2017, as amended; the Bipartisan Budget Act of 2018 (**Pub. L. 115-123**) approved on February 9, 2018, as amended; the Additional Supplemental Appropriations for Disaster Relief Act, 2019, (**Pub. L. 116-20**) approved on June 6, 2019, as amended; as well as including, but not limited, to the applicable Office of Management and Budget Circulars, which may impact the administration of funds and/or set forth certain cost principles, including if certain expenses are allowed.

3. BREACH OF CONTRACT TERMS

The Puerto Rico Department of Housing (**PRDOH**) reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of this Contract, in instances where the CONTRACTOR or any of its subcontractors violate or breach any Contract term. If the CONTRACTOR or any of its subcontractors violate or breach any Contract term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the Contract documents, and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

4. REPORTING REQUIREMENTS

The CONTRACTOR shall complete and submit all reports, in such form and according to such schedule, as may be required by PRDOH and/or the Government of Puerto Rico. The CONTRACTOR shall cooperate with all the PRDOH and/or the Government of Puerto Rico efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 24 C.F.R. §§ 85.40-41 (or 84.50-52, if applicable) and § 570.507, when applicable.

5. ACCESS TO RECORDS

The Government of Puerto Rico, the PRDOH, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have, at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the CONTRACTOR which are related to this Contract, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

6. MAINTENANCE/RETENTION OF RECORDS

All records (files, data, work product) connected with this Contract will be turned over to PRDOH following the Agreement termination to be maintained for the remainder of the grant and post grant closeout.

7. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

The CONTRACTOR will take necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used in subcontracting and purchases from material suppliers when possible. Steps include, but are not limited to:

- (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and
- (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

Additionally, for contracts of **\$10,000 or more**, the CONTRACTOR shall comply with PRDOH established quarterly reporting regarding contract and subcontract activity.

This will enable PRDOH to complete federal reporting on all efforts to HUD as per the previously used HUD Form 2516 (Contract and Subcontract Activity) and data requested on this form.

8. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by HUD.

9. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The Proposer will comply with the provisions of Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin in any program or activity that receives Federal funds or other Federal financial assistance. Programs that receive Federal funds cannot distinguish among individuals on the basis of race, color or national origin, either directly or indirectly, in the types, quantity, quality or timelines of program services, aids or benefits that they provide or the manner in which they provide them. This prohibition applies to intentional discrimination as well as to procedures, criteria or methods of administration that appear neutral but have a discriminatory effect on individuals because of their race, color, or national origin. Policies and practices that have such an effect must be eliminated unless a recipient can show that they were necessary to achieve a legitimate nondiscriminatory objective.

10. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The CONTRACTOR shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, religion or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age

Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

11. SECTION 504 OF THE REHABILITATION ACT OF 1973

The CONTRACTOR shall comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), as amended, and any applicable regulations.

The CONTRACTOR agrees that no qualified individual with handicaps shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance from HUD.

12. AGE DISCRIMINATION ACT OF 1975

The CONTRACTOR shall comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*), as amended, and any applicable regulations. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to, discrimination under, any program or activity receiving Federal financial assistance.

13. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The CONTRACTOR represents and warrants that it and its subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs subject to 2 C.F.R. Part 2424.

14. CONFLICTS OF INTEREST

The CONTRACTOR shall notify the PRDOH as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as defined at 24 C.F.R. §578.95; 24 C.F.R. §570.489(g) and (h); and 24 C.F.R. §570.611, if applicable). The CONTRACTOR shall explain the actual or potential conflict in writing in sufficient detail so that the PRDOH is able to assess such actual or potential conflict. The CONTRACTOR shall provide the PRDOH any additional information necessary to fully assess and address such actual or potential conflict of interest. The CONTRACTOR shall accept any reasonable conflict mitigation strategy

employed by the PRDOH, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

15. SUBCONTRACTING

When subcontracting, the CONTRACTOR shall solicit for and contract with such subcontractors in a manner providing for fair competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (ii) Requiring unnecessary experience and excessive bonding;
- (iii) Noncompetitive pricing practices between firms or between affiliated Companies;
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest;
- (vi) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement; and
- (vii) Any arbitrary action in the procurement process.

The CONTRACTOR represents to the PRDOH that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under this Contract.

The CONTRACTOR will include these HUD General Provisions in every subcontract issued by it, so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

16. ASSIGNABILITY

The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the PRDOH.

17. INDEMNIFICATION

The CONTRACTOR shall indemnify, defend, and hold harmless the Government of Puerto Rico and PRDOH, its agents and employees, from and against any and all claims, actions, suits, charges, and judgments arising from or related to the negligence or willful misconduct of the CONTRACTOR in the performance of the services called for in this Contract.

18. COPELAND “ANTI-KICKBACK” ACT

The CONTRACTOR will comply with “anti-kickback” regulations found in section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 3145) known as the Copeland Act which applies to this contract subject to Federal wage standards and which is for the construction, prosecution, completion, or repair of public buildings, public works or buildings or works financed in whole or in part by loans or grants from the United States. The Copeland Act enforces minimum wage provisions of the Davis-Bacon Act and the various statutes for federally assisted construction, including those provisions which are not subject to Reorganization Plan No. 14 of 1950. This act also enforces overtime provisions of the Contract Work Hours and Safety Standards Act whenever they are applicable to construction work.

Each contractor or subcontractor engaged in the construction, prosecution, completion, or repair of any public building or public work, or building or work financed in whole or in part by loans or grants from the United States, each week must provide a copy of its weekly payroll for all laborers and mechanics engaged on work covered by this part and part 5 of this chapter during the preceding weekly payroll period, accompanied by a statement of compliance certifying the accuracy of the weekly payroll information. This statement must be executed by the contractor or subcontractor or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages, and must be on the back of Form WH-347, “Payroll (For Contractors Optional Use)” or on any form with identical wording.

Each certified payroll required under § 3.3 must be delivered by the contractor or subcontractor, within 7 days after the regular payment date of the payroll period, to a representative at the site of the building or work of the agency contracting for or financing the work, or, if there is no representative of the agency at the site of the

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building or work, the statement must be delivered by mail or by any other means normally assuring delivery by the contractor or subcontractor, within that 7 day time period, to the agency contracting for or financing the building or work. After the certified payrolls have been reviewed in accordance with the contracting or sponsoring agency's procedures, such certified payrolls must be preserved by the agency for a period of 3 years after all the work on the prime contract is completed and must be produced for inspection, copying, and transcription by the Department of Labor upon request.

The CONTRACTOR will abide by federal regulation in § 3.5 regarding permissible payroll deductions and follow guidance on obtaining approval from the Secretary of Labor for additional deductions.

19. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The CONTRACTOR will comply with the provisions of the Contract Work Hours and Safety Standards Act applicable to this contract in excess of \$100,000 and subject to its overtime provisions.

- (1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in [paragraph \(b\)\(1\)](#) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchpersons and guards, employed in violation of the clause set forth in [paragraph \(b\)\(1\)](#) of this section, in the sum of \$32 for each calendar day on which such individual was

required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1).

(3) **Withholding for unpaid wages and liquidated damages** —

(i) **Withholding process.** The PRDOH may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in this [paragraph \(b\)](#) on this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same prime contractor (as defined in [§ 5.2](#)). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld.

(ii) **Priority to withheld funds.** The Department has priority to funds withheld or to be withheld in accordance with [paragraph \(a\)\(2\)\(i\)](#) or [\(b\)\(3\)\(i\)](#) of this section, or both, over claims to those funds by:

- (A) A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- (B) A contracting agency for its procurement costs;
- (C) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- (D) A contractor's assignee(s);
- (E) A contractor's successor(s); or
- (F) A claim asserted under the Prompt Payment Act, [31 U.S.C. 3901-3907](#).

- (4) **Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses set forth in [paragraphs \(b\)\(1\) through \(5\)](#) of this section and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (5). In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.
- (5) **Anti-retaliation.** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:
- (i) Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in this part;
 - (ii) Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or this part;
 - (iii) Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or this part; or
 - (iv) Informing any other person about their rights under CWHSSA or this part.

20. DAVIS-BACON ACT

The CONTRACTOR will comply with labor standards provisions contained in the Davis-Bacon Act (46 Stat. 1494, as amended; 40 U.S.C. 3141 et seq.) and its related statutes ("Related Acts") for this contract, in excess of \$2,000, which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant

or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the laws referenced by § 5.1, the following clauses:

(1) **Minimum wages** —

- (i) **Wage rates and fringe benefits.** All laborers and mechanics employed or working upon the site of the work (or otherwise working in construction or development of the project under a development statute), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act ([29 CFR part 3](#))), the full amount of basic hourly wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. As provided in [paragraphs \(d\) and \(e\)](#) of this section, the appropriate wage determinations are effective by operation of law even if they have not been attached to the contract. Contributions made or costs reasonably anticipated for bona fide fringe benefits under the Davis-Bacon Act ([40 U.S.C. 3141\(2\)\(B\)](#)) on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of [paragraph \(a\)\(1\)\(v\)](#) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics must be paid the appropriate wage rate and fringe benefits on the wage determination for the classification(s) of work actually performed, without regard to skill, except as provided in [paragraph \(a\)\(4\)](#) of this section. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage

determination (including any additional classifications and wage rates conformed under [paragraph \(a\)\(1\)\(iii\)](#) of this section) and the Davis-Bacon poster (WH-1321) must be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii) **Frequently recurring classifications.**

(A) In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in [29 CFR part 1](#), a wage determination may contain, pursuant to [§ 1.3\(f\)](#), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to [paragraph \(a\)\(1\)\(iii\)](#) of this section, provided that:

- (1) The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;
- (2) The classification is used in the area by the construction industry; and
- (3) The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.

(B) The Administrator will establish wage rates for such classifications in accordance with [paragraph \(a\)\(1\)\(iii\)\(A\)\(3\)](#) of this section. Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

(iii) **Conformance.**

(A) The contracting officer must require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract be classified in conformance with the wage determination. Conformance of additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is used in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) The conformance process may not be used to split, subdivide, or otherwise avoid the application of classifications listed in the wage determination.

(C) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to DBAconformance@dol.gov. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to DBAconformance@dol.gov, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(E) The contracting officer must promptly notify the contractor of the action taken by the Wage and Hour Division under [paragraphs \(a\)\(1\)\(iii\)\(C\)](#) and [\(D\)](#) of this section. The contractor must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to [paragraph \(a\)\(1\)\(iii\)\(C\)](#) or [\(D\)](#) of this section must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

- (iv) ***Fringe benefits not expressed as an hourly rate.*** Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either

pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.

- (v) **Unfunded plans.** If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in [§ 5.28](#), that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.
- (vi) **Interest.** In the event of a failure to pay all or part of the wages required by the contract, the contractor will be required to pay interest on any underpayment of wages.

(2) **Withholding –**

- (i) **Withholding requirements.** The PRDOH may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of the prime contractor or any subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in [paragraph \(a\)](#) of this section for violations of this contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in [§ 5.2](#)). The necessary funds may be withheld from the contractor under this contract, any other Federal contract with the same prime contractor, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same prime contractor, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the contractor liability for which the funds were withheld. In the event of a contractor's failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work (or otherwise working in construction or development of the project under a development statute) all or

part of the wages required by the contract, or upon the contractor's failure to submit the required records as discussed in [paragraph \(a\)\(3\)\(iv\)](#) of this section, the [Agency] may on its own initiative and after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(ii) **Priority to withheld funds.** The Department has priority to funds withheld or to be withheld in accordance with [paragraph \(a\)\(2\)\(i\)](#) or [\(b\)\(3\)\(i\)](#) of this section, or both, over claims to those funds by:

- (A) A contractor's surety(ies), including without limitation performance bond sureties and payment bond sureties;
- (B) A contracting agency for its procurement costs;
- (C) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of a contractor, or a contractor's bankruptcy estate;
- (D) A contractor's assignee(s);
- (E) A contractor's successor(s); or
- (F) A claim asserted under the Prompt Payment Act, [31 U.S.C. 3901-3907](#).

(3) **Records and certified payrolls —**

(i) **Basic record requirements —**

(A) **Length of record retention.** All regular payrolls and other basic records must be maintained by the contractor and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.

(B) **Information required.** Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act); daily and weekly number of hours actually

worked in total and on each covered contract; deductions made; and actual wages paid.

(C) **Additional records relating to fringe benefits.** Whenever the Secretary of Labor has found under [paragraph \(a\)\(1\)\(v\)](#) of this section that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act, the contractor must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

(D) **Additional records relating to apprenticeship.** Contractors with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

(ii) **Certified payroll requirements –**

(A) **Frequency and method of submission.** The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to the PRDOH if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the certified payrolls to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to the PRDOH. The prime contractor is responsible for the submission of all certified payrolls by all subcontractors. A contracting agency or prime contractor may permit or require contractors to submit certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system.

(B) **Information required.** The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under [paragraph](#)

(a)(3)(i)(B) of this section, except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (e.g., the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division website at <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf> or its successor website. It is not a violation of this section for a prime contractor to require a subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the sponsoring government agency (or the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records).

(C) **Statement of Compliance.** Each certified payroll submitted must be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor, or the contractor's or subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:

- (1) That the certified payroll for the payroll period contains the information required to be provided under paragraph (a)(3)(ii) of this section, the appropriate information and basic records are being maintained under paragraph (a)(3)(i) of this section, and such information and records are correct and complete;
- (2) That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR part 3; and
- (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s)

of work actually performed, as specified in the applicable wage determination incorporated into the contract.

(D) **Use of Optional Form WH-347.** The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the "Statement of Compliance" required by [paragraph \(a\)\(3\)\(ii\)\(C\)](#) of this section.

(E) **Signature.** The signature by the contractor, subcontractor, or the contractor's or subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.

(F) **Falsification.** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under [18 U.S.C. 1001](#) and [31 U.S.C. 3729](#).

(G) **Length of certified payroll retention.** The contractor or subcontractor must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

(iii) **Contracts, subcontracts, and related documents.** The contractor or subcontractor must maintain this contract or subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. The contractor or subcontractor must preserve these contracts, subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

(iv) **Required disclosures and access —**

(A) **Required record disclosures and access to workers.** The contractor or subcontractor must make the records required under [paragraphs \(a\)\(3\)\(i\)](#) through [\(iii\)](#) of this section, and any other documents that the PRDOH or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes referenced by [§ 5.1](#), available for inspection, copying, or transcription by authorized representatives of the PRDOH or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.

(B) **Sanctions for non-compliance with records and worker access requirements.** If the contractor or subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during

working hours on the job, the Federal agency may, after written notice to the contractor, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action pursuant to [§ 5.12](#). In addition, any contractor or other person that fails to submit the required records or make those records available to WHD within the time WHD requests that the records be produced will be precluded from introducing as evidence in an administrative proceeding under [29 CFR part 6](#) any of the required records that were not provided or made available to WHD. WHD will take into consideration a reasonable request from the contractor or person for an extension of the time for submission of records. WHD will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.

(C) **Required information disclosures.** Contractors and subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to the PRDOH if the agency is a party to the contract, or to the Wage and Hour Division of the Department of Labor. If the Federal agency is not such a party to the contract, the contractor, subcontractor, or both, must, upon request, provide the full Social Security number and last known address, telephone number, and email address of each covered worker to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to the PRDOH, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

(4) **Apprentices and equal employment opportunity –**

(i) **Apprentices –**

(A) **Rate of pay.** Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered

with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(B) **Fringe benefits.** Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.

(C) **Apprenticeship ratio.** The allowable ratio of apprentices to journeymen on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to [paragraph \(a\)\(4\)\(i\)\(D\)](#) of this section. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in [paragraph \(a\)\(4\)\(i\)\(A\)](#) of this section, must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.

(D) **Reciprocity of ratios and wage rates.** Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the

construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

- (ii) **Equal employment opportunity.** The use of apprentices and journeyworkers under this part must be in conformity with the equal employment opportunity requirements of [Executive Order 11246](#), as amended, and [29 CFR part 30](#).

(5) **Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of [29 CFR part 3](#), which are incorporated by reference in this contract.

(6) **Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses contained in [paragraphs \(a\)\(1\)](#) through [\(11\)](#) of this section, along with the applicable wage determination(s) and such other clauses or contract modifications as the PRDOH may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses and wage determination(s) in any lower tier subcontracts. The prime contractor is responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this section. In the event of any violations of these clauses, the prime contractor and any subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any workers of lower-tier subcontractors, and may be subject to debarment, as appropriate.

(7) **Contract termination: debarment.** A breach of the contract clauses in [29 CFR 5.5](#) may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in [29 CFR 5.12](#).

(8) **Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in [29 CFR parts 1, 3, and 5](#) are herein incorporated by reference in this contract.

(9) **Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the

Department of Labor set forth in [29 CFR parts 5, 6, and 7](#). Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) *Certification of eligibility.*

- (i) By entering into this contract, the contractor certifies that neither it nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of [40 U.S.C. 3144\(b\)](#) or [§ 5.12\(a\)](#).
- (ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of [40 U.S.C. 3144\(b\)](#) or [§ 5.12\(a\)](#).
- (iii) The penalty for making false statements is prescribed in the U.S. Code, Title 18 Crimes and Criminal Procedure, [18 U.S.C. 1001](#).

(11) *Anti-retaliation.* It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- (i) Notifying any contractor of any conduct which the worker reasonably believes constitutes a violation of the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#);
- (ii) Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#);
- (iii) Cooperating in any investigation or other compliance action, or testifying in any proceeding under the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#); or
- (iv) Informing any other person about their rights under the DBA, Related Acts, this part, or [29 CFR part 1](#) or [3](#).

21. TERMINATION FOR CAUSE

(Applicable to contracts exceeding \$10,000)

If, through any cause, the CONTRACTOR shall fail to fulfill in a timely and proper manner his or her obligations under this Contract, or if the CONTRACTOR shall violate any of the covenants, agreements, or stipulations of this Contract, the PRDOH shall thereupon have the right to terminate this Contract by giving written notice to the CONTRACTOR of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the CONTRACTOR under this Agreement shall, at the option of the PRDOH, become the PRDOH's property and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the CONTRACTOR shall not be relieved of liability to the Government of Puerto Rico and PRDOH for damages sustained by the Government of Puerto Rico and/or PRDOH by virtue of any breach of the Agreement by the CONTRACTOR, and the Government of Puerto Rico and/or PRDOH may withhold any payments to the CONTRACTOR for the purpose of set-off until such time as the exact amount of damages due to the Government of Puerto Rico and/or PRDOH from the CONTRACTOR is determined.

22. TERMINATION FOR CONVENIENCE

(Applicable to contracts exceeding \$10,000)

The PRDOH may terminate this Contract at any time by giving at least ten (10) days' notice in writing to the CONTRACTOR. If the Contract is terminated by the PRDOH as provided herein, the CONTRACTOR will be paid for the time provided and expenses incurred up to the termination date.



23. SECTION 503 OF THE REHABILITATION ACT OF 1973

(Applicable to contracts exceeding \$10,000)

The CONTRACTOR shall comply with Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

Equal Opportunity for Workers with Disabilities:

- 1) The CONTRACTOR will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The CONTRACTOR agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:
 - (i) Recruitment, advertising, and job application procedures;
 - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
 - (iii) Rates of pay or any other form of compensation and changes in compensation;
 - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
 - (v) Leaves of absence, sick leave, or any other leave;
 - (vi) Fringe benefits available by virtue of employment, whether or not administered by the CONTRACTOR;
 - (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
 - (viii) Activities sponsored by the CONTRACTOR including social or recreational programs; and
 - (ix) Any other term, condition, or privilege of employment.
- 2) The CONTRACTOR agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- 3) In the event of the CONTRACTOR's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

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- 4) The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the CONTRACTOR'S obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The CONTRACTOR must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the CONTRACTOR may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).
- 5) The CONTRACTOR will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the CONTRACTOR is bound by the terms of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.
- 6) The CONTRACTOR will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

24. EQUAL EMPLOYMENT OPPORTUNITY

(Applicable to construction contracts and subcontracts exceeding \$10,000)

The CONTRACTOR shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. chapter 60).

During the performance of this Agreement, the CONTRACTOR agrees as follows:

- 1) The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The CONTRACTOR shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 2) The CONTRACTOR shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The CONTRACTOR shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- 4) The CONTRACTOR will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers representative of the CONTRACTOR's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 5) The CONTRACTOR will comply with all provisions of Exec. Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- 6) The CONTRACTOR will furnish all information and reports required by Exec. Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records

and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

- 7) In the event of the CONTRACTOR's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Exec. Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
- 8) CONTRACTOR shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

25. CERTIFICATION OF NONSEGREGATED FACILITIES

(Applicable to construction contracts exceeding \$10,000)

The CONTRACTOR certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. The CONTRACTOR agrees that a breach of this certification is a violation of the equal opportunity clause of this Agreement.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time

clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

The CONTRACTOR further agrees that (except where it has obtained for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that it will retain such certifications in its files; and that it will forward the preceding notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

26. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS **(Applicable to contracts exceeding \$100,000)**

CLEAN AIR ACT

- 1) --The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*
- 2) -The CONTRACTOR agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.
- 3) -The CONTRACTOR agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

WATER POLLUTION CONTROL ACT



- 1) --The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. §1251, *et seq.*
- 2) -The CONTRACTOR agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.
- 3) -The CONTRACTOR agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

The CONTRACTOR and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, and the regulations of the Environmental Protection Agency with respect thereto, at 5 C.F.R. Part 919 Subpart E and 24 C.F.R. Part 58 as amended, Section 508 of the Clean Water Act (33 U.S.C. § 1368) and Executive Order 11738.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- 1) A stipulation by the CONTRACTOR or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to 40 C.F.R. Part 32 or on the List of Violating Facilities issued by the Environmental Protection Agency (**EPA**) pursuant to 24 C.F.R. Part 58, as amended.
- 2) Agreement by the CONTRACTOR to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal

Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

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- 3) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.
- 4) Agreement by the CONTRACTOR that he or she will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the CONTRACTOR will take such action as the government may direct as a means of enforcing such provisions.

27. ANTI-LOBBYING (Applicable to contracts exceeding \$100,000)

By the execution of this Contract, the CONTRACTOR certifies, to the best of his or her knowledge and belief, that:

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant,

loan, or cooperative agreement, the CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.

- 3) The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

28. BONDING REQUIREMENTS

(Applicable to construction and facility improvement contracts exceeding \$100,000)

The CONTRACTOR shall comply with Puerto Rico bonding requirements, unless they have not been approved by HUD, in which case the CONTRACTOR shall comply with the following minimum bonding requirements:

- 1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.
- 2) A performance bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in

connection with a contract to secure the fulfillment of all the CONTRACTOR's obligations under such contract.

- 3) A payment bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by the law of all persons supplying labor and material in the execution of the work provided for in the contract.

29. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (As required by applicable thresholds)

- 1) The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (**Section 3**). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- 2) The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75 which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
- 3) The CONTRACTOR agrees to send to each labor organization or representative of workers with which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONTRACTOR's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s)

taking applications for each of the positions; and the anticipated date the work shall begin.

- 4) The CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 75. The CONTRACTOR will not subcontract with any subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.
- 5) The CONTRACTOR will certify that any vacant employment positions, including training positions, that are filled: (1) after the CONTRACTOR is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the CONTRACTOR's obligations under 24 C.F.R. Part 75.
- 6) Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- 7) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

- 8) The Contractor agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

30. FAIR HOUSING ACT

CONTRACTOR shall comply with the provisions of the Fair Housing Act of 1968, as amended. The act prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status. The Equal Opportunity in Housing Act prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.

31. ENERGY POLICY AND CONSERVATION ACT

CONTRACTOR shall comply with mandatory standards and policies relating to energy efficiency as contained in the Government of Puerto Rico’s energy conservation plan, issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 *et seq*).

32. HATCH ACT

CONTRACTOR agrees to comply with mandatory standards and policies relating to Hatch Act, Public Law 76-252, as amended.

The Hatch Act applies to political activities of certain state and local employees. As a Puerto Rico Department of Housing CONTRACTOR, you may do any of the following activities: be a candidate in nonpartisan elections; attend political meetings and

conventions; contribute money; campaign in partisan elections; and hold office in political parties.

The CONTRACTOR may not do the following activities: be a candidate in partisan elections; use official influence to interfere in elections; coerce political contributions from subordinates in support of political parties or candidates. The office of special counsel operates a website that provides guidance concerning hatch act issues.

33. HEALTH AND SAFETY STANDARDS

All parties participating in this project agree to comply with Sections 107 and 103 of the Contract Work Hours and Safety Standards Act. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to his or her health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation.

34. PERSONNEL

The CONTRACTOR represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of, or have any contractual relationship with, the contracting party. All the services required hereunder will be performed by the CONTRACTOR or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

35. WITHHOLDING OF WAGES

If in the performance of this Agreement, there is any underpayment of wages by the CONTRACTOR or by any subcontractor thereunder, the PRDOH may withhold from the CONTRACTOR out of payment due to him or her an amount sufficient to pay to employees underpaid the difference between the wages required thereby to be paid and the wages actually paid such employees for the total number of hours worked.

The amounts withheld may be disbursed by the PRDOH for and on account of the CONTRACTOR or subcontractor to the respective employees to whom they are due.

36. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES

Claims and disputes pertaining to wage rates or to classifications of professional staff or technicians performing work under this Contract shall be promptly reported in writing by the CONTRACTOR to the PRDOH for the latter's decision, which shall be final with respect thereto.

37. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS

No person employed on the services covered by this Agreement shall be discharged or in any way discriminated against because he or she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his or her employer.

38. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS

The CONTRACTOR agrees to establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have a family, business, or other tie. The CONTRACTOR will be aware of and avoid any violation of the laws of this State which prohibit municipal officers and employees from having or owning any interest or share, individually or as agent or employee of any person or corporation, either directly or indirectly, in any contract made or let by the governing authorities of such municipality for the construction or doing of any public work, or for the sale or purchase of any materials, supplies or property of any description, or for any other purpose whatsoever, or in any subcontract arising therefrom or connected therewith, or to receive, either directly or indirectly, any portion or share of any money or other thing paid for the construction or doing of any public work, or for the sale or purchase of any property, or upon any other contract made by the governing authorities of the municipality, or subcontract arising therefore or connected therewith.

The CONTRACTOR will also be aware of and avoid any violation of the laws of this State which prescribe a criminal penalty for any public officer who has an interest in any contract passed by the board of which he or she is a member during the time he or she was a member and for one year thereafter.

39. INTEREST OF CERTAIN FEDERAL OFFICERS

No member of, or delegate to, the Congress of the United States and no Resident Commissioner shall be admitted any share or part of this Agreement or to any benefit to arise therefrom.

40. INTEREST OF CONTRACTOR

The CONTRACTOR agrees that it presently has no interest and shall not acquire any interest, direct or indirect, in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of the Work hereunder. The CONTRACTOR further agrees that no person having any such interest shall be employed in the performance of this Agreement.

41. POLITICAL ACTIVITY

The CONTRACTOR will comply with the provisions of the Hatch Act (5 U.S.C. § 1501 et seq.), which limits the political activity of employees.

42. RELIGIOUS ACTIVITY

The CONTRACTOR agrees to abstain from using any funds related to this Agreement for inherently religious activities prohibited by 24 C.F.R. § 570.200(j), such as worship, religious instruction, or proselytization.

43. FLOOD DISASTER PROTECTION ACT OF 1973

The CONTRACTOR will ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found in the Flood Disaster Protection Act of 1973, 24 C.F.R. § 570.605.

44. LEAD BASED PAINT

The CONTRACTOR must comply with the regulations regarding lead-based paint found at 24 C.F.R. Part 35 on LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES with regards to all housing units assisted using CDBG-DR funds.

45. VALUE ENGINEERING

(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation)

The CONTRACTOR must comply with the regulations regarding systematic and organized approach to analyze functions of systems, equipment, facilities, services, and materials to ensure they achieve their essential functions at the lowest cost consistent to life cycle in execution, reliability, quality, and safety, in accordance with 24 C.F.R. § 200.318(g).

46. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT (URA)

Every project funded in part or in full by Community Development Block Grant – Disaster Recovery (CDBG-DR) funds, and all activities related to that project, are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, 42 U.S.C. § 4601 et seq., and section 104(d) of the Housing and Community Development Act of 1992, as amended (HCDA), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by the U.S. Department of Housing and Urban Development (HUD). The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG-funded housing activities at 24 C.F.R. § 570.606. PRDOH has also established the Uniform Relocation Assistance Guide & Residential Anti-Displacement and Relocation Assistance Plan (URA & ADP Guide) which provides guidance and requirements regarding URA compliance and minimizing displacement that are applicable to all CDBG-DR programs. The primary purpose of these laws and regulations is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

When CDBG-DR funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, URA applies to that activity or project. This includes any property acquisition, even if CDBG-DR funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR funds to complete the project or an interdependent phase of the project. Contractors are responsible for ensuring URA compliance throughout the design, proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

47. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (OSH ACT)

The CONTRACTOR shall comply with the Occupational Safety and Health Act of 1970 (OSH Act) as supplemented by the Department of Labor regulations. This Act created the Occupational Safety and Health Administration (OSHA). OSHA sets and enforces protective standards of safety and health in the workplace. Under the OSH Act, employers have a responsibility to provide a safe workplace.

Employers must comply with the 29 CFR 1910 General Obligations Clause of the OSH Act. This clause requires employers to maintain their workplaces free from serious recognized hazards. This includes the adoption of safety and health guidelines and the subsequent training of the employer's workforce in these.

CONTRACTORS whose Scope of Work includes construction activities must comply with the General Clauses, and also with provisions of 29 CFR 1926 "Construction Health and Safety Regulations". It shall be a condition of any contract for construction, alteration and/or repair, including painting and decorating, that no contractor or subcontractor for any part of the contract work shall require any worker or mechanic employed in the performance of the contract to work in an environment or in unhealthy, hazardous or dangerous working conditions to their health or safety.

48. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

The Federal Funding Accountability and Transparency Act of 2006 (**FFATA**), as amended, was signed with the intent of reducing wasteful government spending and

providing citizens with the ability to hold the government accountable for spending decisions. 2 C.F.R. § Part 170 outlines the requirements of recipients' in reporting information on subawards and executive total compensation under FFATA legislation. Any non-Federal entity that receives or administers Federal financial assistance in the form of grants, loans, loan guarantees, subsidies, insurance, food commodities, direct appropriations, assessed and voluntary contributions; and/or other financial assistance transactions that authorize the non-Federal entities' expenditure of Federal fund, is subject to these requirements. Prime contract awardees and prime grant awardees are required to report against subcontracts and subgrants awarded in the FFATA Subaward Reporting System (FSRS), the reporting tool for Federal prime awardees. This information reported will then be displayed on a public and searchable website: www.USASpending.gov.

49.PROCUREMENT}

The Uniform Guidance procurement requirements (2 C.F.R. § Part 200, Subpart D) went into effect on July 1, 2018. These requirements are applicable to CDBG-DR funded projects, or as provided by 83 Federal Register 5844 VI A(1)(b)(2) permits a state grantee to elect to follow its own procurement policy. These policies and procedures ensure that Federal dollars are spent fairly and encourage open competition at the best level of service and price.

50.CHANGE ORDERS TO CONTRACTS

Change orders are issued when the initial agreed-upon pricing or work to be completed requires modification. First, the CONTRACTOR must complete a Change Order Request Form. This form and supporting documentation must be delivered to the PRDOH for review. Each change order must have a cost analysis. Once the Project Manager approves the change order, it is returned to the contractor for execution. Change orders are only invoiced on the final draw and categorized as "change orders." The amount listed on the invoice must match the previously approved amount and must be cost-reasonable. The PRDOH is responsible for verifying cost reasonableness. Verification documentation for cost reasonableness becomes an attachment to the change order.

51. LANGUAGE ACCESS PLAN

Executive Order No. 13166, signed on August 11, 2000, requires programs, subrecipients, contractors, subcontractors, and/or developers funded in whole or in part with CDBG-DR financial assistance to ensure fair and meaningful access to programs and services for families and individuals with Limited English Proficiency (**LEP**) and/or deaf/hard of hearing. Fair access is ensured through the implementation of a Language Assistance Plan (**LAP**), which includes non-English-based outreach, translation services of vital documents, free language assistance services, and staff training. Vital documents are defined as depending on the importance of the program, information, encounter, or service involved, and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner.

The Fair Housing and Equal Opportunity Language Access Plan for all CDBG-DR/MIT Programs states that Subrecipient Agreements will include requirements for the provisions of LEP and Limited Spanish Proficient (**LSP**) resources by subrecipients for all public participatory activities, including marketing, outreach, applications, vital document translations as well as monitoring requirements. Subrecipients and contractors have to comply with the following LEP/LSP requirements:

- a. Provide Spanish translations for all outreach, marketing, application materials, and vital documents, and advertise the availability of language assistance services.
- b. Requirements will also be added for subrecipients, contractors, and other administering entities that interact with LEP/LSP individuals as part of the implementation of the CDBG-DR/MIT Programs to:
 - i. Develop and maintain operating procedures that address LEP/LSP assistance;
 - ii. Maintain inquiry and application logs that specify language of choice;
 - iii. Submit documentation to PRDOH supporting subrecipient efforts to further LEP access;
 - iv. Submit translated documentation to PRDOH for maintenance in PRDOH's project files; and

Require periodic monitoring by PRDOH for compliance with LEP/LSP requirements.

CDBG-DR/MIT subrecipients and contractors, as well as any other administering entities that interact with LEP/LSP individuals as part of the implementation of the programs, will be required to maintain inquiry and application logs that document the language preference of persons seeking to apply or participate in CDBG-DR/MIT funded activities.

52. PERSONALLY IDENTIFIABLE INFORMATION

In accordance with 2 C.F.R. § 200.303, regarding internal controls of a non-Federal entity, a grantee must guarantee the protection of all Personally Identifiable Information (PII) obtained. The program will enact necessary measures to ensure PII of all applicants is safeguarded as to avoid release of private information. If a contractor or employee should experience any loss or potential loss of PII, the program shall be notified immediately of the breach or potential breach.

53. PROCUREMENT OF RECOVERED MATERIALS

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (**EPA**) at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

END OF DOCUMENT

APPENDIX C
CONTRACTOR CERTIFICATION
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO
CONTRACTS REVIEW POLICY
AIREKO ENERGY SOLUTION, LLC

The following is hereby certified to the Oversight Board regarding the request for authorization to execute a contract for **Acquisition of Battery Storage & Water Storage System** by and between the **Puerto Rico Department of Housing** and **Aireko Energy Solution, LLC**.

1. The expected subcontractor(s) in connection with the proposed contract¹ is (are) the following:

a. Name of individual or firm, including names of principals and principal stakeholders.

"Principal stakeholders" shall mean all entities or individuals with an ownership or membership interest, as the case may be, equal to or higher than ten percent (10%) in a subcontractor. "Principals" shall mean persons and entities that have full authority to act on behalf of each subcontractor)

	Individual/Principal	Firm	Principal Stakeholder
a	Gabriel Rivera, PE	Verdifica, PSC	Sole Owner
b	Angel Zayas Duchesne, PE	AZ Engineering, LLC	Sole Owner
c	Carlos Quiñones, PE	CJ Quiñones Eng. PSC	Sole Owner
d	Moises Almansa	Universal Solar	Sole Owner
e	Jorge A. Torres Scandali	Consulting Engineer, PSC	Sole Owner

b. Principal terms and conditions of the contractual relation and role of the subcontractor

	Subcontractor	T & Conds	Role of Subcontractor
a	Verdifica, PSC	Engineering Firm	Electrical Engineering
b	AZ Engineering, LLC	Engineering Firm	Electrical Engineering
c	CJ Quiñones Eng. PSC	Engineering Firm	Structural Engineering
d	Universal Solar	Installation Company / Subcontractor	Water Cisterns Supplier/Installer
e	Consulting Engineer, PSC	Engineering Firm	Mechanical (Plumbing) Engineering

¹ As used herein, the term "contract" is inclusive of any amendments, modifications or extensions.

c. Amount of proposed contract payable to each subcontractor

	Subcontractor	Contract Amount
a	Verdifica, PSC	\$3,500.00
b	AZ Engineering, LLC	\$3,500.00
c	CJ Quiñones Eng. PSC	\$3,000.00
d	Universal Solar	\$30,000.00
e	Consulting Eng. PSC	\$1,750.00

2. Neither the contractor nor any of its owners², partners, directors, officials, or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

Not Applicable

a. Name of individual or firm, including names of principals or owners of the latter

	Name of Individuals/Owners	Members/Ownership %
1	José E. Rossi	95.87%
2	Waldemar E. Toro Dávila (Tito)	4.13%

b. Principal terms and conditions of the compensation sharing arrangement

See Membership % above

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.

² For purposes of this certification, a contractor's "owner" shall mean any person or entity with more than a ten percent (10%) ownership interest in the contractor.

4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

5. Neither the contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.

6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract, and the contractor must reimburse immediately to the Commonwealth any amounts, payments, or benefits received from the Commonwealth under the proposed contract.

[The above certifications shall be signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:]

I hereby certify under penalty of perjury that the foregoing is complete, true, and correct on this 7 day of February of 2025.



Signature

02/09/25

Date

Waldemar E. Toro Dávila

Printed Name

Partner & President

Position



ATTACHMENT H

NON-CONFLICT OF INTEREST CERTIFICATION

AIREKO ENERGY SOLUTION, LLC

The CONTRACTOR certifies that:

1. No public servant of this executive agency has a pecuniary interest in this contract, subrecipient agreement, purchase, or commercial transaction.
2. No public servant of this executive agency has requested me or accepted from me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts, bonuses, favors, services, donations, loans or anything else of monetary value.
3. No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment.
4. No public servant has requested from me, directly or indirectly, for him (her), for any member of his or her family unit, or for any other person, business, or entity, something of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity.
5. I have no kinship relationship, within the fourth degree of consanguinity and second by affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.

The above certifications shall be signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:

"I hereby certify under penalty of perjury that the foregoing is complete, true, and correct."



Signature

02/09/25

Date

Waldemar E. Toro Dávila

Printed Name

Partner & President

Position