

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

AGREEMENT FOR  
TRAVEL MANAGEMENT SERVICES  
BETWEEN THE  
PUERTORICO DEPARTMENT OF HOUSING  
AND  
CONDADO TRAVEL, INC



This AGREEMENT FOR TRAVEL MANAGEMENT SERVICES (Agreement or Contract) is entered into in San Juan, Puerto Rico, this 13 of May, 2025, by and between the PUERTORICO 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 Ciary Y. Pérez Peña, of legal age, single, and resident of Las Piedras, Puerto Rico, in her capacity as Secretary; and CONDADO TRAVEL, INC (CONTRACTOR), with principal offices in 1225 Ave. Ponce de León, Suite 902, San Juan, PR, 00907, herein represented by José D. Targa, in his capacity as President, of legal age, married, and resident of Guaynabo, Puerto Rico, duly authorized by Corporate Resolution issued on April 11, 2025; collectively the "Parties".

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 travel management services to assist PRDOH with planning, managing budgets, accommodations and hotel reservations, insurance, and transportation. 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.

WHEREAS, on February 20, 2025, PRDOH issued a Small Purchase (SP) for Acquisition of Travel Management Services 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 the documentation of

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two (2) vendors. The documentation was evaluated based on the criteria stated in the SP.

WHEREAS, on March 7, 2025, the CONTRACTOR submitted the documentation, which fully complied with the requirements set forth by the PRDOH.

WHEREAS, the PRDOH desires to enter into an Agreement with CONDADO TRAVEL, INC to secure its services, 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 cost reimbursement contract. Under this Agreement, the CONTRACTOR shall submit invoices to the PRDOH based on the Attachment B (Scope of Services) 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	Evaluation and Recommendation
Attachment B	Scope of Services
Attachment C	Terms and Conditions
Attachment D	Insurance Requirements and Bonding Specifications
Attachment E	HUD General Provisions
Attachment F	Contractor Certification Requirement
Attachment G	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 (24) months, ending on May 13, 2025.
- B. **Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term for two (2) additional terms of twelve (12) months each, or expressed in days, three hundred sixty-five (365) calendar days each, 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 SERVICES

The CONTRACTOR will provide the services described in Attachment B (Scope of Services) 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 Attachment B (Scope of Services) 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 FORTY-FOUR THOUSAND FIVE HUNDRED NINETY-SIX DOLLARS (\$244,596.00);  
Account Numbers: mita12adm-doh-na 4190-10-000 and r02a01adm-doh-na 4190-10-000.
- C. Such payment shall be compensation for all allowable services required, performed, and accepted under this Agreement included in Attachment B (Scope of Services).
- 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 an as-needed 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

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conduct any audits it deems necessary. The CONTRACTORagreestocooperate 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 CONTRACTORMust adhere to applicable requirements of the CDBG-DR/MIT grant. If the CONTRACTORperforms ineligible activities under the CDBG-DR/MIT grant or program, the CONTRACTORcannotinclude them in the invoice for payment to the CONTRACTOR.
- I. CONTRACTORshallbe liable to the PRDOHforany costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement. CONTRACTORshallreimburse such disallowed costs from funds other than those CONTRACTORreceivedunder this Agreement.
- J. The CONTRACTORacknowledges and agrees to repay any CDBG-DR/MITfunds used for ineligible costs. As per, CDBG-DRRecapture of Funds Policy, as found in the CDBG-DR Website ([https:// recuperacion.pr.gov/ welcome/ index.html](https://recuperacion.pr.gov/welcome/index.html)), which are hereinincluded 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 CONTRACTORto receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOHforpayment:

**"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 servicesunder 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 PRDOHwillnot reimburse any costs incurred by the CONTRACTORnotincluded in the approved Proposalor in an executed written amendment.

#### VI. ADDITIONAL SERVICES

Should additional services be needed by the PRDOH,suchadditional services shall be agreed upon by the Partiesin a written docum ent 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 CONTRACTORs working papers, the CONTRACTOR acknowledges the PRDOHs 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 PRDOHs 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.

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## 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.

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- 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 day's 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 day's 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 CONTRACTORshallimmediately discontinue all Services affected.

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- F. Immediate Termination: In the event the CONTRACTORis subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the CONTRACTORshall 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 Services) 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](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 CONTRACTORfailstocomply with federal and/ or local statutes, regulations or the terms and conditions of the Agreement, PRDOHmaytake 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 Federalawards for the project or program.
  - v. Take other remedies that may be legally available.

B. Liquidated dam ages

The CONTRACTORshall pay to PRDOH,as liquidated dam ages, one hundred dollars (\$100.00)foreach calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of one thousand five hundred dollars (\$1,500.00)established in this Agreement between PRDOHand the CONTRACTOR,inaccordance with Attachment B (Scope of Services). Said sum,in view of the difficulty of accurately ascertaining the loss which PRDOHwill suffer by reason of delay in the completion of the Work hereunder, is hereby fixedand agreed as the liquidated damages that PRDOHwillsufferby 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'sobligation to indem nify the PRDOHpursuant to this Contract, or to any other remedy provided for in this Contract or by Law.Liquidateddamages may be assessedat 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 PRDOHmay 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 PRDOHperthe formula above,the CONTRACTOR shall be liable to pay the difference.

XV. LIABILITY

In no event, the PRDOHshall be liable for any indirect, incidental, special or consequential damages, or dam ages 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 possibilityof such dam ages. 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 Services), insurance policies in compliance with the Insurance Requirements, attached hereto and made an integral part hereof as Attachment D (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 D (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

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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 CONTRACTOR 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.

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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 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 declared 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 subjectivity 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, CONTRACTORS, successors and assigns against all costs, expenses and liabilities, including without limitation

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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 00918

To: CONTRACTOR

José D. Targa  
President  
Condado Travel, Inc  
PO Box 364806  
00936

## 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 F (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 E (HUD General Provisions), Attachment F (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.

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- 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

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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.

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4. The CONTRACTOR represents and guarantees that none of its 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 G (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.

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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 F (Contractor Certification Requirement) to this contract.

XXVII. 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 E (HUD General Provisions) and in compliance with all the requirements described in Attachment F (Contractor Certification Requirement).

## XXVIII. CDBG-DR/ MIT POLICIESAND 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.

## XXIX. 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 PRDO 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.

#### XXX. 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.

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- 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.

#### XXXI. 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.

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- 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 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.

#### XXXII. 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:
- Competitively within a timeframe providing for compliance with the contract performance schedule;
  - Meeting contract performance requirements; or
  - 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.

#### XXXIII. 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.

#### XXXIV. 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

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further agrees to include a provision requiring such compliance in its lower-tier covered transactions.

XXXV. SYSTEMFORAWARD MANAGEMENT (SAM) REGISTRATION

The CONTRACTORcertifiesthatit 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 CONTRACTORMust be registered in the System for Award Management (SAM) and shall maintain its registration active during contract performance and through final payment. The CONTRACTORis responsible during performance and through final payment for the accuracy and completeness of the data within SAM.Failureto maintain registration in SAMmay impact obligations and payments under this Agreement, including but not limited to, termination of this Agreement.

XXXVI. NO OBLIGATION BY THEFEDERALGOVERNMENT

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,orany other party pertaining to any matter resulting from the Agreement.

XXXVII. PROGRAM FRAUD & FALSEOR FRAUDULENTSTATEMENTS ORRELATEDACTS

The CONTRACTORacknowledges that 31U.S.C.Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the CONTRACTORsactionspertaining to this Agreement.

XXXVIII. BANKRUPTCY

In the event that CONTRACTORfilesfor bankruptcy protection, the Government of Puerto Rico and PRDOHmay declare without notice this Agreement null and void or terminate this Agreement without notice.

XXXIX. ENTIREAGREEMENT

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

XL. 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 Partiesfrom their obligations under this Agreement.

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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, it is the complete obligation of the CONTRACTOR to keep itself updated with the programmatic policies, procedures, guidelines, and applicable and/or governing law.

#### XT. 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.

#### XTI. 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.

#### XTII. 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.

#### XTIII. 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 E (HUD General Provisions), Attachment B (Scope of Services), and Attachment C (Terms and Conditions).

#### XTIV. 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

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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.

XLVI. 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 12:00a.m. and conclude at 11:59p.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 breach of this Agreement, entitling PRDOHand/or the Government of Puerto Rico to pursue all available remedies under law or equity.

XLVII. 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](mailto: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

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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](mailto: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](mailto: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

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unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH following the Agreement termination.

#### XLVIII. 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.

#### XLIX. 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.

#### L. 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.

#### LI. 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.

#### LII. 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.

#### LIII. 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.

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LIV. 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.

LV. COMPLIANCE WITH ADMINISTRATIVE ORDER NO. OA-HD-25-03 OF PRDOH

On April 28, 2025, PRDOH issued an Administrative Order No. OA-HD-25-03, to establish public policy regarding the use and management of electronic and digital signatures within PRDOH. Additionally, to recognize electronic and digital signatures in the course of PRDOH's operations.

In compliance with OA-HD-25-03, PRDOH validates the consent of the electronic signatories through the incorporation of the following clause:

**The Parties agree that this document may be signed by electronic means. They further acknowledge that, if signed in this manner, the document shall retain its legal validity and effect with respect to enforceability, consent, applicability, and admissibility.**

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

PUERTORICO DEPARTMENT OF HOUSING

CONDADO TRAVEL, INC

Ciary Y. Pérez Peña  
Ciary Y. Pérez Peña (May 13, 2025 18:09 EDT)  
Ciary Y. Pérez Peña  
Secretary

Jose D. Targa  
jose targa (May 8, 2025 11:44 EDT)  
José D. Targa  
President





DEPARTMENT OF  
**HOUSING**  
GOVERNMENT OF PUERTO RICO



## ATTACHMENT A

March 27, 2025

Héctor Homí Martínez Rosado, Esq.  
Procurement Office Director  
Office of Disaster Recovery  
Puerto Rico Department of Housing

Re: Evaluation and Recommendation  
Small Purchase for Travel Management Services  
Community Development Block Grant- Disaster Recovery  
Community Development Block Grant-Mitigation

### I. Introduction

The Puerto Rico Department of Housing (PRDOH) approved the Procurement Manual for the CDBG-DR, CDBG-MIT, and CDBG State Program, Regulation No. 9506 of September 25, 2023 (Procurement Manual)<sup>1</sup>. The procurement policies and procedures contained in the Procurement Manual apply to all procurement processes under the Community Development Block Grant for Disaster Recovery (CDBG-DR) and Mitigation (CDBG-MIT) Programs and activities, whether funded in whole or in part with CDBG-DR and CDBG-MIT funds. According to Administrative Determination No. 2021-01, dated May 21, 2021, subscribed by the Administrator and Chief Procurement Officer of the Puerto Rico General Services Administration (ASG for its Spanish acronym), both the CDBG-DR and CDBG-MIT Programs are excluded from the application of Act No. 73-2019, as amended, also known as the General Services Administration for the Centralization of Government of Puerto Rico Purchasing Act of 2019 (Act 73-2019).

On February 20, 2025, PRDOH issued a small purchase to procure Travel Management Services for the CDBG-DR and CDBG-MIT Programs.

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<sup>1</sup> As per Article XX "This Manual is originally adopted in the English language, therefore a translation to the Spanish language is included. In case of any inconsistency between both versions, the English version will prevail.

## II. Procurement Process

On February 3, 2025, the Procurement Division received the Procurement Process Request package from the Operations Division, including the Scope of Services, Cost Estimate (for budgeting purposes), and Request for Certification of Funds. The Operations Division prepared the cost estimate for \$244,596.00, to provide an estimate of the required budget with backup information including previous quotes and prices from Expedia, Iberia, among others.

The Selected Supplier(s) shall provide the PRDOH with travel management services where they will be directly responsible for the planning, managing budgets, accommodations and hotel reservations, insurance, and transportation to satisfy the PRDOH's needs. It is expected that the Selected Supplier(s) provide these services in a cost effective and organized way. The Selected Supplier(s) must be able to handle any travel issues, complaints, cancellations, refunds, and conflicts in a professional and effective manner. The services must be provided in a competent and professional manner, satisfactory to the PRDOH and in accordance with the terms and conditions included in the Process.

On February 4, 2025, the Procurement Division requested to the Finance Division the certification of funds for the small purchase. On February 18, 2025, the Finance Division issued a certification of funds for \$244,596.00.

After evaluating the Procurement Process Request Package, the Procurement Division initiated the solicitation process for the Travel Management Services acquisition.

## III. Procurement Solicitation

The Procurement Division sent the Request for Quotation Package via electronic mail to the following potential suppliers:

1. Figueroa Travel
2. Good Quality Travel
3. Madrid Travel
4. Viajes Coquí
5. Paradise Travel
6. Expert Travel
7. Puerto Rico Viaja
8. Coupi Travel Services

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9. Bonilla Travel Agency
10. Connections Travel, Inc.
11. Condado Travel, Inc.
12. Barron Travel
13. Modern Travel & Tours, Inc.
14. Viajes Caribe Tours
15. Darlington Travel Agency
16. Alpha & Omega Travel & Tours
17. Con la Pata Alzá
18. A&A Tours
19. Sweet Global Travel PR

On February 20, 2025, the Small Purchase was published on the CDBG-DR website. The Request for Quotation Package was submitted to the PRDOH Section 3/MWBE personnel in order for them to share it with their database. The invited firms were required to submit their documentation on or before March 10, 2025.

As part of the aforementioned Small Purchase, the Procurement Division had to develop Addendum No. 1 to amend the Scope of Services and Supplier Profile Sheet and eliminate the Cost Form. The Procurement Division published the Addendum on the CDBG-DR website and sent it to potential suppliers who requested the Request for Quotation Package via email.

For details regarding the Addenda, refer to Table 1.

Table 1. Addendum		
Addendum	Publication date	Issue
No. 1	February 28, 2025	Amend the Scope of Services and Supplier Profile Sheet and eliminate the Cost Form.

IV. Responses Received

Figueroa Travel and Coupi Travel Services requested the Request for Solicitation Package; however, they did not submit the required documentation.

By March 10, 2025, the Procurement Division received the documentation from the

following two (2) vendors, as illustrated in Table 2.

Table 2. Summarizes the responses received:

Entity	Response	Date Received
A&A Tours	Accepted the terms & conditions	03/07/2025
Condado Travel	Accepted the terms & conditions	03/07/2025

During a preliminary assessment of the documentation received, the Procurement Division found that A&A Tours did not send the Insurance Requirements. Therefore, the Procurement Division requested to complete the documentation by March 20, 2025. A&A Tours also needs to complete their SAM.gov registration. On March 13, 2025, the Procurement Division requested them to provide evidence of their registration and complete the SAM Certification letter. On the same date, the entity provided evidence of the SAM registration renewal. On March 19, 2025, A&A Tours sent an email stating that they would not be able to continue participating in the small purchase. The insurance requirements of A&A Tours were not received.

The Procurement Division found that Condado Travel did not include the Cyber Security in the Insurance Requirements and the email address was missing from the Supplier Profile Sheet. On March 13, 2025, the Procurement Division requested them to provide these documents on or before March 20, 2025. Also, Condado Travel did not send the Non-Conflict of Interest Certification on Existing or Pending Contracts. Therefore, the Procurement Division requested to complete the documentation by March 20, 2025. On March 18, 2025, Condado Travel sent all requested documents.

Among the services to be provided by the supplier are:

- Provide domestic and /or international airline, railway or bus tickets at the most favorable rate available to meet all arrival and departure times at the locations requested by PRDOH. It is desired that the San Juan Luis Muñoz Marín International Airport (SJU) be the first option for the traveler unless another local airport can be used at a lower price or convenience to the traveler.
- Arrange hotel accommodations if requested, taking full advantage of any governmental or corporate discount rates available.

- Provide "In trip" services on a 24 hour- 7 days per week basis. The contractor should operate and maintain an emergency number that is available to PRDOH staff in order to assist any PRDOH staff with travel related problems that may occur.
- Provide ground transportation from the destination airport to hotel and hotel to airport.
- Arrange vehicle rentals specifying economy models whenever possible taking full advantage of all governmental and/ or corporate discount rates available.
- Provide PRDOH arrangements, tickets, and confirmations for air, train, hotel and/ or vehicle accommodations. Should PRDOH need tickets sooner, PRDOH may elect to pick up from the supplier.
- Provide pre-paid air, train, and/ or vehicle tickets, as required.
- Provide emergency or short notice bookings and confirmations as required with notice of twenty-four (24) hours or less.
- Upon request, provide printed information, orientation, or seminar type training to PRDOH staff to introduce and instruct them in the most effective utilization of the services offered by the Supplier.
- Supplier shall provide the appropriate support to ensure continuity of service.
- Supplier shall waive PRDOH from all implementation costs, if any.
- Supplier shall comply with the State Law No. 238 of September 28, 2002.
- The rates/ costs for additional services will be negotiated between the parties; however, they will not exceed the usual and customary rates charged for the same or similar services.
- The supplier will provide services on as needed basis.

The scope of services outlined the following terms and conditions:

- Payments shall be issued for services provided previously approved by the PRDOH. It is the Selected Supplier's responsibility to provide the services as set forth under the Scope of Services. The Selected Supplier shall submit an invoice to PRDOH after delivery of the goods is provided. Said invoice must be submitted including all required invoice supporting documents, including but not limited to, copy of PRDOH's request and authorization documentation or correspondence, credit card statements or evidence of payment documentation, and invoice. If PRDOH determines that the submitted invoice

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and supporting documentation is acceptable, then the invoice will be approved for payment. An authorized representative of the PRDOH will review each invoice and, if adequate, will approve and process its payment.

- Payments to the Selected Supplier shall be made by electronic funds transfer (EFT). PRDOH reserves the right to conduct any audits it deems necessary. The Selected Supplier agrees to fully cooperate with any audit process.
- The services rendered under the Selected Supplier agreement shall be payable within forty-five (45) days from the date the invoice is approved by PRDOH.
- Supplier shall comply with the State Law No. 238 of September 28, 2002.

The agency Condado Travel accepted the aforementioned terms and conditions for these services.

#### V. Recommendation

The Procurement Division recommends awarding the small purchase to Condado Travel for CDBG-DR and CDBG-MIT Programs, a company that accepted the aforementioned terms and conditions for these services and complied with the requirements included in the Scope of Services.

Condado Travel is set to be awarded a contract amounting to \$244,596.00 for an initial contract of two (2) years with the option of up to two (2) optional one (1) year extensions. The amount assigned to the vendor will be used for travel management services as needed by PRDOH.

The Procurement Division verified the System for Award Management (SAM) and confirmed the supplier's eligibility. The Limited Denial of Participation (LDP), and HUD Funding Disqualifications were also searched to confirm that the supplier is not under a HUD imposed LDP. A copy of the search results is retained in the procurement file.

Given the above, the Procurement Division recommends awarding the Small Purchase for the Travel Management Services acquisition to Condado Travel.

END OF DOCUMENT.

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DEPARTMENT OF

# HOUSING

GOVERNMENT OF PUERTO RICO



## ATTACHMENT B

### SCOPE OF SERVICES

Small Purchase

Travel Management Services

Community Development Block Grant – Disaster Recovery

Community Development Block Grant – Mitigation

Puerto Rico Department of Housing

(Revised for Addendum no. 1)

#### 1. Introduction

This document defines the work that the Supplier must perform in order to provide travel agency services under a contract with the Puerto Rico Department of Housing (**PRDOH**) for Community Development Block Grant–Disaster Recovery (**CDBG-DR**) and Community Development Block Grant–Mitigation Programs (**CDBG-MIT**) personnel. The Action Plan approved by the U.S. Housing and Urban Development (**HUD**) includes a detailed description of CDBG-DR and CDBG-MIT programs. A complete copy of the Action Plan is available at [www.cdbg-dr.pr.gov/action-plan](http://www.cdbg-dr.pr.gov/action-plan).

The Selected Supplier will be directly responsible for ensuring accuracy, timeliness and completion of all tasks assigned under this contract. The Selected Supplier will also be directly responsible for the planning of transportation, accommodations, insurances and other travel services for public employees on official trips from Puerto Rico, assigned under this contract. Therefore, we encourage careful analysis of the requirements of this document. The Selected Supplier must guarantee the costs for the services required for the term of the contract.

#### 2. PRDOH's Reservation of Rights:

PRDOH reserves the right, without limitations, to:

- (i) Reject any or all quotations, to waive any informality in the SP process, or to terminate the SP process at any time, if deemed to be in its best interests.
- (ii) Reject and not consider any quotation that does not meet the requirements of this SP, including but not necessarily limited to, incomplete quotations and/or quotations 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 suppliers 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,

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- b. Legal restrictions are placed upon the expenditure of monies for this category.
  - c. PRDOH's requirements in good faith change after award of the contract.
  - (vi) To require additional information from all suppliers to determine level of responsibility.
  - (vii) To contact any individuals, entities, and/or organizations that have had a business relationship with the suppliers, regardless of their inclusion in the reference section of the quotation's submittal.
  - (viii) To contract with one or more suppliers or the cancellation of this SP.
  - (ix) To negotiate any price from the awarded supplier(s) in response to a specific order under this solicitation.
  - (x) To modify the quantity of the listed items and/or services during the term of the contract without exceeding the threshold of the small purchase in compliance with policies and procedures.
  - (xi) Withdraw from contracting with a selected vendor if the vendor chosen does not provide the required contract documents, including insurance requirements, within ten (10) business days of the contract Award Notice.
  - (xii) Extend the time of the written agreement if deemed necessary.
  - (xiii) The above does not prohibit the Selected Proposer(s) from competing in the new solicitation at the end of their contract(s).

The supplier shall be responsible for providing all services outlined in this Scope of Services.

The Procurement Division will review the quotes received within the submission term and verify the submitted quotes compliance with the requirements established in the Scope of Services. The Procurement Division may request clarifications to provide a better understanding of the purchase requirements.

### 3. Requirements

The Selected Supplier(s) shall provide PRDOH with travel management services where they will be directly responsible for the planning, managing budgets, accommodations and hotel reservations, insurance, and transportation to satisfy PRDOH's needs. It is expected that the Selected Supplier(s) provide these services in a cost effective and organized way.

**The suppliers must provide a brief description of the agency including history, years in business, total sales, and overview of client base, specifically any experience with the Government of Puerto Rico.** The suppliers must have a wide knowledge and experience in travel, tourism, managing budgets and offering exceptional customer service as they need to advise and provide all the information and details of the travel destinations to PRDOH.



All travels will be made from Puerto Rico to the United States, adjacent islands (Vieques and Culebra) and/or international destinations.

The Selected Supplier(s) must be able to handle any travel issues, complaints, cancellation, refunds and conflicts in a professional and effective manner.

The services must be provided in a competent and professional manner, satisfactory to PRDOH and in accordance with the terms and conditions included with this Scope of Services as Attachments A through D.

The Selected Supplier(s) must be able to provide support upon PRDOH's request. Therefore, the Selected Supplier(s) will assign a point of contact (**POC**) to answer any questions and concerns related to this process and to the services being requested.

Vendors must be registered in the System for Award Management (SAM) at the time of the Quote submission or initiate the registration process immediately following the Quote submission. For more information about the System for Award Management (SAM), visit <https://www.sam.gov/SAM/>. Awards will only be issued to cleared entities and not ineligible for contract award due to suspension, debarment, or HUD-imposed limited denial of participation.

#### 4. Services

The Selected Supplier(s) will be responsible for providing Travel Services with the following details and description:

- Provide domestic and /or international airline, railway or bus tickets at the most favorable rate available to meet all arrival and departure times at the locations requested by PRDOH. It is desired that the San Juan Luis Muñoz Marín International Airport (**SJU**) be the first option for the traveler unless another local airport can be used at a lower price or convenience to the traveler.
- Arrange hotel accommodations if requested, taking full advantage of any and all governmental or corporate discount rates available.
- Provide "In trip" services on a 24 hour- 7 days per week basis. Contractor should operate and maintain an emergency number that is available to PRDOH staff in order to assist any PRDOH staff with travel related problems that may occur.
- Provide ground transportation from the destination airport to hotel and hotel to airport.

- Arrange vehicle rentals specifying economy models whenever possible taking full advantage of all governmental and/or corporate discount rates available.
- Provide PRDOH all arrangements, tickets, and confirmations for air, train, hotel and/or vehicle accommodations. Should PRDOH need tickets sooner, PRDOH may elect to pick up from the supplier.
- Provide pre-paid air, train and/or vehicle tickets, as required.
- Provide emergency or short notice bookings and confirmations as required with notice of twenty-four (24) hours or less.
- Upon request, provide printed information, orientation or seminar type training to PRDOH staff to introduce and instruct them in the most effective utilization of the services offered by the Supplier.
- Supplier shall provide the appropriate support to ensure continuity of service.
- Supplier shall waive PRDOH from all implementation costs, if any.
- Supplier shall comply with the State Law No. 238 of September 28, 2002.
- The rates/costs for additional services will be negotiated between the parties; however, they will not exceed the usual and customary rates charged for the same or similar services.
- The supplier will provide services on as needed basis.

## 5. Deliverables

The Selected Supplier(s) shall take in consideration the here below mention deliverables as part of their proposal.

- Customized travel plans and pricing will be submitted to PRDOH for evaluation. The Supplier will proceed with the reservation after receipt of written approval from PRDOH.
- To ensure the reservations, the travel agency must issue the corresponding deposit or full payment prior to receiving reimbursement from PRDOH.
- Bills are expected to be paid within 45 days after approval of the invoice.
- The Services will be provided on an as-needed basis.
- The Selected Supplier must maintain records of bookings, payments and transactions.

## 6. Contract Term

The term of the Contract for which the services are being requested will be of two (2) years with the option of up to two (2) optional one (1) year extensions.

## 7. Payment

Payments shall be issued for services provided previously approved by PRDOH. It is the Selected Supplier's responsibility to provide the services as set forth under the Scope of



Services. The Selected Supplier shall submit an invoice to PRDOH after delivery of the goods is provided. Said invoice must be submitted including all required invoice supporting documents, including but not limited to, copy of PRDOH's request and authorization documentation or correspondence, credit card statements or evidence of payment documentation, and invoice. If PRDOH determines that the submitted invoice and supporting documentation is acceptable, then the invoice will be approved for payment. An authorized representative of PRDOH will review each invoice and, if adequate, will approve and process its payment. Payments to the Selected Supplier shall be made by electronic funds transfer (EFT). PRDOH reserves the right to conduct any audits it deems necessary. The Selected Supplier agrees to fully cooperate with any audit process. The services rendered under the Selected Supplier agreement shall be payable within forty-five (45) days from the date the invoice is approved by PRDOH.

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

CONDADO TRAVEL  
Supplier Entity Name

[Signature]  
Supplier Authorized Representative Signature

3/07/25  
Date

JOSE D. TARGA  
Supplier Authorized Representative Printed Name

**ATTACHMENT C  
TERMS AND CONDITIONS**

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**ANEJO A**

**TÉRMINOS Y CONDICIONES PARA CONTRATOS Y ÓRDENES DE COMPRA DEL PROGRAMA CDBG-DR**

Los siguientes términos y condiciones se hacen formar parte del contrato/orden de compra para servicios o suministros establecido entre el Departamento de la Vivienda de Puerto Rico [Vivienda] y sus proveedores y **CONTRATISTAS** (en adelante, "**CONTRATISTA**"). El **CONTRATISTA** reconoce que el incumplimiento de los términos y condiciones aquí descritos, así como los términos y condiciones del contrato/orden de compra, pueden dar lugar a la rescisión del contrato/orden de compra.

**TÉRMINOS Y CONDICIONES**

- 1) El **CONTRATISTA** suministrará toda la mano de obra, materiales, herramientas, equipos, software, suministros y transportación que sean necesarios para el desempeño de sus labores en virtud del contrato/orden de compra. El **CONTRATISTA** conseguirá todos los permisos, consentimientos y licencias necesarios para cumplir con las leyes federales, estatales y municipales aplicables, así como los reglamentos y ordenanzas de los organismos reguladores correspondientes. El **CONTRATISTA** pagará todos los impuestos correspondientes por ventas, uso o propiedad personal que se deriven del contrato/orden de compra y las transacciones allí contempladas. El **CONTRATISTA** será responsable por cualquier otro impuesto sobre este contrato/orden de compra, la transacción, el equipo o los servicios prestados de conformidad con el presente contrato/orden de compra. Se entiende claramente que Vivienda está exenta del pago de todo impuesto relacionado con el desempeño del alcance del trabajo de este contrato/orden de compra.
- 2) El **CONTRATISTA** será el único responsable de todos los daños causados a personas o a propiedad que puedan ocurrir como resultado de la negligencia del **CONTRATISTA** y tomará medidas de seguridad adecuadas para proteger la salud y la propiedad del público general con relación al alcance del trabajo del contrato/orden de compra. En ningún caso Vivienda será responsable por ningún daño indirecto, incidental, especial o consecuente, o daños por pérdida de ganancias, ingresos, datos o uso, incurridos por cualquiera de las partes o por un tercero, ya sea por una acción contractual o extracontractual, aun cuando se haya advertido a la otra parte o a otra persona sobre la posibilidad de dichos daños. El **CONTRATISTA** y sus afiliados, sus sucesores y las personas designadas por el **CONTRATISTA** indemnizarán a Vivienda por todo daño o pérdida que resulte del incumplimiento del presente contrato/orden de compra por parte del **CONTRATISTA**, así como por lesiones personales o daños a la propiedad que se deriven de cualquier acto de negligencia u omisión por parte del **CONTRATISTA** y sus afiliados con relación a este contrato/orden de compra.
- 3) El **CONTRATISTA** acuerda indemnizar, defender y liberar de toda responsabilidad a Vivienda, sus funcionarios y empleados contra: 1) Toda reclamación o pérdida por servicios prestados por un subcontratista, individuo o compañía que provea o proporcione servicios, materiales o suministros relacionados a la ejecución del contrato/orden de compra; 2) Toda reclamación o pérdida por daños o lesiones causadas a una persona o entidad por el proveedor, sus funcionarios, empleados o subcontratistas debido a la publicación, traducción, reproducción, envío, ejecución, uso o disposición de los datos utilizados como parte de este contrato/orden de compra de una manera que no esté autorizada por el contrato/orden de compra o por los estatutos o reglamentos estatales y federales; 3) Incumplimiento de las leyes estatales y federales por parte del proveedor, sus funcionarios, empleados o subcontratistas, lo que incluye, sin limitarse a esto, las leyes laborales y salariales.
- 4) La responsabilidad del **CONTRATISTA** en virtud del contrato/orden de compra terminará cuando todo el trabajo se haya completado, Vivienda haya llevado a cabo la inspección final y el representante autorizado de Vivienda haya aceptado el trabajo y/o los suministros. El **CONTRATISTA** seguirá teniendo responsabilidad según lo requieran las garantías correspondientes.
- 5) Garantía de ejecución:
  - a. El **CONTRATISTA** garantiza que realizará todo el trabajo y proveerá todos los productos o servicios descritos en este Contrato de manera compatible con el nivel de cuidado y habilidad aplicado normalmente por personas que actualmente ejercen la misma profesión en circunstancias similares.
  - b. El **CONTRATISTA** garantiza que todos los productos o servicios que complete como parte de este Contrato cumplirán o excederán los estándares del comercio, profesión o industria del **CONTRATISTA**, cumplirán o excederán las especificaciones establecidas en los Anejos, serán aptos para el uso ordinario que se ha destinado, serán de buena calidad y no tendrán defectos materiales.
  - c. Si el **CONTRATISTA** entrega productos que no cumplen con las especificaciones, no entrega dichos productos de forma puntual o no cumple con su obligación bajo este Contrato, Vivienda podrá exigir que el **CONTRATISTA** lleve a cabo lo siguiente, asumiendo todos los gastos:
    - i. reparar o reemplazar productos que no cumplen con las especificaciones;
    - ii. reembolsar el pago de productos que no cumplen con las especificaciones y aceptar la devolución de dichos productos;
    - iii. pagar daños líquidos por productos adeudados y
    - iv. tomar las medidas necesarias para asegurar que la futura ejecución y las futuras entregas cumplan con las especificaciones y se ajusten a lo estipulado en el Contrato.
- 6) El **CONTRATISTA** enviará al Oficial Contratante, por escrito, toda queja o disputa que pueda tener con relación a sus obligaciones en virtud del contrato/orden de compra y/o con relación al rechazo de bienes o servicios por parte de



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- Vivienda. El Oficial Contratante emitirá una decisión con respecto a la disputa en un plazo de treinta (30) días luego del recibo de la querrela del **CONTRATISTA**. Dicha decisión será final.
- 7) El **CONTRATISTA** no contratará subcontratistas a quienes se les haya denegado su participación en programas de contratación del Departamento de Vivienda y Desarrollo Urbano de Estados Unidos (HUD, por sus siglas en inglés) o del Gobierno de Puerto Rico. El **CONTRATISTA** debe verificar la elegibilidad de los subcontratistas en el Sistema de Administración de Adjudicaciones (SAM, por sus siglas en inglés) y en la Lista de Denegación de Participación Limitada (LDP, por sus siglas en inglés) y debe conservar documentación de los resultados de la búsqueda para confirmar la elegibilidad de los subcontratistas. Para cumplir con el proceso de verificación de elegibilidad, el **CONTRATISTA** podría solicitar asistencia de la Oficina de Adquisiciones del Programa CDBG-DR en la siguiente dirección: cdbgdpr-procurement@vivienda.pr.gov. Todas las términos y condiciones aquí descritos aplican también a los subcontratistas.
- 8) Vivienda, el Gobierno de Puerto Rico, HUD y la Oficina del Contralor General de los Estados Unidos tendrán acceso limitado a los expedientes que posea el **CONTRATISTA**, ya sean escritos o mecanizados, y que sean producto del desempeño de las funciones bajo este contrato/orden de compra, por un período de cinco (5) años a partir del cierre de la subvención o durante el período estipulado por otras leyes y reglamentos aplicables. Dichos expedientes incluyen, entre otros: Registros que ofrecen una descripción completa de todas las actividades realizadas; registros que demuestran que cada actividad realizada cumple un Objetivo Nacional del Programa CDBG-DR; registros requeridos para determinar la elegibilidad de las actividades; registros requeridos para documentar la adquisición, mejoramiento, uso o disposición de propiedad inmueble adquirida o mejorada con fondos CDBG-DR; registros que documentan el cumplimiento con los requisitos de contratación correspondientes y otros registros necesarios para documentar el cumplimiento con este contrato/orden de compra, con los estatutos o reglamentos federal aplicables y con los términos y condiciones de la adjudicación federal de Vivienda.
- 9) El **CONTRATISTA** garantiza que, según su mejor saber y entender, no tiene ningún conflicto de interés real o aparente, definido como una situación en la que el **CONTRATISTA** podría tener una ventaja competitiva injusta sobre otros **CONTRATISTAS** o posibles **CONTRATISTAS** con respecto a los procesos de contratación de Vivienda. Si el **CONTRATISTA** descubre un conflicto de interés antes o después de adjudicarse el contrato e intencionalmente no lo informa a Vivienda, el Oficial Contratante podrá rescindir el contrato/orden de compra mediante notificación por escrito.
- 10) En caso de que el **CONTRATISTA** no cumpla con alguno de los términos y condiciones aquí descritos o con los términos y condiciones del contrato/orden de compra, el Oficial Contratante podrá cancelar inmediatamente el contrato/orden de compra y puede declarar al **CONTRATISTA** inelegible para recibir más contratos del Departamento de vivienda de Puerto Rico.
- 11) Vivienda podrá rescindir o terminar este contrato/orden de compra en su totalidad o en parte por las siguientes razones: Si el **CONTRATISTA** incumple alguna de sus obligaciones; por necesidad o conveniencia de Vivienda o a su entera discreción (con o sin causal); si el **CONTRATISTA** decide, unilateralmente y sin previo aviso, abandonar de algún modo, manera o forma sus deberes y responsabilidades generales y particulares según acordados, o si cesa y desiste del desempeño específico de dichos deberes y responsabilidades; si el **CONTRATISTA** está sujeto a una acción criminal o civil, demanda, proceso legal, investigación o tribunal de jurisdicción competente o alguna agencia gubernamental, o si el **CONTRATISTA** está sujeto a una orden, sentencia u opinión emitida por una autoridad federal o local, un tribunal de jurisdicción competente o una agencia gubernamental con relación a la ejecución, prestación y desempeño de este contrato/orden de compra por parte del **CONTRATISTA**; si el **CONTRATISTA** ha incumplido, violado o suministrado información errónea en las declaraciones, garantías, acuerdos o certificaciones provistas a Vivienda, independientemente de si dicho incumplimiento, violación o información errónea ocurre antes o después de la ejecución de este contrato/orden de compra, o si alguna sentencia obliga a Vivienda a rescindir el contrato/orden de compra de conformidad con lo estipulado en la Ley Núm. 2 -2018, según enmendada, conocida como el Código Anticorrupción para el Nuevo Puerto Rico.
- 12) El trabajo que se llevará a cabo bajo este contrato/orden de compra está sujeto a los requisitos de la Sección 3 de la Ley de Vivienda y Desarrollo Urbano de 1968, según enmendada, 12 U.S.C. § 1701u (Sección 3). El propósito de la Sección 3 es asegurar que, en medida posible, las oportunidades de empleo y otras oportunidades económicas que generen los recipientes de cierta asistencia financiera provista por HUD sean dirigidas a las personas de bajos o muy bajos ingresos, especialmente a personas que reciben beneficios de asistencia para vivienda del HUD. Los límites de asistencia para viviendas y desarrollo comunitario cubiertos bajo la Sección 3 son los siguientes: A- Recipiente: Los requisitos de esta sección aplican a los recipientes de otras ayudas del programa de vivienda y desarrollo comunitario para proyectos cubiertos bajo la Sección 3 para los cuales el monto de asistencia supera los \$200,000.00. B- **CONTRATISTA** y subcontratistas: Los requisitos de esta sección aplican a **CONTRATISTAS** y subcontratistas que realizan trabajos en proyectos cubiertos bajo la Sección 3 para los cuales el monto de asistencia supera los \$200,000.00 y el contrato o subcontrato supera los \$100,000.00. El **CONTRATISTA** acuerda incluir esta cláusula sobre la Sección 3 en todos los subcontratos sujetos al cumplimiento con lo establecido en la sección 135 del Título 24 del Código de Regulaciones Federales (24 C.F.R. 135) y acuerda tomar las medidas necesarias, según los términos aplicables del subcontrato o en esta cláusula sobre la Sección 3, si se descubre que el subcontratista incumple con la sección 135 del Título 24 del Código de Regulaciones Federales. El **CONTRATISTA** no subcontratará a ningún subcontratista si se le ha notificado o tiene conocimiento de que el subcontratista incumplió con la sección 135 del Título 24 del Código de Regulaciones Federales. El incumplimiento con los términos de la sección 135 del Título 24 del



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Código de Regulaciones Federales puede conllevar sanciones, la rescisión de este contrato/orden de compra por incumplimiento y la exclusión o suspensión de futuros contratos financiados por el HUD.

- 13) El **CONTRATISTA** realizará todas las acciones afirmativas necesarias para garantizar que, en la medida posible, se utilicen empresas propiedad de negocios minoritarios, empresas propiedad de minorías y/o mujeres y compañías en áreas donde hay exceso de mano de obra. Estas medidas afirmativas incluirán: (i) Colocar a las pequeñas empresas, empresas de minorías y empresas de mujeres en las listas de licitación; (ii) asegurar que se solicite a las empresas propiedad de negocios minoritarios, empresas propiedad de minorías y/o mujeres cuando estas sean fuentes potenciales; (iii) cuando sea económicamente viable, dividir el total de requisitos en tareas o montos más pequeños para permitir la máxima participación de empresas propiedad de negocios minoritarios, empresas propiedad de minorías y/o mujeres; (iv) establecer itinerarios de entrega que fomenten la participación de las empresas propiedad de negocios minoritarios, empresas propiedad de minorías y/o mujeres, cuando los requisitos lo permitan y (v) utilizar los servicios y la asistencia de la Administración de Pequeñas Empresas (SBA, por sus siglas en inglés) y la Agencia para el Desarrollo de Empresas de Minorías del Departamento de Comercio.
- 14) Todos los fondos adicionales que se soliciten para completar los servicios o los bienes solicitados por Vivienda al **CONTRATISTA** estarán sujetos a evaluación antes de su aceptación, así como a la disponibilidad de fondos, y será necesario realizar una enmienda al presente contrato/orden de compra.
- 15) Un representante autorizado de Vivienda revisará las facturas y, de ser correctas, las aprobará y procesará su pago.
- 16) Al proveer servicios en virtud del presente contrato/orden de compra, el **CONTRATISTA** debe ceñirse a los requisitos correspondientes de la subvención CDBG-DR. Si el **CONTRATISTA** realiza actividades que no son elegibles bajo la subvención o programa CDBG-DR, el **CONTRATISTA** no podrá incluirlas en su factura para recibir pago por dichas actividades.
- 17) El **CONTRATISTA** será responsable ante Vivienda por todos los gastos rechazados o desautorizados con base en auditorías financieras o auditorías de cumplimiento realizadas sobre los fondos recibidos bajo este contrato/orden de compra. Para reembolsar dichos gastos rechazados o desautorizados, el **CONTRATISTA** utilizará fondos que no sean los que recibió como parte de este contrato/orden de compra.
- 18) El **CONTRATISTA** reconoce y acuerda devolver todos los fondos CDBG-DR utilizados para gastos no elegibles.
- 19) Para recibir el pago por todo trabajo realizado en virtud del presente contrato/orden de compra, el **CONTRATISTA** debe incluir la siguiente certificación en todas las solicitudes de pago o facturas presentadas a Vivienda: "Bajo pena de nulidad absoluta, certifico que ningún servidor público de la entidad gubernamental es parte o tiene algún interés en las ganancias o beneficios producto del contrato objeto de esta factura y de ser parte o tener interés en las ganancias o beneficios producto del contrato, ha mediado una dispensa previa. La única consideración para suministrar los bienes o servicios objeto del contrato ha sido el pago acordado con el representante autorizado de las partes. El importe de esta factura es justo y correcto. El trabajo se ha realizado, los productos se han entregado, los servicios se han prestado y no se ha recibido ningún pago por los mismos".
- 20) Con excepción de los documentos de trabajo del **CONTRATISTA**, el **CONTRATISTA** reconoce que Vivienda es el propietario de toda la información, borradores, documentos, informes, presentaciones y otros materiales desarrollados y preparados por el **CONTRATISTA**, sus agentes o representantes para ejercer sus obligaciones fundamentales bajo el presente contrato. En caso de la rescisión del contrato, el **CONTRATISTA** entregará dicha información, borradores, informes, presentaciones y otros materiales a Vivienda, ya sea en forma de documentos o como datos computarizados, y el **CONTRATISTA** reconoce el derecho de Vivienda a solicitar dicha documentación o datos computarizados. Si el **CONTRATISTA** no entrega dicha información, Vivienda podrá solicitar una orden judicial para ejercer sus derechos.
- 21) El **CONTRATISTA** entregará a Vivienda toda evidencia de los gastos incurridos por el **CONTRATISTA** a nombre de Vivienda. El **CONTRATISTA** acuerda mantener registros y expedientes exactos de todos los documentos del contrato/orden de compra, correspondencia, estimados, facturas y demás información relacionada con la cuenta del **CONTRATISTA**. Estos documentos estarán disponibles para ser examinados por Vivienda en todo momento razonable durante la vigencia de este contrato/orden de compra y hasta cinco (5) años después del cierre de la subvención, o durante el período requerido por otras leyes y reglamentos locales aplicables.
- 22) No divulgación y confidencialidad:
- Información confidencial: Definición: El término "información confidencial" según se utiliza en esta sección significa información respecto a las operaciones de Vivienda y las del **CONTRATISTA** (p. ej., los proyectos, sistemas informáticos de procesamiento, códigos fuente y códigos objeto, y otros asuntos financieros y de negocios de Vivienda). También se considerará que el término "información confidencial" incluye todas las notas, análisis, recopilaciones, estudios e interpretaciones de otros documentos preparados por el **CONTRATISTA**, sus agentes o sus representantes, con relación a las operaciones de Vivienda.
  - No divulgación: El **CONTRATISTA** acuerda tomar todas las acciones o medidas razonables para mantener la confidencialidad de toda información confidencial y en ningún momento presente o futuro utilizará, venderá, mercadeará ni divulgará ningún tipo de información confidencial a un tercero. **CONTRATISTA**, corporación u organización para ningún propósito, sin la autorización expresa por escrito de Vivienda, firmada por el Secretario de la Vivienda. El **CONTRATISTA** también acuerda que, salvo en la medida en que se relacionen con el curso normal del servicio, el **CONTRATISTA** no hará copias de



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información confidencial, excepto mediante autorización expresa por escrito de Vivienda con la firma de un representante autorizado de Vivienda, y no extraerá ninguna copia o muestra de información confidencial sin la autorización previa por escrito de Vivienda. El **CONTRATISTA** conserva el derecho de controlar sus documentos de trabajo, sujeto a estas condiciones de confidencialidad.

- c. Devolución de documentos: Al recibir la solicitud por escrito de Vivienda, el **CONTRATISTA** devolverá a Vivienda todas las copias o muestras de información confidencial que estén en posesión del **CONTRATISTA** o su representante al momento de recibir el aviso. El **CONTRATISTA** se reserva el derecho de conservar una copia de sus documentos de trabajo.
- d. Compensación equitativa: El **CONTRATISTA** reconoce y acuerda que violar lo dispuesto en los subpárrafos B y C de esta sección causará daños irreparables a Vivienda para los cuales la simple retribución monetaria podría no constituir un remedio o compensación adecuada. El **CONTRATISTA** también acuerda que la indemnización monetaria podría no ser un remedio suficiente para una violación a lo dispuesto en esta sección. Por consiguiente, el **CONTRATISTA** acuerda que Vivienda tendrá derecho a solicitar medidas cautelares, así como el cumplimiento específico de las disposiciones de esta sección para prohibir una violación o intento de violación de esta disposición. Este derecho es adicional a cualquier otro derecho o remedio que Vivienda tenga disponible conforme a la ley, equidad o de algún otro modo.

23) Nada de lo incluido en este Contrato/orden de compra establecerá una relación contractual o una causa de acción de un tercero contra Vivienda o contra el **CONTRATISTA**.

24) El **CONTRATISTA** certifica, según su mejor conocimiento, que:

- a. No se han desembolsado ni se desembolsarán fondos federales, por parte del suscribiente o a nombre de este, a ninguna persona o cambio de influenciar o tratar de influenciar a un funcionario o empleado de una agencia, un Miembro del Congreso, un funcionario o empleado del Congreso, o un empleado de un Miembro del Congreso, con relación a la adjudicación de un contrato federal, el otorgamiento de una subvención federal, la concesión de un préstamo federal, el establecimiento de un acuerdo de cooperación y la extensión, continuación, renovación, enmienda o modificación de un contrato, subvención, préstamo o acuerdo de cooperación.
- b. Si se han desembolsado o se desembolsarán otros fondos que no son fondos federales a una persona por influenciar o tratar de influenciar a un funcionario o empleado de una agencia, un Miembro del Congreso, un funcionario o empleado del Congreso, o un empleado de un Miembro del Congreso con relación a este contrato, subvención, préstamo o acuerdo de cooperación federal, el suscribiente completará y enviará un formulario SF-LLL, Formulario de Divulgación de Actividades de Cabildeo, de acuerdo con sus instrucciones.
- c. El **CONTRATISTA** exigirá que el texto de esta certificación se incluya en los documentos de adjudicación de todos los subcontratos. Esta certificación es una representación material en la que se confió al realizar o establecer esta transacción. La presentación de esta certificación es un prerrequisito impuesto por la sección 1352 del Título 31 del Código de Regulaciones Federales (31, U.S.C. §1352) (según enmendado por la Ley Federal de Divulgación de Actividades de Cabildeo de 1995) para realizar o establecer esta transacción. El **CONTRATISTA** reconoce que toda persona que no presente la certificación requerida estará sujeta a una penalidad civil no menor de \$10,000 y no mayor de \$100,000 por cada falta. El **CONTRATISTA** certifica o afirma la veracidad y exactitud de cada declaración hecha en su certificación y divulgación, si alguna. Además, el **CONTRATISTA** entiende y acuerda que las disposiciones de las secciones 3801 y siguientes del Título 31 del Código de Regulaciones Federales (U.S.C. §3801 et seq.) aplican a esta certificación y divulgación, si alguna.

25) El **CONTRATISTA** no discriminará contra ningún empleado o solicitante de empleo por motivo de raza, color, religión, sexo u origen nacional. El **CONTRATISTA** tomará medidas de acción afirmativa para garantizar que los solicitantes sean contratados y que a los empleados se les trate sin tomar en cuenta su raza, color, religión, sexo u origen nacional durante el tiempo que estén empleados. Dichas acciones incluirán las siguientes, sin limitarse a estas: Contratación, ascenso, promoción o transferencia; reclutamiento o anuncio de reclutamiento; cesantía o despido; salarios u otras formas de compensación, y selección para programas de capacitación, incluidos los programas de aprendizaje. El **CONTRATISTA** acuerda colocar avisos en lugares visibles para los empleados y solicitantes de empleo, para establecer las disposiciones de esta cláusula de no discriminación. En caso de que el **CONTRATISTA** no cumpla con las cláusulas de no discriminación de este contrato/orden de compra o con alguna de dichas reglas, reglamentos u órdenes, este contrato/orden de compra podría cancelarse, rescindirse o suspenderse en su totalidad o en parte y se podrá declarar al **CONTRATISTA** inelegible para futuros contratos gubernamentales o contratos de construcción financiados con fondos federales, de acuerdo con los procedimientos autorizados en la Orden Ejecutiva 11246 del 24 de septiembre de 1965, según enmendada, así como las demás sanciones que puedan imponerse y los remedios que puedan invocarse en virtud de la Orden Ejecutiva 11246 del 24 de septiembre de 1965, según enmendada, o mediante mandato, reglamento u orden del Secretario del Trabajo, o según lo estipule la ley.

26) El **CONTRATISTA** acuerda cumplir con todas las normas, órdenes o reglamentos correspondientes emitidos de conformidad con la Ley de Aire Limpio, según enmendada, 42 U.S.C. § 7401 et seq.



Entidad: Condado de San Juan  
Iniciales: JU  
Fecha: 3/09/25

- 27) El **CONTRATISTA** acuerda cumplir con todas las normas, órdenes o reglamentos correspondientes emitidos de conformidad con la Ley Federal para el Control de la Contaminación del Agua, según enmendada, 33 U.S.C. § 1251, et seq.
- 28) El gobierno federal no es una de las partes en este contrato/orden de compra y no está sujeta a ninguna obligación o responsabilidad hacia la entidad no federal, el **CONTRATISTA** o ninguna otra parte con relación a ningún asunto derivado del contrato/orden de compra.
- 29) El **CONTRATISTA** presentará todas las seguras requeridas por Vivienda, si alguna.
- 30) En caso de que el **CONTRATISTA** se declare en quiebra, el Gobierno de Puerto Rico y Vivienda podrán considerar este contrato/orden de compra nulo y sin efecto y podrán rescindir este contrato/orden de compra sin previo aviso.
- 31) Este contrato/orden de compra será vinculante y tendrá efecto en beneficio de Vivienda y el **CONTRATISTA**, sus sucesores y cesionarios. El **CONTRATISTA** no cederá este contrato/orden de compra en su totalidad o en parte sin el consentimiento previo por escrito de Vivienda y cualquier intento de cesión que no se haga de conformidad con lo aquí dispuesto será nulo y no tendrá validez ni efecto.
- 32) Los derechos de cada una de las partes bajo este contrato/orden de compra son personales para cada parte y no pueden cederse ni transferirse a ninguna otra persona, **CONTRATISTA**, corporación o entidad sin el consentimiento previo expreso y por escrito de la otra parte.
- 33) La incapacidad o demora de alguna de las partes para insistir en la ejecución y/o el cumplimiento de alguno de los términos y condiciones del presente contrato/orden de compra no se interpretará como una renuncia a dichos términos y condiciones o al derecho a hacer cumplir dichos términos y condiciones.
- 34) Este contrato/orden de compra se regirá, se interpretará y se hará cumplir de acuerdo con las leyes del Gobierno de Puerto Rico y todas las leyes y reglamentos federales aplicables. Las partes acuerdan, además, presentar todo reclamo o causa de acción que pueda surgir como consecuencia de este contrato/orden de compra ante el Tribunal de Primera Instancia de Puerto Rico, Sala Superior de San Juan, Puerto Rico.
- 35) El cumplimiento de este contrato/orden de compra se basa en los fondos que estén disponibles para Vivienda como principal agencia administradora de fondos de Recuperación. Todos los desembolsos realizados en virtud de este contrato/orden de compra deben hacerse de acuerdo con lo establecido en este contrato/orden de compra, con las políticas y procedimientos promulgados bajo el Programa CDBG-DR y con otras leyes aplicables. Asimismo, el **CONTRATISTA** reconoce que todos los fondos están sujetos a restitución y devolución por incumplimiento.
- 36) Vivienda podrá recuperar todo pago realizado al **CONTRATISTA** que (i) exceda las tarifas máximas permisibles; (ii) que no esté permitido bajo las leyes, reglamentos o regulaciones aplicables o (iii) que no sea compatible con este contrato/orden de compra, incluido todo desembolso no aprobado. El **CONTRATISTA** debe reembolsar dichos pagos en un plazo de treinta (30) días luego de que Vivienda emita el aviso de recuperación de pagos al **CONTRATISTA**.
- 37) El **CONTRATISTA** será responsable ante Vivienda por todos los gastos rechazados o desautorizados con base en auditorías financieras o auditorías de cumplimiento realizadas sobre los fondos recibidos bajo este contrato/orden de compra. Para reembolsar dichos gastos rechazados o desautorizados, el **CONTRATISTA** utilizará fondos que no sean los que recibió como parte de este contrato/orden de compra.
- 38) Los términos y condiciones de este contrato/orden de compra sobrevivirán la rescisión o expiración de este contrato/orden de compra con relación a los siguientes asuntos: disposiciones interpretativas; consideración; garantías; afirmaciones generales, garantías federales, certificaciones federales y estatales; fondos CDBG-DR y fondos estatales; recuperación de fondos CDBG-DR y fondos estatales, sobrepago de fondos CDBG-DR y fondos estatales; titularidad y propiedad intelectual, derechos de autor; métodos de retención de registros y requisitos de tiempo; inspección, supervisión y auditoría; confidencialidad; registros públicos; indemnización y responsabilidad; violación de los derechos de propiedad intelectual; relación de contratista independiente; cumplimiento de las leyes; avisos; elección del derecho y jurisdicción aplicables; separabilidad; resolución de disputas; consolidaciones, fusiones y disoluciones. De igual forma, sobrevivirán todos los términos y condiciones que, ya sea de forma explícita o por su naturaleza, evidencian la intención de las partes de que deben sobrevivir a la rescisión o expiración de este contrato/orden de compra.
- 39) De conformidad con la CC 1300-16-1.6 del Departamento de Hacienda de Puerto Rico, el contratista certifica que ha cumplido con sus responsabilidades contributivas o, si existe deuda, que está cubierto por un plan de pagos con los términos y condiciones de que está cumpliendo. Por lo tanto, si el costo total del contrato no excede la cantidad de dieciséis mil dólares (\$16,000.00), el contratista no tendrá que presentar los documentos requeridos previo a la formalización de los contratos establecidos en la CC 1300-16-1.6.
- 40) El Departamento de la Vivienda no aceptará ningún término y condición adicional que no esté incluido como parte de la solicitud. En caso de que el **CONTRATISTA** incluya como parte de su cotización algún término adicional para brindar los servicios, El Departamento de la Vivienda deberá aceptar expresamente dichos términos. Si hay alguna discrepancia entre los Términos y Condiciones del Departamento de la Vivienda y los términos incluidos en la cotización, prevalecerán los Términos y Condiciones de la Orden de Compra del Departamento de la Vivienda.



Entidad: CONCRETO TRAVEL  
 Iniciales: JM  
 Fecha: 3/02/25

**ANEJO B**  
**CLÁUSULAS ADICIONALES PARA ÓRDENES DE COMPRA DEL PROGRAMA CDBG-DR NO RELACIONADAS CON TRABAJOS DE CONSTRUCCIÓN**

Las siguientes cláusulas adicionales se hacen formar parte del contrato/orden de compra establecido entre el Departamento de la Vivienda de Puerto Rico (**Vivienda**) y sus contratistas para servicios o suministros no relacionados con trabajos de construcción. El **Contratista** reconoce que el incumplimiento de los términos y condiciones descritos en este Anejo B, así como de los términos y condiciones del contrato/orden de compra y del Anejo A, pueden dar lugar a la rescisión del contrato/orden de compra.

**TÉRMINOS Y CONDICIONES**

- 1) **Vivienda** tendrá la titularidad exclusiva de todo derecho de propiedad, así como el derecho de posesión plena y exclusiva, de toda información, materiales y documentos descubiertos o producidos por el **Contratista** en virtud de los términos de este contrato/orden de compra, lo que incluye informes, memorandos o cartas, entre otros.
- 2) El **Contratista** cumplirá con todas las normas y políticas obligatorias de eficiencia energética incluidas en el plan de conservación de energía emitido en cumplimiento de la Ley de Política Energética y Conservación de Energía (Pub. L. 94-163).
- 3) **Adquisición de materiales recuperados.**
  - a. El Contratista adquirirá artículos designados en las guías de la Agencia Federal de Protección Ambiental (EPA, por sus siglas en inglés) que contengan el mayor porcentaje posible de materiales recuperados, a menos que el Contratista determine que dichos artículos: (1) no estén disponibles razonablemente en un período de tiempo razonable; (2) no cumplan con los estándares razonables de funcionamiento, lo cual se determinará con base en las guías del Instituto Nacional de Estándares y Tecnología (NIST, por sus siglas en inglés), si corresponde para el artículo, o (3) solo están disponibles a un precio que no es razonable.
  - b. El párrafo (a) aplicará a artículos comprados como parte de este contrato en los que: (1) el **Contratista** compre más de \$10,000 del artículo bajo este contrato o (2) durante el año fiscal federal anterior, el **Contratista**: (i) compró una cantidad de artículos para ser utilizados bajo un contrato que se financió con fondos federales y que se estableció con una agencia federal o una agencia estatal o una agencia de una subdivisión política de un estado y (ii) adquirió más de \$10,000 de dicho artículo en total, tanto bajo el contrato como fuera del mismo.
- 4) **Rescisión por causa justificada y por conveniencia (contratos de \$10,000 o más)**
  - a. **Vivienda** podrá rescindir este contrato en su totalidad o en parte por conveniencia o por el incumplimiento del **Contratista** de sus obligaciones bajo el contrato/orden de compra (causa/incumplimiento). **Vivienda** rescindirá el contrato mediante el envío de un Aviso de Rescisión al **Contratista**, por escrito, en el que se especifique la naturaleza, alcance y fecha de efectividad de la rescisión. Al recibir el aviso, el **Contratista** deberá: (1) discontinuar inmediatamente todos los servicios afectados (a menos que el aviso indique algo distinto) y (2) entregar a **Vivienda** toda la información, informes, documentos y otros materiales acumulados o generados durante la ejecución del contrato, ya sea que se hayan completado o que estén en proceso.
  - b. Si la rescisión se hace por conveniencia para **Vivienda**, **Vivienda** solo será responsable del pago por los servicios prestados antes de la fecha de vigencia de la rescisión.
  - c. Si la rescisión se debe al incumplimiento del **Contratista** con sus obligaciones bajo el contrato (causa/incumplimiento), **Vivienda** deberá (1) exigir al **Contratista** que le entregue todo trabajo descrito en el Aviso de Rescisión, de la manera y en la medida en que **Vivienda** lo indique; (2) hacerse cargo del trabajo y completarlo mediante contrato o de otra manera, y el **Contratista** será responsable del costo adicional incurrido por **Vivienda**; y (3) retener los pagos al **Contratista** para propósitos de compensación o pago parcial de montos adeudados por **Vivienda** al **Contratista**, según sea el caso. En caso de rescisión por causa justificada/incumplimiento, **Vivienda** será responsable ante el **Contratista** por los costos razonables incurridos por el **Contratista** antes de la fecha de vigencia de la rescisión. Toda disputa será resuelta por el Oficial Contratante.
- 5) **Consulte el Anejo A para información adicional sobre rescisión del contrato.**



JI

CRPP

Entidad: Condado de Terrell

Iniciales: Jur

Fecha: 3/07/25

#### ANEJO C

#### CERTIFICADO DE CUMPLIMIENTO CON LOS REQUISITOS LEGALES PARA ÓRDENES DE COMPRA DEL PROGRAMA CDBG-DR

Dado que el Acuerdo involucra fondos supervisados por el Departamento de Vivienda y Desarrollo Urbano de Estados Unidos (HUD, por sus siglas en inglés), el CONTRATISTA acuerda cumplir con sus obligaciones bajo este Acuerdo de conformidad con los requisitos aplicables según descritos en el Anejo D (Disposiciones Generales de HUD) y las siguientes disposiciones:

- A. Cumplimiento de la Orden Ejecutiva Núm. 24: En virtud de la Orden Ejecutiva Núm. 24 del 18 de junio de 1991, el CONTRATISTA certifica y garantiza que al momento de firmar este Acuerdo, ha radicado todas las planillas de contribución sobre ingresos necesarias y requeridas por el Gobierno de Puerto Rico durante los últimos cinco (5) años. El CONTRATISTA certifica, además, que ha cumplido con el pago de contribuciones sobre ingresos que adeuda o que adeudaba al Gobierno de Puerto Rico y que está al día con dichos pagos. Para satisfacción de VIVIENDA y cuando VIVIENDA así lo solicite durante la vigencia de este Acuerdo, el CONTRATISTA entregará a VIVIENDA la documentación necesaria para respaldar su cumplimiento con esta cláusula. VIVIENDA concederá un plazo específico al CONTRATISTA para presentar dichos documentos. Durante la vigencia del presente Acuerdo, el CONTRATISTA acuerda pagar y mantenerse al día con todo plan de pago establecido entre el CONTRATISTA y el Gobierno de Puerto Rico.
- B. Cumplimiento con la Orden Ejecutiva Núm. 52: En virtud de la Orden Ejecutiva Núm. 52 del 28 de agosto de 1992, que enmienda la Orden Ejecutiva Núm. 24 de 1991 (OE-119-24), el CONTRATISTA certifica y garantiza que ha realizado todos los pagos por concepto de Seguro por Desempleo, el Seguro Choferil del Departamento del Trabajo y Recursos Humanos; y el Fondo del Seguro del Estado, según corresponda, o que en su lugar, ha establecido un plan de pago para cubrir dichas obligaciones y está cumpliendo cabalmente con los términos del plan de pago. El CONTRATISTA acepta y reconoce su responsabilidad de exigir y obtener una garantía y certificación similar de cada contratista y subcontratista cuyos servicios haya obtenido en relación con los servicios que se prestarán bajo este Acuerdo y deberá presentar evidencia a VIVIENDA sobre su cumplimiento con este requisito.
- C. Retenciones por concepto de Seguro Social y contribuciones: El CONTRATISTA será responsable de realizar las aportaciones correspondientes al Seguro Social Federal y pagar las contribuciones sobre ingresos por toda cantidad adeudada como resultado de los ingresos procedentes de este Acuerdo.
- D. Centro de Recaudación de Ingresos Municipales del Gobierno de Puerto Rico (CRIM): El CONTRATISTA certifica y garantiza que al momento de firmar este Acuerdo, no tiene ninguna deuda de contribuciones sobre la propiedad pendiente que esté registrada en el Centro de Recaudación de Ingresos Municipales del Gobierno de Puerto Rico. El CONTRATISTA certifica, además, que está al día en todos los pagos de contribuciones sobre la propiedad que adeuda o que adeudaba al Gobierno de Puerto Rico. Para satisfacción de VIVIENDA y cuando VIVIENDA así lo solicite durante la vigencia de este Acuerdo, el CONTRATISTA entregará a VIVIENDA la documentación necesaria para respaldar su cumplimiento con esta cláusula. El CONTRATISTA proporcionará a VIVIENDA toda la documentación solicitada en virtud de esta cláusula cuando VIVIENDA así lo solicite. Durante la vigencia de este Acuerdo, el CONTRATISTA acuerda pagar y mantenerse al día con todo plan de pago que haya establecido con el Gobierno de Puerto Rico con relación a las contribuciones sobre la propiedad.
- E. Retención de contribuciones: VIVIENDA retendrá la cantidad correspondiente de todos los pagos realizados al CONTRATISTA, según lo requiere el Código de Rentas Internas de Puerto Rico. VIVIENDA adelantará dichas retenciones al Departamento de Hacienda del Gobierno de Puerto Rico. VIVIENDA ajustará dichas retenciones siempre y cuando el CONTRATISTA presente evidencia satisfactoria de exención parcial o total de la retención.
- F. Cumplimiento con la Ley Núm. 45 del 18 de abril de 1935, según enmendada, 11 L.P.R.A. § 1, et seq.: El CONTRATISTA certifica y garantiza que al momento de la firma de este Acuerdo posee un seguro válido emitido por la Corporación del Fondo del Seguro del Estado (CFSE), según lo establece la Ley Núm. 45, supra, conocida como la "Ley del Sistema de Compensaciones por Accidentes del Trabajo".
- G. Administración para el Sustento de Menores del Gobierno de Puerto Rico (ASUME): El CONTRATISTA certifica y garantiza que al momento de la firma de este Acuerdo, ni el CONTRATISTA ni ninguno de sus socios, si corresponde, tienen una deuda pendiente o enfrentan un proceso legal para el cobro de una deuda pendiente con relación a los pagos de pensión alimentaria ante la Administración para el Sustento de Menores del Gobierno de Puerto Rico. El CONTRATISTA presentará, para satisfacción de VIVIENDA, toda la documentación necesaria para demostrar esta aseveración. VIVIENDA concederá un plazo específico al CONTRATISTA para presentar dichos documentos.
- H. Cumplimiento con la Ley Núm. 1-2012, según enmendada, 3 L.P.R.A. § 1854, et seq.: El CONTRATISTA certifica que, al firmar este Acuerdo, está en cumplimiento con la Ley Núm. 1-2012, según enmendada, conocida como la "Ley de Ética Gubernamental de Puerto Rico de 2011", con relación a la posibilidad de un conflicto de intereses.



ANEJO C  
CERTIFICACIÓN DE CUMPLIMIENTO CON LOS REQUISITOS LEGALES  
PARA ÓRDENES DE COMPRA DEL PROGRAMA CDBG-DR  
Página 2 de 2

Entidad: Condado de Trujillo  
Iniciales: 3/07/25 JH  
Fecha: \_\_\_\_\_

I. Cláusula de Certificación de ética gubernamental sobre ausencia de conflicto de intereses – El CONTRATISTA certifica que: (1) Ningún servidor público de esta agencia ejecutiva tiene un interés pecuniario en este contrato, compra o transacción comercial. (2) Ningún servidor público de esta agencia ejecutiva me ha solicitado o ha aceptado, directa o indirectamente, regalos, bonos, favores, servicios, donaciones, préstamos o algún otro artículo de valor monetario para sí mismo, par un miembro de su unidad familiar o para alguna otra persona. (3) Ningún servidor público ha solicitado o aceptado ningún bien de valor económico vinculado con esta transacción a una persona de mi entidad, como pago por llevar a cabo los deberes y responsabilidades de su trabajo. (4) Ningún servidor público me ha solicitado, directa o indirectamente, para sí mismo, para algún miembro de su unidad familiar o para alguna otra persona, un artículo de valor económico, lo que incluye regalos, préstamos, promesas, favores o servicios a cambio de influenciar el desempeño de dicho servidor público a mi favor o a favor de mi entidad. (5) No tengo relación de parentesco dentro del cuarto grado de consanguinidad y el segundo grado de afinidad con ningún servidor público que tenga el poder de influenciar y participar en las decisiones institucionales de esta agencia ejecutiva.

J. Ausencia de convicción. El CONTRATISTA certifica que no ha sido convicto ni acusado de un delito grave o un delito menos grave contra el gobierno, la confianza y la función pública, o que involucre propiedad o fondos públicos federales o locales. De igual forma, el CONTRATISTA certifica que:

a. No ha sido convicto ni se ha declarado culpable en un tribunal estatal o federal en cualquier jurisdicción de los Estados Unidos de América por crímenes de fraude, malversación o desvío de fondos públicos, según se establece en la Ley Núm. 2 del 2 de enero de 2018, según enmendada, conocida como el Código Anticorrupción para el Nuevo Puerto Rico, que prohíbe la adjudicación de ofertas o contratos gubernamentales a personas convictas de fraude, malversación y desvío de fondos públicos.

b. El CONTRATISTA entiende y acepta que una declaración de culpabilidad o una condena por los crímenes indicados en el Artículo 3 de la mencionada Ley también dará lugar a la cancelación inmediata de todo contrato que esté en vigor al momento de la condena, entre el suscribiente y cualquier agencia gubernamental, instrumentalidad, corporación pública, municipio, la Rama Legislativa o la Rama Judicial del Gobierno de Puerto Rico.

c. El CONTRATISTA declara la anterior bajo juramento de conformidad con lo establecido en la Ley Núm. 2 del 2 de enero de 2018, según enmendada, conocida como el Código Anticorrupción para el Nuevo Puerto Rico, que prohíbe la adjudicación de ofertas o contratos gubernamentales a personas convictas de fraude, malversación y desvío de fondos públicos.

d. El CONTRATISTA representa y garantiza que ninguno de sus empleados, funcionarios o agentes ha sido condenado por un delito grave o un delito menos grave, según se describe en esta subsección. Además, el CONTRATISTA acuerda notificar a VIVIENDA si un empleado, funcionario o agente es condenado por un delito grave o un delito menos grave, según se describe en esta subsección, luego de la fecha de este Acuerdo. Dicha notificación se hará en un plazo de diez (10) días desde el momento de la condena.

e. Otros pagos o compensaciones: El CONTRATISTA certifica que no recibe paga o compensaciones por servicios regulares prestados como un funcionario o empleado público a otra entidad gubernamental, agencia, corporación pública o municipio, que conoce las normas éticas de su profesión y que asume la responsabilidad por sus acciones.

K. Consecuencias del incumplimiento: El CONTRATISTA acuerda expresamente que las condiciones descritas en esta Sección son requisitos esenciales de este Acuerdo. Por consiguiente, si alguna de estas representaciones, garantías y certificaciones es incorrecta, inexacta o errónea en su totalidad o en parte, habrá suficiente causa para que VIVIENDA declare nulo este Acuerdo y para que el CONTRATISTA reembolse a VIVIENDA todo el dinero recibido como parte del Acuerdo.

L. Cumplimiento con las leyes, reglamentos y órdenes ejecutivas federales: El CONTRATISTA reconoce que la asistencia financiera del HUD solo se utilizará para financiar el contrato/orden de compra. Además, el CONTRATISTA cumplirá con todas las reglas, reglamentos o políticas federales, estatales o locales que correspondan con relación al programa CDBG-DR y a los servicios del programa. Esto incluye, entre otras cosas, los Registros Federales que correspondan; 2 C.F.R. sección 200 Requisitos administrativos uniformes, principios de costos y requisitos de auditoría para adjudicaciones federales; Ley de Vivienda y Desarrollo Comunitario de 1974; 24 C.F.R. sección 570, Subvención en Bloque para Desarrollo Comunitario; exenciones aplicables: Ley de Equidad en la Vivienda, según enmendada, 24 C.F.R. § 35, 24 C.F.R. sección 58, 24 C.F.R. sección 135; Ley Nacional de Conservación Histórica y cualquier otra ley o reglamento estatal aplicable, incluidos los requisitos relacionados con la no discriminación, normas laborales y el ambiente, las enmiendas al Plan de Acción y las guías del HUD sobre el uso de los fondos. De igual forma, el CONTRATISTA deberá cumplir, sin limitaciones, lo establecido en las Disposiciones Generales de HUD.



JI

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Entidad: Compa de Trave!  
Iniciales: fm  
Fecha: 3/01/25

## ANEJO D DISPOSICIONES GENERALES DE HUD

Dado a que el Contrato involucra el uso de fondos por los cuales el Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos (HUD, por sus siglas en inglés) es la agencia fiscalizadora, los siguientes términos y condiciones pueden aplicar a este Contrato. Además, el Contratista deberá cumplir con las Disposiciones sobre las Normas Federales de Trabajo que se establecen en el Formulario HUD-4010, disponible en <https://www.hudexchange.info/resource/2490/hud-form-4010-federal-labor-standards-provisions/>

El CONTRATISTA deberá incluir estos términos y condiciones en todos los subcontratos u órdenes de compra que se relacionen directamente con el Contrato.

Estas disposiciones generales pueden actualizarse periódicamente. Es responsabilidad exclusiva del CONTRATISTA mantenerse al tanto de todo cambio realizado a estas disposiciones, enmendar e implementar dichos cambios y asegurarse de que se modifiquen los términos y condiciones de los subcontratos, si alguno, según sea necesario.

En caso de ser aplicada alguna de las disposiciones incluidas en este documento, la versión original en inglés prevalecerá, así como su referencia a estatutos estatales y federales, incluyendo pero no limitándose al Código de Regulaciones Federales (CFR, por sus siglas en inglés).

### Disposiciones Generales:

#### 1. LAS DISPOSICIONES REQUERIDAS POR LEY SE CONSIDERAN COMO INCLUIDAS

Todas y cada una de las disposiciones y las cláusulas que la ley exige que se incluyan en este Contrato se considerarán como incluidas en este y el Contrato se leerá y se exigirá su cumplimiento como si hubiesen sido incluidas. Si por error o cualquier otra circunstancia, se omite o no se incluye correctamente alguna disposición, se enmendará inmediatamente el Contrato para realizar dicha inclusión o corrección a petición de cualquiera de las partes.

#### 2. CUMPLIMIENTO CON LOS REQUISITOS LEGALES Y REGLAMENTARIOS

El CONTRATISTA cumplirá con todas las leyes y reglamentos aplicables a los fondos de la Subvención en Bloque para Desarrollo Comunitario-Recuperación ante Desastres asignados a través de: la Ley de Asignaciones Continuas, 2018 y Ley de Asignaciones Suplementarias para las Peticiones de Ayuda en Casos de Desastres de 2017 (L. Púb. 115-56) aprobada el 8 de septiembre de 2017, según enmendada; la Ley de Presupuesto Bipartita de 2018 (L.Púb. 115-123) aprobada el 9 de febrero de 2018, según enmendada; la Ley de Asignaciones Suplementarias Adicionales para Ayuda en Casos de Desastres de 2019, (Ley Púb. 116-20) aprobada el 6 de junio de 2019, según enmendada; incluyendo además, pero sin limitarse a, las Cartas Circulares de la Oficina de Administración y Presupuesto de los Estados Unidos, según apliquen, las cuales pueden afectar la administración de fondos y/o establecer ciertos principios de costos que incluyen si ciertos gastos son permitidos.

#### 3. INCUMPLIMIENTO DE LOS TÉRMINOS DEL CONTRATO

El Departamento de la Vivienda del Gobierno de Puerto Rico (Vivienda) se reserva el derecho a utilizar todos los recursos administrativos, contractuales o legales, que incluyen, sin limitarse a, la suspensión o rescisión del presente Contrato, en casos en los que el CONTRATISTA o alguno de sus subcontratistas viole o

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incumpla alguno de los términos del Contrato. Si el CONTRATISTA o alguno de sus subcontratistas viola o incumple alguno de los términos del Contrato, estará sujeto a las sanciones y penalidades, según correspondan. Los deberes y obligaciones impuestos por los documentos del Contrato, así como los derechos y remedios disponibles en virtud de este, serán complementarios y no constituirán una limitación a los deberes, obligaciones, derechos y remedios impuestos o disponibles por ley.

#### 4. REQUISITOS DE PRESENTACIÓN DE INFORMES

El CONTRATISTA completará y presentará todos los informes solicitados por Vivienda y/o por el Gobierno de Puerto Rico, de la manera establecida y de acuerdo con el calendario previsto. El CONTRATISTA cooperará con los esfuerzos de Vivienda y/o del Gobierno de Puerto Rico para cumplir con los requisitos y reglamentos de HUD, relacionados con la presentación de informes, lo que incluye, sin limitarse a, lo estipulado en 24 C.F.R. §§ 85.40-41 (u 84.50-52, si aplica) y § 570.507, cuando corresponda.

#### 5. ACCESO A LOS REGISTROS

El Gobierno de Puerto Rico, Vivienda, HUD, el Contralor General de los Estados Unidos, o cualquiera de sus representantes debidamente autorizados, tendrá acceso a cualquier producto de trabajo, libro, documento, escrito y registro del CONTRATISTA que esté relacionado con este Contrato, en cualquier momento y periódicamente, durante el horario regular de trabajo, para propósitos de inspeccionar, auditar, examinar y para obtener extractos, copias y transcripciones de dichos documentos.

#### 6. MANTENIMIENTO/RETENCIÓN DE REGISTROS

Todos los registros (expedientes, datos, productos de trabajo) relacionados con el presente Contrato se entregarán a Vivienda luego de la terminación del Acuerdo, donde se conservarán durante el resto de la subvención y posterior al cierre de la subvención.

#### 7. PEQUEÑAS EMPRESAS, EMPRESAS QUE PERTENECEN A MINORÍAS Y A MUJERES Y EMPRESAS DE ÁREAS DONDE HAY EXCESO DE MANO DE OBRA

El CONTRATISTA tomará todas las medidas afirmativas necesarias para asegurarse de que, en la medida posible, se subcontraten empresas de minorías, empresas de mujeres y empresas de áreas donde hay exceso de mano de obra. Estas medidas incluyen, pero no se limitan a las siguientes:

- (i) Incluir a pequeñas empresas, empresas de minorías y empresas de mujeres en las listas de convocatorias;
- (ii) Asegurarse de que se soliciten pequeñas empresas, empresas de minorías y empresas de mujeres siempre que estas sean recursos potenciales;
- (iii) Cuando sea económicamente viable, dividir el total de los requerimientos en tareas o cantidades más pequeñas para permitir la máxima participación de pequeñas empresas, empresas de minorías y empresas de mujeres;
- (iv) Cuando los requisitos lo permitan, establecer itinerarios de entrega que fomenten la participación de pequeñas empresas, empresas de minorías y empresas de mujeres; y
- (v) Utilizar los servicios y la asistencia de la Agencia Federal para el Desarrollo de la Pequeña Empresa (SBA, por sus siglas en inglés) y la Agencia para el Desarrollo de Negocios de Minorías del Departamento de Comercio de los Estados Unidos.



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Además, en el caso de los contratos de **\$10,000 o más**, el CONTRATISTA completará el Formulario HUD 2516 (Contract and Subcontract Activity) y lo enviará a Vivienda trimestralmente.

#### **8. DERECHOS SOBRE INVENCIÓNES REALIZADAS EN VIRTUD DE UN CONTRATO O ACUERDO**

Todo contrato o acuerdo para la realización de trabajos experimentales, de desarrollo o de investigación estipulará los derechos del Gobierno Federal y del recipiente sobre cualquier invención que resulte de dicho trabajo, de acuerdo con lo dispuesto en 37 C.F.R. Parte 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", así como cualquier reglamento de ejecución emitido por el HUD.

#### **9. TÍTULO VI DE LA LEY DE DERECHOS CIVILES DE 1964**

El Proponente cumplirá con las disposiciones del Título VI de la Ley de Derechos Civiles de 1964, la cual prohíbe la discriminación por motivo de raza, color u origen nacional en todos los programas o actividades que reciben fondos federales u otro tipo de asistencia financiera del Gobierno Federal. Los programas que reciben fondos federales no pueden discriminar entre las personas por motivo de su raza, color u origen nacional, ya sea directa o indirectamente, en los tipos, cantidad, calidad o puntualidad de los servicios programáticos, ayudas o beneficios que proveen o en la manera en que proveen dichos servicios, ayudas o beneficios. Esta prohibición aplica tanto al discrimen intencional como a los procedimientos, criterios o métodos de administración que aparentan ser neutrales pero que tienen un efecto discriminatorio sobre las personas debido a su raza, color u origen nacional. Las políticas y prácticas que tienen dicho efecto deberán eliminarse a menos que el recipiente pueda demostrar que estas fueron necesarias para alcanzar un objetivo legítimo y no discriminatorio.

#### **10. SECCIÓN 109 DE LA LEY DE VIVIENDA Y DESARROLLO COMUNITARIO DE 1974**

El CONTRATISTA cumplirá con las disposiciones de la Sección 109 de la Ley de Vivienda y Desarrollo Comunitario de 1974. Ninguna persona en los Estados Unidos podrá quedar excluida de participación ni podrán negársele beneficios o ser objeto de discrimen por motivo de raza, color, origen nacional, religión o sexo, bajo cualquier programa o actividad subvencionado, en su totalidad o en parte, con fondos provistos al amparo de esta ley. La Sección 109 prohíbe, además, el discrimen por motivo de edad en virtud de la Ley contra la Discriminación por Edad de 1975, así como el discrimen contra personas con discapacidades, según se establece en la Sección 504 de la Ley de Rehabilitación de 1973, según enmendada.

#### **11. SECCIÓN 504 DE LA LEY DE REHABILITACIÓN DE 1973**

El CONTRATISTA cumplirá con la Sección 504 de la Ley de Rehabilitación de 1973 (29 U.S.C. § 794), según enmendada, y con toda regulación aplicable.

El CONTRATISTA acuerda que ninguna persona con discapacidades y que esté cualificada quedará excluida, únicamente sobre la base de su discapacidad, de participación, ni se le negarán beneficios, ni estará sujeta a discrimen bajo cualquier programa o actividad que recibe fondos de asistencia de HUD.

#### **12. LEY CONTRA LA DISCRIMINACIÓN POR EDAD DE 1975**

El CONTRATISTA cumplirá con las disposiciones de la Ley contra la Discriminación por Edad de 1975 (42 U.S.C. § 6101 et seq.), según enmendada, y con toda regulación aplicable. Ninguna persona en los Estados

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Unidos quedará excluida de participación, ni se le negarán beneficios ni estará sujeta a discriminación bajo un programa o actividad que recibe fondos de asistencia del gobierno federal, por motivo de su edad.

### 13. INHABILITACIÓN, SUSPENSIÓN E INELEGIBILIDAD

El CONTRATISTA declara y garantiza que él y sus subcontratistas no han quedado inhabilitados, suspendidos o de alguna otra forma excluidos o inelegibles para participar en programas de asistencia federal, sujeto a las disposiciones de 2 C.F.R. Parte 2424.

### 14. CONFLICTOS DE INTERÉS

El CONTRATISTA notificará a Vivienda lo antes posible si este Contrato o algún aspecto relacionado con el trabajo anticipado bajo este Contrato representa un conflicto de interés real o potencial (según se define en 2 C.F.R. Parte 215 y 24 C.F.R. § 85.36 u 84.42, si corresponde). El CONTRATISTA explicará el conflicto real o potencial por escrito con suficiente detalle para que Vivienda pueda evaluarlo. El CONTRATISTA proporcionará a Vivienda cualquier información adicional que sea necesaria para poder evaluar a fondo y atender dicho conflicto real o potencial. El CONTRATISTA aceptará cualquier estrategia razonable de mitigación de conflictos utilizada por Vivienda incluida, pero sin limitarse a, el uso de subcontratistas independientes que realicen la parte del trabajo que genera el conflicto real o potencial, entre otras medidas.

### 15. SUBCONTRATACIONES

Al realizar subcontrataciones, el CONTRATISTA solicitará y contratará a subcontratistas de una manera que permita la competencia justa. Las siguientes son algunas de las situaciones que se consideran que restringen la competencia:

- (i) Imponer requisitos irrazonables a las empresas para que puedan cualificar para realizar negocios;
- (ii) Exigir experiencia innecesaria y fianzas excesivas;
- (iii) Prácticas no competitivas para la fijación de precios entre empresas o entre compañías afiliadas;
- (iv) Otorgar préstamos de manera no competitiva a consultores que tienen contratos de retención;
- (v) Conflictos de interés de la organización;
- (vi) Especificar solo un producto de marca en lugar de permitir que se ofrezca un producto igual y describir el desempeño de otros requisitos relevantes de la adquisición; y
- (vii) Cualquier acción arbitraria en el proceso de adquisición.

El CONTRATISTA declarará a Vivienda que personal con experiencia en la profesión adecuada y en las áreas de especialización correspondientes llevarán a cabo el trabajo, tomando en cuenta la naturaleza del trabajo que se desempeñará como parte de este Contrato.

El CONTRATISTA incluirá estas Disposiciones Generales de HUD en todos los subcontratos otorgados por el Contratista, de manera que estas disposiciones sean vinculantes para cada uno de sus subcontratistas, así como el requisito de transferir dichos términos a todos los subcontratistas de nivel inferior.



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#### 16. CESIÓN

El CONTRATISTA no cederá ningún interés en este Acuerdo y no transferirá ningún interés en el Acuerdo (ya sea por cesión o novación) sin la aprobación previa y por escrito de Vivienda.

#### 17. INDEMNIZACIÓN

El CONTRATISTA indemnizará, defenderá y liberará de toda responsabilidad al Gobierno de Puerto Rico y a Vivienda, sus agentes y empleados de toda reclamación, acción, demanda, acusación o sentencia derivada o relacionada con la negligencia o la mala conducta intencionada del CONTRATISTA en el desempeño de los servicios solicitados en el presente Contrato.

#### 18. LEY COPELAND "ANTISOBORNO"

**(Se aplica a todos los contratos de construcción o reparación)**

Los salarios del personal que realiza trabajos en virtud del presente Contrato se pagarán incondicionalmente y no menos de una vez al mes sin que se hagan deducciones de nómina o descuentos de alguna cuenta, con excepción de las deducciones de nómina obligatorias por ley o permitidas por los reglamentos aplicables emitidos por el Secretario del Trabajo de conformidad con la Ley Copeland "Antisoborno" de 13 de junio de 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Título 18 U.S.C. § 874; y Título 40 U.S.C. § 276c). El CONTRATISTA cumplirá con todos los reglamentos antisoborno correspondientes e incluirá disposiciones adecuadas en todos los subcontratos relacionados con las labores que se llevarán a cabo como parte del presente Acuerdo para garantizar el cumplimiento de los subcontratistas con dichos reglamentos. Además, el CONTRATISTA será responsable de presentar los affidavit requeridos en virtud del Contrato, salvo que el Secretario del Trabajo estipule específicamente variaciones o exenciones de los requisitos de dicho Contrato.

#### 19. LEY DE HORAS TRABAJADAS BAJO CONTRATO Y NORMAS DE SEGURIDAD

**(Aplicable a los contratos de construcción que excedan de \$2,000 y a los contratos que excedan de \$2,500 y que involucren la contratación de mecánicos y obreros.)**

El CONTRATISTA cumplirá con las Secciones 103 y 107 de la Ley de Horas Trabajadas bajo Contrato y Normas de Seguridad (40 U.S.C. §§ 327-330) según complementadas por los reglamentos del Departamento del Trabajo Federal (29 C.F.R. Parte 5).

Todos los obreros y mecánicos contratados por los CONTRATISTAS o subcontratistas recibirán compensación por horas extra de acuerdo con y sujeto a las disposiciones de la Ley de Horas Trabajadas bajo Contrato y Normas de Seguridad y los CONTRATISTAS y subcontratistas cumplirán con todos los reglamentos emitidos en virtud de dicha ley y otras leyes y reglamentos federales aplicables relacionados con las normas laborales.

#### 20. LEY DAVIS-BACON

**(Aplicable a los contratos de construcción que excedan de \$2,000 cuando lo requiera la legislación de un programa federal.)**

El CONTRATISTA cumplirá con lo dispuesto por la Ley Davis-Bacon (40 U.S.C. §§ 276a a 276a-7) según complementada por los reglamentos del Departamento del Trabajo Federal (29 C.F.R. Parte 5).

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De acuerdo con la Ley Davis-Bacon, a todos los obreros y mecánicos empleados por contratistas o subcontratistas, incluidos los empleados de otros gobiernos, para realizar trabajo de construcción subvencionado con los fondos federales como parte del presente Contrato y sujeto a las disposiciones de las leyes y reglamentos federales que se indican en este párrafo, se les pagará un salario a una tarifa no menor de la tarifa prevaleciente para obras de construcción similares en la zona, según lo determine el Secretario del Trabajo de los Estados Unidos.

Cada seis meses, el CONTRATISTA enviará a Vivienda el Formulario HUD 4710 (Semi-Annual labor Standards Enforcement Report).

## 21. TERMINACIÓN POR CAUSA JUSTA

**(Aplicable a los contratos que excedan los \$10,000)**

Si, por cualquier causa, el CONTRATISTA no cumple a tiempo y de forma adecuada con sus obligaciones como parte del presente Contrato o si el CONTRATISTA viola alguna de las cláusulas, acuerdos o estipulaciones del presente Contrato, Vivienda tendrá derecho a terminar o rescindir este Contrato mediante el envío de un aviso por escrito al CONTRATISTA en el que informe sobre dicha terminación y especifique la fecha en que la misma será efectiva, por lo menos cinco (5) días antes de la fecha efectiva de la terminación. En este caso, todos los documentos, datos, estudios, encuestas, dibujos, mapas, modelos, fotos e informes preparados por el CONTRATISTA como parte del presente Acuerdo, terminados o no terminados, se convertirán en propiedad de Vivienda, a elección de Vivienda, y el CONTRATISTA tendrá derecho a recibir una compensación justa y equitativa por todo trabajo completado satisfactoriamente en virtud del presente Contrato. No obstante lo anterior, no se relevará al CONTRATISTA de su responsabilidad ante el Gobierno de Puerto Rico y Vivienda por los daños sufridos por el Gobierno de Puerto Rico y/o por Vivienda como consecuencia del incumplimiento del Contrato por parte del CONTRATISTA, y el Gobierno de Puerto Rico y/o Vivienda podrán retener todo pago adeudado al CONTRATISTA por el tiempo que se determine para compensar la cantidad exacta de los daños adeudados al Gobierno de Puerto Rico y/o a Vivienda.

## 22. TERMINACIÓN POR CONVENIENCIA

**(Aplicable a los contratos que excedan de \$10,000)**

Vivienda podrá terminar o rescindir este Contrato en cualquier momento mediante el envío de un aviso por escrito al CONTRATISTA con por lo menos diez (10) días de anticipación. Si Vivienda termina el Contrato según se dispone en el presente documento, el CONTRATISTA recibirá el pago por el tiempo invertido y los gastos incurridos hasta la fecha de terminación del Contrato.

## 23. SECCIÓN 503 DE LA LEY DE REHABILITACIÓN DE 1973

**(Aplicable a los contratos que superen los \$10,000)**

El CONTRATISTA cumplirá con lo estipulado en la Sección 503 de la Ley de Rehabilitación de 1973 (29 U.S.C. § 793), según enmendada, así como con todos los reglamentos aplicables.

Igualdad de oportunidades para los trabajadores con discapacidades:

- 1) El CONTRATISTA no discriminará contra ningún empleado o solicitante de empleo debido a una discapacidad física o mental con respecto a un puesto para el cual el empleado o solicitante de



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empleo reúne los requisitos. El CONTRATISTA acuerda tomar medidas de acción afirmativa para contratar, promover en el empleo o tratar a las personas con discapacidades cualificadas sin discriminar contra ellas con base en su discapacidad física o mental en todas sus prácticas laborales, lo que incluye:

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- (i) Los procedimientos de reclutamiento, publicidad y solicitud de empleo;
  - (ii) La contratación, actualización, ascenso, otorgamiento de permanencia, degradación, transferencia, cesantía, despido, derecho a regresar al trabajo luego de una cesantía y recontractación;
  - (iii) Las tarifas de pago o cualquier otro tipo de compensación y los cambios en la compensación;
  - (iv) Las asignaciones de trabajo, clasificaciones de empleo, estructuras organizacionales, descripciones de puestos, líneas de progresión y listas de antigüedad;
  - (v) Los permisos para ausentarse, licencia por enfermedad y otros tipos de licencias;
  - (vi) Los beneficios marginales disponibles como parte del empleo, estén o no administrados por el CONTRATISTA;
  - (vii) La selección y apoyo financiero a empleados para actividades de capacitación, incluida la formación de aprendices, reuniones profesionales, conferencias y otras actividades relacionadas, así como la selección de empleados para otorgarles permisos de ausencia para participar en actividades de capacitación;
  - (viii) Actividades patrocinadas por el CONTRATISTA, incluidos los programas sociales o recreativos;
  - y
  - (ix) Cualquier otro término, condición o privilegio de empleo.

- 2) El CONTRATISTA acuerda cumplir con las reglas, reglamentos y órdenes pertinentes emitidas por el Secretario del Trabajo en virtud de la ley.
- 3) En caso de incumplimiento con los requisitos de esta cláusula por parte del CONTRATISTA, se podrán tomar medidas por dicho incumplimiento de acuerdo con las reglas, reglamentos y órdenes pertinentes emitidas por el Secretario del Trabajo en virtud de la ley.
- 4) El CONTRATISTA acuerda publicar avisos en lugares visibles que estén disponibles para los empleados y solicitantes de empleo, de la manera que ordene el Subsecretario de los Programas de Cumplimiento de Contratos Federales, según provistos por el oficial de contrataciones o a través de este. Estos avisos indicarán los derechos de los empleados y solicitantes de empleo, así como la obligación del CONTRATISTA de tomar medidas de acción afirmativa de acuerdo con la ley para contratar y promover en el empleo a los empleados y solicitantes cualificados con discapacidades. El CONTRATISTA debe asegurarse de que los solicitantes y empleados con discapacidades estén informados sobre el contenido del aviso [p.ej., el CONTRATISTA puede pedir que se lea el aviso a las personas con discapacidad visual o puede poner el aviso a una altura más baja para que las personas en sillas de ruedas puedan leerlo].
- 5) El CONTRATISTA notificará a cada sindicato o representante de los trabajadores con los cuales haya establecido un convenio colectivo u otro tipo de arreglo contractual que el CONTRATISTA está

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obligado por los términos de la Sección 503 de la Ley de Rehabilitación de 1973, según enmendada, y está comprometido a tomar medidas de acción afirmativa para contratar y promover en el empleo a personas con discapacidades físicas o mentales.

- 6) El CONTRATISTA incluirá las disposiciones de la presente cláusula en todos los subcontratos u órdenes de compra que excedan de \$10,000, salvo que estén exentos por las reglas, reglamentos u órdenes emitidas por el Secretario en virtud de la Sección 503 de la Ley, según enmendada, de manera que dichas disposiciones sean vinculantes para todo subcontratista o proveedor. El CONTRATISTA tomará las medidas que indique el Subsecretario de los Programas de Cumplimiento de Contratos Federales para velar por el cumplimiento de dichas disposiciones con respecto a todo subcontrato u orden de compra, incluidas las medidas que se tomarán en caso de incumplimiento.

#### 24. IGUALDAD DE OPORTUNIDADES EN EL EMPLEO

**(Aplicable a los contratos y subcontratos de construcción que excedan de \$10,000)**

El CONTRATISTA cumplirá con la Orden Ejecutiva 11246 del 24 de septiembre de 1965, titulada "Equal Employment Opportunity", según enmendada por la Orden Ejecutiva 11375 de 13 de octubre de 1967 y complementadas por los reglamentos del Departamento del Trabajo Federal (41 C.F.R. capítulo 60).

Durante la implementación de este Acuerdo, el CONTRATISTA acuerda lo siguiente:

- 1) El CONTRATISTA no discriminará contra ningún empleado o solicitante de empleo por motivo de raza, color, religión, sexo u origen nacional. El CONTRATISTA tomará medidas de acción afirmativa para garantizar que se contrate a los solicitantes de empleo y que a los empleados se les trate sin importar su raza, color, religión, sexo u origen nacional durante el tiempo que estén empleados. Estas medidas incluyen, entre otras: contratación, ascenso, degradación o transferencia; reclutamiento o anuncios de reclutamiento; cesantía o despido; tarifas de pago u otros tipos de compensación; y selección de empleados para participar en actividades de capacitación, incluida la formación de aprendices.
- 2) El CONTRATISTA publicará, en lugares visibles disponibles para los empleados y solicitantes de empleo, los avisos que le proporcionará el Oficial de Contrataciones para establecer las disposiciones de esta cláusula de no discriminación. El CONTRATISTA indicará que se considerará para empleo a todos los solicitantes cualificados independientemente de su raza, color, religión, sexo u origen nacional.
- 3) En todas las convocatorias o anuncios a los empleados publicados por el CONTRATISTA o a nombre de éste, el CONTRATISTA indicará que se considerará para empleo a todos los solicitantes cualificados sin importar su raza, color, religión, sexo u origen nacional.
- 4) El CONTRATISTA enviará a todos los sindicatos o representantes de los trabajadores con los cuales ha establecido un convenio colectivo u otro tipo de contrato o arreglo, un aviso, provisto por el oficial de contrataciones de la agencia, en el que se informará al sindicato o representante de los trabajadores sobre los compromisos del CONTRATISTA bajo la Sección 202 de la Orden Ejecutiva 11246 del 24 de septiembre de 1965, y publicará copias del aviso en lugares visibles disponibles para los empleados y solicitantes de empleo.



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- 5) El CONTRATISTA cumplirá con todas las disposiciones de la Orden Ejecutiva 11246 del 24 de septiembre de 1965 y todas las reglas, reglamentos y órdenes pertinentes del Secretario del Trabajo.
- 6) El CONTRATISTA proporcionará toda la información y los informes que exigen la Orden Ejecutiva 11246 del 24 de septiembre de 1965 y las reglas, reglamentos y órdenes del Secretario del Trabajo, o en virtud de estos, y permitirá el acceso de la agencia contratante y del Secretario del Trabajo a sus libros, registros y cuentas para propósitos de investigación y para verificar el cumplimiento de dichas reglas, reglamentos y órdenes.
- 7) En caso de incumplimiento con la cláusula de no discriminación de este Acuerdo o de alguna de dichas reglas, reglamentos u órdenes por parte del CONTRATISTA, este Acuerdo podría cancelarse, rescindirse o suspenderse, en su totalidad o en parte, y se podría declarar al CONTRATISTA inelegible para recibir futuros contratos gubernamentales de acuerdo con los procedimientos autorizados en la Orden Ejecutiva 11246 y se podrían imponer otras sanciones e invocar otros remedios según dispuesto en la Orden Ejecutiva 11246 del 24 de septiembre de 1965 o de acuerdo con una regla, reglamento u orden del Secretario del Trabajo, o según se estipule por ley.
- 8) El CONTRATISTA incorporará las disposiciones 1 a la 7 antes mencionadas en todos los subcontratos u órdenes de compra, salvo que estén exentos por las reglas, reglamentos u órdenes del Secretario del Trabajo, de manera que dichas disposiciones serán vinculantes para dicho subcontratista. El CONTRATISTA tomará las medidas que indique la agencia contratante con respecto a todo subcontrato u orden de compra como un medio para asegurar el cumplimiento de dichas disposiciones, incluidas las sanciones por incumplimiento, disponiéndose, sin embargo, que si el CONTRATISTA se ve involucrado en un litigio con un subcontratista o proveedor o enfrenta una amenaza de litigio como resultado de dicha directriz de la agencia contratante, el CONTRATISTA podrá solicitar que Estados Unidos comparezca en dicho litigio para proteger los intereses de los Estados Unidos.

## 25. CERTIFICACIÓN DE INSTALACIONES NO SEGREGADAS

### (Aplicable a los contratos de construcción que excedan de \$10,000)

El CONTRATISTA certifica que no mantiene ni proporciona instalaciones segregadas en sus establecimientos, y que no permite que sus empleados presten sus servicios en ningún lugar que esté bajo su control donde se mantengan instalaciones segregadas. El CONTRATISTA también certifica que no mantendrá ni proporcionará instalaciones segregadas para los empleados en ninguno de sus establecimientos y que no permitirá que sus empleados presten sus servicios en ningún lugar que esté bajo su control donde se mantengan instalaciones segregadas. El CONTRATISTA acuerda que no cumplir con esta certificación constituye una violación de la cláusula de igualdad de oportunidades de este Acuerdo.

Según se utiliza en esta certificación, el término "instalaciones segregadas" significa las salas de espera, áreas de trabajo, baños y salones de descanso, restaurantes y otras áreas para comer, áreas de registro de entrada y salida de empleados (ponchadores), "lockers" y otras áreas de almacenaje o vestidores, áreas de estacionamiento, fuentes de agua, áreas de recreación y entretenimiento, o facilidades de transportación y vivienda para los empleados que estén segregadas por una orden explícita o que estén,

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en efecto, segregadas por motivo de raza, color, religión u origen nacional debido a un hábito, costumbre local o cualquier otra razón.

El CONTRATISTA acuerda, además, que obtendrá una certificación idéntica de los subcontratistas propuestos (excepto cuando se haya obtenido por periodos de tiempo específicos) antes de otorgar subcontratos que excedan de \$10,000 los cuales no están exentos de las disposiciones de la cláusula de igualdad de oportunidades, que conservarán dichas certificaciones en sus archivos y que enviarán el aviso anterior a los subcontratistas propuestos (excepto cuando los subcontratistas propuestos hayan sometido certificaciones idénticas para periodos de tiempo específicos).

## 26. CERTIFICACIÓN DE CUMPLIMIENTO CON LAS LEYES DE AIRE Y AGUA LIMPIOS

**(Aplicable a los contratos que excedan de \$100,000)**

El CONTRATISTA y todos los subcontratistas cumplirán con los requisitos de la Ley de Aire Limpio, según enmendada, 42 U.S.C. § 1857 et seq., la Ley Federal para el Control de la Contaminación del Agua, según enmendada, 33 U.S.C. § 1251 et seq., y los reglamentos de la Agencia de Protección Ambiental con respecto a dichas leyes, según se dispone en 40 C.F.R. Partes 15 y 32, según enmendadas, Sección 508 de la Ley de Agua Limpia (33 U.S.C. § 1368) y la Orden Ejecutiva 11738.

Además de los requisitos antes descritos, todos los contratistas y subcontratistas no exentos deberán proporcionar al propietario lo siguiente:

- 1) Una estipulación del CONTRATISTA o los subcontratistas que indique que las instalaciones que se utilizarán en la ejecución de todo contrato o subcontrato no exento, no figuran en el Sistema de Listas de Participantes Excluidos de conformidad con lo dispuesto en 40 C.F.R. Parte 32 o en la Lista de Instalaciones Infractoras emitida por la Agencia Federal de Protección Ambiental (EPA, por sus siglas en inglés) de conformidad con lo estipulado en 40 C.F.R. Parte 15, según enmendada.
- 2) Un acuerdo del CONTRATISTA para cumplir con todos los requisitos de la Sección 114 de la Ley de Aire Limpio, según enmendada, (42 U.S.C. § 1857 c-8) y la Sección 308 de la Ley Federal para el Control de la Contaminación del Agua, según enmendada, (33 U.S.C. § 1318) con respecto a la inspección, monitoreo, acceso, informes e información, así como todos los demás requisitos que se especifican en dichas Secciones 114 y 308, y todos los reglamentos y guías que se emitan al respecto.
- 3) Una estipulación que establezca que, como condición para otorgar el Acuerdo, se notificará de inmediato todo aviso recibido del Director de la Oficina de Actividades Federales de la EPA en el que se indique que una instalación que se utilizó o que se va a utilizar para la ejecución del Acuerdo se encuentra bajo consideración para incluirse en el Sistema de Listas de Participantes Excluidos o en la Lista de Instalaciones Infractoras de la EPA.
- 4) Un acuerdo del CONTRATISTA en el que afirme que incluirá o hará que se incluyan los criterios y requisitos de los párrafos (1) al (4) de esta sección en todos los subcontratos no exentos y que exija que el CONTRATISTA tomará las medidas que ordene el gobierno para velar por el cumplimiento de dichas disposiciones.



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## 27. ANTICABILDEO

(Aplicable a los contratos que excedan de \$100,000)

Mediante la firma de este Contrato, el CONTRATISTA certifica que, según su mejor conocimiento y entender:

- 1) El CONTRATISTA no ha emitido ni emitirá pagos a ninguna persona con los fondos federales que se le han asignado, para influenciar o tratar de influenciar a un funcionario o empleado de una agencia, un Miembro del Congreso, un funcionario o empleado del Congreso o un empleado de un Miembro del Congreso con relación al otorgamiento de un contrato federal, una subvención federal, un préstamo federal, el establecimiento de un acuerdo cooperativo y la extensión, continuación, renovación, enmienda o modificación de un contrato, subvención, préstamo o acuerdo cooperativo federal.
- 2) Si se ha pagado o se pagará a una persona con otros fondos que no son fondos federales asignados para influenciar o tratar de influenciar a un funcionario o empleado de alguna agencia, un Miembro del Congreso, un funcionario o empleado del Congreso o un empleado de un Miembro del Congreso con relación a este contrato, subvención, préstamo o acuerdo cooperativo federal, el CONTRATISTA completará y enviará el Formulario Estándar LLL, "Disclosure Form to Report Lobbying" [Formulario de Divulgación para Informar Actividades de Cabildeo], de acuerdo con sus instrucciones.
- 3) El CONTRATISTA exigirá que el lenguaje de esta certificación se incluya en los documentos de adjudicación de todas las adjudicaciones en todos los niveles (incluidos los subcontratos, sub-subvenciones y contratos que forman parte de subvenciones, préstamos y acuerdos cooperativos) y que todos los subreceptores certifiquen y divulguen respectivamente dicha información.

Esta certificación es una representación de los hechos materiales en los cuales se basó esta transacción al momento de su ejecución. La presentación de esta certificación es un prerrequisito impuesto por la Sección 1352, Título 31, del Código de los Estados Unidos para ejecutar esta transacción. Toda persona que no presente la certificación requerida estará sujeta a una penalidad civil no menor de \$10,000 y no mayor de \$100,000, por cada caso de incumplimiento.

## 28. REQUISITOS DE FIANZAS

(Aplicable a contratos de construcción y mejoras a instalaciones que excedan de \$100,000 )

El CONTRATISTA cumplirá con todos los requisitos de Puerto Rico con respecto a las fianzas, a menos que no hayan sido aprobados por HUD, en cuyo caso el CONTRATISTA cumplirá con los siguientes requisitos mínimos de fianzas:

- 1) Una garantía de licitación de cada licitador, equivalente al cinco por ciento (5%) del precio de licitación. La "garantía de licitación" consistirá en un compromiso firme, como por ejemplo una fianza de licitación, un cheque certificado u otro instrumento negociable que acompañe una licitación como garantía de que al aceptarse su oferta, el licitador otorgará los documentos contractuales que se requieran dentro del período de tiempo especificado.

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- 2) Una fianza de cumplimiento de parte del CONTRATISTA por el cien por ciento (100%) del precio del Acuerdo. La "fianza de cumplimiento" se ejecuta en relación con un contrato para garantizar el cumplimiento de todas las obligaciones del CONTRATISTA bajo el acuerdo.
- 3) Una fianza o garantía de pago de parte del CONTRATISTA por el cien por ciento (100%) del precio del Acuerdo. La "fianza de pago" se ejecuta en relación con un contrato para garantizar el pago a todas las personas que proveen mano de obra y materiales para la ejecución del trabajo estipulado en el contrato, según lo exige la ley.

## 29. SECCIÓN 3 DE LA LEY DE VIVIENDA Y DESARROLLO URBANO DE 1968

### (Según lo exigen los límites aplicables)

- 1) El trabajo que se llevará a cabo como parte de este Acuerdo está sujeto a los requisitos de la Sección 3 de la Ley de Vivienda y Desarrollo Urbano de 1968, según enmendada, 12 U.S.C. § 1701u (**Sección 3**). El propósito de la Sección 3 es garantizar que, en la mayor medida posible, las oportunidades de empleo y otras oportunidades económicas generadas por la asistencia de HUD o los proyectos subvencionados con fondos de HUD y cubiertos bajo la Sección 3 estén dirigidos a las personas de ingresos bajos y muy bajos, en particular a las personas que reciben asistencia de vivienda de HUD.
- 2) Las partes de este Acuerdo acuerdan cumplir con las regulaciones de HUD establecidas en 24 C.F.R. Parte 135, que implementan la Sección 3. Según lo demuestran mediante la firma de este Acuerdo, las partes certifican que no enfrentan ningún obstáculo contractual ni de otro tipo que les impida cumplir con las regulaciones de la Parte 135.
- 3) El CONTRATISTA acuerda enviar a cada sindicato o representante de los empleados con los cuales ha establecido un convenio colectivo u otro tipo de arreglo, si alguno, un aviso en el que informe al sindicato o representante de los trabajadores sobre los compromisos del CONTRATISTA bajo esta cláusula sobre la Sección 3, y publicará copias de dicho aviso en lugares visibles en el lugar de trabajo donde tanto los empleados como los solicitantes de empleo y capacitación puedan verlo. El aviso describirá la preferencia que establece la Sección 3, establecerá la cantidad mínima y los títulos de los puestos sujetos a contratación, la disponibilidad de puestos para capacitación y aprendizaje, los requisitos para cada puesto, el nombre y la ubicación de la persona o las personas que recibirán las solicitudes para cada uno de los puestos, y la fecha en que se anticipa que comenzará el trabajo.
- 4) El CONTRATISTA acuerda incluir la cláusula sobre la Sección 3 en cada subcontrato sujeto al cumplimiento de las regulaciones establecidas en 24 C.F.R. Parte 135, y acuerda tomar medidas adecuadas, según se estipule en una disposición correspondiente del subcontrato o en esta cláusula sobre la Sección 3, si se determina que el subcontratista ha violado las regulaciones establecidas en 24 C.F.R. Parte 135. El CONTRATISTA no subcontratará a ningún subcontratista sobre el cual haya recibido información o tenga conocimiento de que haya violado las regulaciones del 24 C.F.R. Parte 135.
- 5) El CONTRATISTA certificará que todas las plazas vacantes, incluidos los puestos para capacitación, que se ocupen: (1) después de que el CONTRATISTA haya sido seleccionado, pero antes de firmarse el contrato, y (2) con personas que no sean a quienes las regulaciones del 24 C.F.R. Parte 135 exigen que



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se dirijan las oportunidades de empleo, no fueron ocupadas para eludir las obligaciones del CONTRATISTA en virtud de lo dispuesto en 24 C.F.R. Parte 135.

- 6) El incumplimiento con las regulaciones de HUD establecidas en 24 C.F.R. Parte 135 puede dar lugar a sanciones, la rescisión de este Acuerdo por incumplimiento y la exclusión o suspensión de futuros contratos subvencionados con fondos de HUD.
- 7) Con respecto al trabajo realizado con relación a la asistencia de vivienda para indios norteamericanos bajo la Sección 3, la Ley de Autodeterminación Indígena y de Ayuda para la Educación (25 U.S.C. § 450e) también aplica al trabajo que se va a realizar como parte de este Acuerdo. La Sección 7(b) exige que, en la mayor medida posible: (i) se dé preferencia y oportunidades de capacitación y empleo a los indios norteamericanos y, (ii) se dé preferencia en el otorgamiento de contratos y subcontratos a las organizaciones indígenas y las empresas económicas de indígenas norteamericanos. Las partes de este Acuerdo que están sujetas a las disposiciones de la Sección 3 y la Sección 7(b) acuerdan cumplir con la Sección 3 en la mayor medida posible, pero sin menoscabar su cumplimiento con lo estipulado en la Sección 7(b).
- 8) En el caso de los contratos que exceden de \$100,000, el CONTRATISTA completará el Formulario HUD 60002 ("Section 3 Summary Report") y lo enviará a Vivienda trimestralmente, a pesar de que las instrucciones del formulario establecen que el formulario se envíe anualmente.

### 30. LEY DE VIVIENDA JUSTA

El CONTRATISTA cumplirá con todas las disposiciones de la Ley de Vivienda Justa de 1968, según enmendada. La Ley prohíbe el discrimen contra cualquier persona por motivo de su raza, color, religión, sexo, origen nacional, discapacidad o situación familiar en la venta o alquiler de vivienda, el financiamiento de vivienda o la prestación de servicios de corretaje. La Ley de Igualdad de Oportunidades de Vivienda prohíbe el discrimen contra las personas por motivo de su raza, color, religión, sexo u origen nacional en la venta, alquiler, arrendamiento u otra disposición de una propiedad residencial o en el uso u ocupación de viviendas subvencionadas con fondos federales.

### 31. LEY DE POLÍTICA ENERGÉTICA Y CONSERVACIÓN DE ENERGÍA

El CONTRATISTA cumplirá con todas las normas y políticas obligatorias relacionadas con la eficiencia energética que se incluyen en el plan de conservación de energía del Gobierno de Puerto Rico, emitidas en cumplimiento con la Ley de Política Energética y Conservación de Energía (42 U.S.C. 6201 et seq).

### 32. LEY HATCH

El CONTRATISTA acuerda cumplir con las normas y políticas obligatorias de la Ley Hatch, Ley Pública 94-163, según enmendada.

La Ley Hatch aplica a las actividades políticas de ciertos empleados estatales y locales. Como CONTRATISTA del Departamento de la Vivienda de Puerto Rico, usted puede llevar a cabo las siguientes actividades: ser candidato en unas elecciones no partidistas, asistir a reuniones y convenciones políticas, aportar dinero, hacer campaña en elecciones partidistas y ocupar un cargo en un partido político.

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El CONTRATISTA no puede llevar a cabo las siguientes actividades: ser un candidato en unas elecciones partidistas, usar su influencia oficial para interferir en elecciones y coaccionar a sus subordinados para que hagan aportaciones con el fin de apoyar a partidos o candidatos políticos. La Oficina del Fiscal Especial opera un sitio web que ofrece orientación sobre asuntos relacionados con la Ley Hatch.

### 33. NORMAS DE SALUD Y SEGURIDAD

Todas las partes que participan de este proyecto acuerdan cumplir con las Secciones 107 y 103 de la Ley de Horas Trabajadas bajo Contrato y Normas de Seguridad. La Sección 107 de la Ley es aplicable al trabajo de construcción y establece que ningún obrero o mecánico podrá ser obligado a trabajar en entornos o en condiciones laborales insalubres, peligrosas o nocivas para su salud y seguridad, según se determine de acuerdo con las normas de construcción, seguridad y salud promulgadas por el Secretario del Trabajo. Estos requisitos no aplican a la compra de suministros o materiales o artículos que están disponibles regularmente en el mercado abierto ni a los contratos de transportación.

### 34. PERSONAL

El CONTRATISTA declara que tiene o que conseguirá, por su propia cuenta, el personal requerido para prestar los servicios descritos en este Acuerdo. Dicho personal no estará compuesto por empleados ni tendrán ninguna relación contractual con la parte contratante. Todos los servicios solicitados en virtud del presente Contrato serán realizados por el CONTRATISTA o bajo su supervisión y todo el personal que participe en dicho trabajo estará debidamente cualificado y autorizado por las leyes estatales y locales para realizar dichos servicios. No se contratará a ninguna persona que esté cumpliendo una sentencia en una institución penal o correccional para realizar trabajo como parte de este Contrato.

### 35. RETENCIÓN DE SALARIOS

Si, durante la ejecución del presente Acuerdo, el CONTRATISTA o algún subcontratista paga salarios insuficientes a sus empleados, Vivienda podrá retener de los pagos que se adeuden al CONTRATISTA una cantidad suficiente para pagarles a los empleados la diferencia entre el salario requerido y el salario que realmente recibieron, por el total de horas trabajadas. Vivienda podrá desembolsar las cantidades retenidas al CONTRATISTA o subcontratista directamente a los respectivos empleados a quienes se les adeudan dichas sumas.

### 36. RECLAMACIONES Y CONTROVERSIAS RELACIONADAS CON LAS TASAS SALARIALES

El CONTRATISTA informará de inmediato por escrito a Vivienda todas las reclamaciones y controversias relacionadas con las tasas salariales o las clasificaciones del personal profesional o técnico que realiza trabajo como parte de este Contrato. Vivienda emitirá una decisión final sobre dichas reclamaciones o controversias.

### 37. DISCRIMEN DEBIDO A CIERTOS ASUNTOS LABORALES

No se despedirá ni se discriminará de ninguna manera contra ninguna persona contratada para prestar servicios cubiertos bajo este Acuerdo por haber presentado una querrela o por haber incoado o hacer que se incoara un proceso judicial o por haber testificado o estar a punto de testificar en un proceso judicial relacionado con las normas laborales aplicables a su patrono en virtud del presente Contrato.



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**38. INTERÉS DE MIEMBROS DE AGENCIAS PÚBLICAS LOCALES Y OTRAS AGENCIAS**

El CONTRATISTA acuerda establecer salvaguardas para prohibir que los empleados utilicen sus puestos para un propósito que aparente estar motivado por el deseo de obtener un beneficio personal para ellos o para otras personas, en particular personas con las que tienen un vínculo familiar, comercial o de otro tipo. El CONTRATISTA estará al tanto de y evitará toda violación a las leyes estatales que prohíben que los funcionarios y empleados municipales tengan un interés o participación individual o como agentes o empleados de una persona o corporación, ya sea directa o indirectamente, en un contrato realizado o cedido por las autoridades gubernamentales de dicho municipio para la construcción o realización de una obra pública, o para la compra o venta de cualquier tipo de materiales, suministros o propiedades, o para cualquier propósito, o como parte de cualquier subcontrato derivado o relacionado con dicho contrato, o para recibir directa o indirectamente una parte o participación de algún dinero u otro pago para la construcción o realización de una obra pública o para la compra o venta de cualquier propiedad, o en virtud de cualquier otro contrato establecido por las autoridades gubernamentales del municipio o de un subcontrato que se derive o esté relacionado con dicho contrato.

El CONTRATISTA también se mantendrá al tanto y evitará toda violación de las leyes estatales que establecen la imposición de sanciones penales a todo funcionario público que tenga un interés en un contrato aprobado por la junta a la que pertenece dicho funcionario durante el tiempo que fue miembro de dicha junta y durante un año a partir de entonces.

**39. INTERÉS DE CIERTOS FUNCIONARIOS FEDERALES**

No se permitirá que ningún miembro o delegado del Congreso de los Estados Unidos o Comisionado Residente tenga una participación en el presente Acuerdo o en algún beneficio que se derive de este.

**40. INTERÉS DEL CONTRATISTA**

El CONTRATISTA acuerda que, al presente, no tiene ni adquirirá ningún interés directo o indirecto en el proyecto antes descrito o en cualquier fragmento o unidad de este, ni posee ningún otro interés en que pudiera confligir de alguna manera con el desempeño del trabajo como parte del presente Contrato. El CONTRATISTA acuerda, además, que como parte de la ejecución del presente Acuerdo no se contratará a ninguna persona que posea dicho interés.

**41. ACTIVIDADES POLÍTICAS**

El CONTRATISTA cumplirá con las disposiciones de la Ley Hatch (5 U.S.C. § 1501 *et seq.*), que limita la actividad política de los empleados.

**42. ACTIVIDADES RELIGIOSAS**

El CONTRATISTA acuerda abstenerse de utilizar fondos relacionados con el presente Acuerdo para actividades que son inherentemente religiosas y que están prohibidas en virtud de lo dispuesto en 24 C.F.R. § 570.200(j), tales como cultos religiosos, instrucción religiosa o proselitismo.

**43. LEY DE PROTECCIÓN CONTRA DESASTRES POR INUNDACIONES DE 1973**

El CONTRATISTA se asegurará de que se implementen procedimientos y mecanismos para monitorear el cumplimiento de todos los requisitos de seguros contra inundaciones, según se indica en la Ley de Protección contra Desastres por Inundaciones de 1973, 24 C.F.R. § 570.605.

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Iniciales: JH  
Fecha: 3/07/25

Programa CDBG-DR  
Anejo D  
Disposiciones Generales de HUD  
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#### 44. PINTURA A BASE DE PLOMO

El CONTRATISTA debe cumplir con las regulaciones que se establecen en 24 C.F.R. Parte 35 con respecto a la prevención del envenenamiento con pintura a base de plomo en ciertas estructuras residenciales, con respecto a todas las unidades de vivienda subvencionadas con fondos CDBG-DR.

#### 45. INGENIERÍA DE VALOR

**(Aplicable a los contratos de construcción que excedan de \$2,000 cuando lo exige la legislación que rige a los programas federales.)**

El CONTRATISTA debe cumplir con los reglamentos relacionados con el uso de un enfoque sistemático y organizado para analizar las funciones de los sistemas, equipos, instalaciones, servicios y materiales a fin de asegurarse de que desempeñen sus funciones esenciales al menor costo de manera consistente con el ciclo de vida con respecto a su ejecución, confiabilidad, calidad y seguridad, de conformidad con lo establecido en 24 C.F.R. § 200.318(g).





# ATTACHMENT D

INSURANCE REQUIREMENTS AND BONDING SPECIFICATIONS  
Small Purchase  
Travel Management Services  
Community Development Block Grant – Disaster Recovery Community  
Development Block Grant – Mitigation  
Puerto Rico Department of Housing

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A. In General

The CONTRACTOR shall obtain and maintain, at its own expense and for the duration of the contract including any warranty periods under the Contract are satisfied, the insurance coverages set forth below.

These insurance requirements are minimum requirements for the Contract and in no way limit any indemnity covenants in the Contract. Puerto Rico Department of Housing (PRDOH) does not warrant that these minimum limits are sufficient to protect the CONTRACTOR from liabilities that might arise out of the performance of the work under the Contract by the CONTRACTOR, its agents, representatives, employees, or subcontractors.

The insurance required hereunder shall not be interpreted to relieve the CONTRACTOR of any obligations under the Contract. The CONTRACTOR shall remain fully liable for all deductibles and amounts in excess of the coverage actually realized.

B. Minimum scope and limit of insurance:

Coverage should be at least as broad as to be requested in applicable acquisition processes:

1. Surety Bonds (if applicable): The CONTRACTOR must provide or cause those conducting the work to provide and maintain bonds covering the faithful performance of the contract and payment of all obligations in the following amounts:

- a) Bid Bond: 5% of the contract value.
- b) Performance Bond: 100% of the contract value, including change orders.
- c) Payment Bond: 100% of the contract value, including change orders.

2. Commercial General Liability Insurance

The CONTRACTOR must provide or cause those conducting the work to provide and maintain Commercial General Liability Insurance (broad form coverage) insuring against claims for bodily injury, property damage, personal injury and advertising injury that shall be no less comprehensive and no more restrictive than the coverage provided by Insurance Services Office (ISO) form for Commercial General (CG 00-01). By its terms or appropriate endorsements such insurance shall include the following coverage, to wit: Bodily Injury, Property Damage, Fire



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Legal Liability, Personal Injury, Blanket Contractual, Independent Contractors, Premises Operations, Products and Completed Operations. The policy cannot be endorsed to exclude the peril of explosion (x), collapse (c) and underground (u) exposures without the specific written approval of the Owner.

If Commercial General Liability Insurance or other form with a general aggregate limit and products and completed operations aggregate limit is used, then the aggregate limits shall apply separately to the Project, or the CONTRACTOR may obtain separate insurance to provide the required limit which shall not be subject to depletion because of claims arising out of any other project or activity of the CONTRACTOR

Type of Coverage:	Occurrence Basis
Amount of Coverage	
• General Aggregate	\$2,000,000
• Each Occurrence	\$1,000,000
• Products – Completed Operations Aggregate	\$1,000,000
• Personal and Advertising Injury	\$1,000,000
• Contractual Liability	\$1,000,000
• Fire Legal Liability	\$ 50,000
• Medical Expense	\$ 5,000

- a) Policy will include the following additional insured language: Puerto Rico Department of Housing (PRDOH), Puerto Rico Government, US Department of Housing and Urban Development (HUD), its officers, officials, agents, and employees, will be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the CONTRACTOR.
  - b) Policy will contain a waiver of subrogation against Puerto Rico Department of Housing (PRDOH), Puerto Rico Government, US Department of Housing and Urban Development (HUD), its officers, officials, agents, and employees, for losses arising from work performed by or on behalf of the CONTRACTOR”.
  - c) Duration of Coverage: liability policies shall continue coverage for a minimum of five (5) years for Completed Operations liability coverage. Such Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. Automobile Liability Insurance
- The CONTRACTOR must provide or cause those conducting the work to provide and maintain Comprehensive Automobile Liability Insurance insuring against claims for bodily injury and property damage and covering the ownership, maintenance or use of any auto or all owned/leased and non-owned and hired vehicles (Symbols 2, 8 and 9) used in the performance of the Work, both on and off the Project Site, including loading and unloading. The coverage be provided



by Insurance Services Office form for Commercial Auto Coverage (CA-00-01) or equivalent.

Type of Coverage: Occurrence Basis  
Amount of Coverage: \$1,000,000 combined single limit

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- a) Policy will include the following additional insured language: Puerto Rico Department of Housing (PRDOH), Puerto Rico Government, US Department of Housing and Urban Development (HUD), its officers, officials, agents, and employees, will be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the CONTRACTOR.
- b) Policy will contain a waiver of subrogation against: Puerto Rico Department of Housing (PRDOH), Puerto Rico Government, US Department of Housing and Urban Development (HUD), its officers, officials, agents, and employees, for losses arising from work performed by or on behalf of the CONTRACTOR.

4. Workers' Compensation and Employer's Liability Insurance  
The CONTRACTOR must provide or cause those conducting the work to provide Worker's Compensation Insurance with "Statutory Limits" as required by Act 45 of April 18, 1935, as amended, known as "The Workmen's Accident Compensation Act" (Ley del Sistema de Compensaciones por Accidentes del Trabajo).

The CONTRACTOR must provide or cause those conducting the work to provide Employer Liability Insurance covering its legal obligation to pay damages because of bodily injury or occupational disease (including resulting death) sustained by an employee.

Amount of Coverage: \$1,000,000 bodily injury by accident  
\$1,000,000 bodily injury by disease  
\$1,000,000 policy limit

5. Umbrella/ Excess Liability  
The CONTRACTOR must provide or cause those conducting the work to provide Umbrella/Excess Liability insurance limits as follows:

Coverage: Written on a following form basis over the primary policies: Commercial General Liability, Employers' Liability and Automobile Liability Insurance.

Limits	Each occurrence	\$1,000,000
	General Aggregate	\$1,000,000
	SIR	\$10,000





- a) Any such excess insurance shall be at least as broad as the CONTRACTOR's primary insurance.
- b) Policy will include the following additional insured language: Puerto Rico Department of Housing (PRDOH), Puerto Rico Government, US Department of Housing and Urban Development (HUD), its officers, officials, agents, and employees, will be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the CONTRACTOR.
- c) Duration of Coverage: umbrella/excess liability policies shall continue coverage for a minimum of five (5) years for Completed Operations liability coverage. Such Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

6. Professional Liability Insurance

The CONTRACTOR must provide or cause those conducting the work to provide Professional Liability insurance with respect to negligent or wrongful acts, errors or omissions, or failure to render services in connection with the professional services to be provided under this "Agreement". This insurance shall protect against claims arising from professional services of the insured, or by its employees, agents, or contractors, and includes coverage (or no exclusion) for contractual liability.

Amount of Coverage:	Per Claim	\$1,000,000
	Aggregate	\$1,000,000

- a) If the coverage is written on a claims-made basis, the CONTRACTOR warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract; and that continuous coverage will be maintained, or an extended discovery period will be exercised for a period of three (3) years beginning from the time that work under this contract is completed.

7. Cyber Security & Privacy Liability Insurance:

The SUPPLIER must provide or cause those conducting the work to provide Cyber Liability Insurance, with limits not less than

Amount of Coverage:	Per Occurrence or Claim	\$1,000,000
	Aggregate	\$1,000,000

Such insurance shall include, but not be limited to:

- a) Liability arising from the theft, dissemination, and/or use of confidential information, including but not limited to, personally identifiable information

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- (PII), protected health information (PHI), security codes, access codes, passwords, security codes or personal identification numbers (PINS);
- b) Notification costs, credit monitoring and other expert services, regulatory fines, and defense costs;
- c) Network security liability arising from unauthorized access to, use of, or tampering with computer systems, including hacker attacks;
- d) Liability arising from the introduction of a computer virus into, or otherwise causing damage to CONTRACTOR (first party) or CONTRACTOR's (third party) computer, computer system, network or similarly related property and the data, software, and programs thereon;
- e) Liability arising from professional misconduct or lack of the requisite skill required for the performances of services defined in the contract or agreement.

8. Other Coverages:

The PRDOH reserves the right to require CONTRACTOR to obtain and maintain additional insurance coverages, provided that such requests are reasonable and consistent with industry standards. The CONTRACTOR shall secure these additional coverages within a reasonable time frame following the Department's request, ensuring continuous compliance with contractual obligations.

C. Other Provisions

1. Acceptability of Insurers

The insurance company providing any of the insurance coverage required herein shall be an Insurance Company duly authorized to do business in Puerto Rico and approved by the Office of the Commissioner Insurance of Puerto Rico and classified by A.M. Best Co. with a rating of no less than financial strength of A or have a financial size of IV or better.

If at any time an insurer issuing any such policy does not meet the minimum A. M. Best rating, the CONTRACTOR shall obtain a policy with an insurer that meets the A. M. Best rating and shall submit another certificate of insurance as required in the contract.

2. Premiums, Deductibles and Self-Insured Retentions

The CONTRACTOR shall be responsible for payment of premiums for all of the insurance coverages required under this Section. The CONTRACTOR further agrees that for each claim, suit or action made against insurance provided hereunder, with respect to all matters for which the CONTRACTOR is responsible hereunder, the CONTRACTOR shall be solely responsible for all deductibles and self-insured retentions. Any deductible or self-insured retentions over \$50,000.00 in the CONTRACTOR insurance must be declared and approved in writing by PRDOH.

### 3. Claims Made Policies

If any coverage required is written on a claims-made coverage form:

- a) The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work.
- b) Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of contract work.
- c) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the Contractor must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.
- d) A copy of the claims reporting requirements must be submitted to the Entity for review.

### 4. Proof of Insurance

The CONTRACTOR shall submit proof of the Comprehensive General Liability (CGL) insurance and Workers' Compensation insurance policies to the PRDOH before the execution of the CONTRACTOR Agreement (SRA). The CONTRACTOR shall also ensure that all other insurance policies and bonds required under this Agreement are secured by its subcontractors. The CONTRACTOR is responsible for providing to the PRDOH evidence of these additional insurance policies and bonds within five (5) days after the execution of each individual subcontract agreement.

### 5. Verification of Coverage

The CONTRACTOR shall provide a Certificate or Certificates of Insurance, in a form satisfactory to Puerto Rico Department of Housing (PRDOH) (i.e., an ACORD Certificate), before commencing any work under the contract or agreement.

Certificates of Insurance shall:

- a) Be in the form acceptable to PRDOH (i.e.: an ACORD Certificate);
- b) Disclose any Deductible, Self-Insured Retention, Aggregate Limit or any exclusion to the policy that materially changes the coverage required by the contract.;
- c) Project/contract number and project description shall be noted on the certificate of insurance.;
- d) Be signed by an authorized representative of the Insurance carriers; and
- e) Contain the following language in the Description of Operations/Locations/Vehicles section:

"Additional Insured protection afforded is on a primary and non-contributory basis. A waiver of subrogation is granted in favor of the Additional Insureds."

Only original documents (Certificate(s) and any Endorsements or other attachments) or electronic versions of the same that can be directly traced back

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to the Insurer, Agent or Broker via e-mail distribution or similar means will be accepted.

The PRDOH reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

All certificates required by this Agreement shall be sent directly to:

Sonia Damaris Rodríguez  
Especialista en Seguros | CDBG-DR/MIT  
Oficina de Recuperación de Desastres  
Tel. (787) 274-2527 ext. 4081  
[srodriguez@vivienda.pr.gov](mailto:srodriguez@vivienda.pr.gov)

6. Renewal Policies

The CONTRACTOR shall promptly deliver PRDOH a certificate of insurance with respect to each renewal policy, as necessary to demonstrate the maintenance of the required insurance coverage for the term specified herein. Such certificate shall be delivered to PRDOH not less than 30 days prior to the expiration date of any policy and bear a notation evidencing payment of the premium thereof.

7. Cancellation and Modification of Insurance Coverages

The CONTRACTOR shall be responsible for immediately notifying the PRDOH in writing of any changes or cancellations of its insurance or may be found in breach of the contract and the contract could be terminated. This notice requirement does not waive the insurance requirements contained herein.

8. Policies Primary and Non-Contributory

All policies required above are to be primary and noncontributory with any insurance programs carried by the PRDOH.

9. Waiver of Subrogation

CONTRACTOR hereby grants to PRDOH a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against PRDOH by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not PRDOH has received a waiver of subrogation endorsement from the insurer.

10. Special Risks or Circumstances

The PRDOH reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

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#### 11. Subcontractors

The CONTRACTOR and its Contractors shall include all subcontractors as insureds under its policies or shall be responsible for verifying and maintaining the certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The agency reserves the right to request copies of subcontractor's certificates at any time.

#### 12. No Recourse

There shall be no recourse against PRDOH for the payment of premiums or other amounts with respect to the insurance required from the CONTRACTOR under this Section.

#### 13. Limits of Coverage

If the CONTRACTOR maintains higher limits than the minimums shown below, PRDOH requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to PRDOH.

#### 14. Indemnification/ Hold Harmless Agreement

CONTRACTOR agrees to protect, defend, indemnify, save, and hold harmless, Puerto Rico Department of Housing (PRDOH), Puerto Rico Government, US Department of Housing and Urban Development (HUD), its officers, officials, agents, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss, or destruction of any property which may occur, or in any way grow out of, any act or omission of CONTRACTOR, its contractors, agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by CONTRACTOR as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of, Puerto Rico Department of Housing (PRDOH), Puerto Rico Government, US Department of Housing and Urban Development (HUD), its officers, officials, agents, employees, and volunteers. CONTRACTOR agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.

#### 15. 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 in amounts or limits, etc., with respect to insurance requirements, the conditions of insurance and bonds established in these Insurance Requirements and Bonding Specifications shall prevail over any other insurance specifications.

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## **ATTACHMENT E**

### **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.

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### 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

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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

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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

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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 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

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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,

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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,

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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.

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(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](mailto: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](mailto: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.

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(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

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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

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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.

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- (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

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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.

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- (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](#).

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(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.

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### **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.
- 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

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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

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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

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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.
- 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:

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- 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.

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- 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.

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- 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

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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.

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#### **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

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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

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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](http://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.

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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; andRequire 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

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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.

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**END OF DOCUMENT**



## ATTACHMENT F

### CONTRACTOR CERTIFICATION REQUIREMENT

#### CONDADO TRAVEL, INC

#### I. Contractor (or Subrecipient) Certification Requirement:

1. The expected subcontractor(s) in connection with the contract<sup>1</sup> is (are) the following: N/A

(Name of individual or firm) N/A

(Principal terms and conditions of the contractual relation and role of the subcontractor) N/A

(Amount of proposed contract payable to each subcontractor) N/A

2. Neither the Contractor (or subrecipient) nor any of its owners<sup>2</sup>, partners, directors, officials, or employees, has agreed to share or give a percentage of the contractor's (or subrecipient's) compensation under the contract<sup>3</sup> to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract.
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.

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

<sup>2</sup> 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.

<sup>3</sup> As used herein, the term "contract" is inclusive of any amendments, modifications, or extensions.



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 the 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 (or subrecipient), 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. In compliance with Executive Order No. 2021-029 and CC 013-2021, the Contractor certifies as of the date hereof, that it is in a contractual relationship with the following entities of the Government of Puerto Rico: Autoridad de Carreteras y Transportación, AAFAF, PR Public-Private Partnerships Authority <sup>4</sup> The Contractor also certifies that said entities are all the entities of the Government of Puerto Rico with which they maintain a contractual relationship. In addition, the Contractor recognizes and accepts that omitting any information regarding any current contractual relationship with any governmental entity could result in the termination of this agreement if so, required by PRDOH.
7. Any incorrect, incomplete, or false statement made by the contractor's (or subrecipient's) representative as part of this certification shall cause the nullity of the proposed contract and the contractor (or subrecipient) must

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<sup>4</sup> The Contractor is required to disclose the names of the entities of the Government of Puerto Rico with whom it has contracts until the Agreement is signed.

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."**

By: **José D. Targa**

Signature: \_\_\_\_\_



Position: **President**

Date: \_\_\_\_\_

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## ATTACHMENT G

### NON-CONFLICT OF INTEREST CERTIFICATION

#### CONDADO TRAVEL, INC

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

**José D. Targa**

Printed Name

Date

**President**

Position