

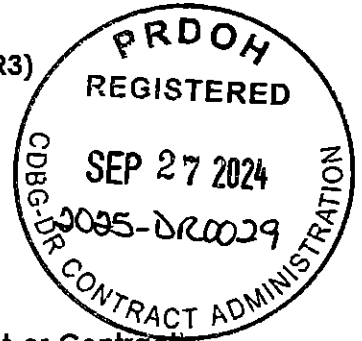


GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

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

**AGREEMENT FOR CONSTRUCTION MANAGEMENT SERVICES
HOME REPAIR, RECONSTRUCTION, OR RELOCATION PROGRAM (R3)
SINGLE-FAMILY HOUSING MITIGATION PROGRAM (SF-MIT)**

**BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
FRCG-MIT, LLC**



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This **AGREEMENT FOR CONSTRUCTION MANAGEMENT SERVICES (Agreement or Contract)** is entered into in San Juan, Puerto Rico, this 25 of September, 2024, by and between the **PUERTO RICO DEPARTMENT OF HOUSING (PRDOH)**, a public agency created under Act No. 97 of June 10, 1972, as amended, 3 LPRA § 441, et seq., known as the "Organic Act of Department of Housing" with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by William O. Rodríguez Rodríguez, attorney, of legal age, single, and resident of Guaynabo, Puerto Rico, in his capacity as Secretary; and **FRCG-MIT, LLC (CONTRACTOR)**, with principal offices in University Gardens, 1010 Calle Harvard, San Juan, Puerto Rico, 00927, herein represented by Antonio Fullana Morales, in his capacity as Vice President and Board Member of legal age, married, and resident of Dorado, Puerto Rico, duly authorized by Corporate Resolution issued on May 1, 2024.

WHEREAS, in 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 on 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.

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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, on January 11, 2020, the Governor of Puerto Rico requested an expedited major disaster declaration from the President of the United States of America as a result of the continuous seismic activity on the Island. The President declared an emergency under the Stafford Act on January 7, 2020, which initially authorized assistance for emergency protective measures. On January 16, 2020, the President signed the major disaster declaration DR-4773-PR authorizing the Federal Emergency Management Agency (**FEMA**) to provide aid for Individual Assistance (**IA**) and Public Assistance (**PA**) in the designated areas, and Hazard Mitigation throughout Puerto Rico. Additionally, the major disaster declaration authorized Small Business Administration (**SBA**) Disaster Loans. Responsibility for PA administration was delegated to the Central Office of Recovery, Reconstruction, and Resiliency (**COR3**).

WHEREAS, on January 2021, HUD published the Federal Register Notice Vol. 86, No. 3 (January 6, 2021), 86 FR 569, which allocated a total of \$85,291,000 in CDBG-DR funds to multiple grantees appropriated by the Additional Supplemental Appropriations for Disaster Relief Act. The Commonwealth of Puerto Rico was allocated a total of \$36,424,000. As per the Federal Register 86 FR 569, the Municipalities of Guánica, Yauco, Guayanilla, and Ponce were the HUD-identified Most Impacted and Distressed (**MID**) areas, and these were required to be given funding priority in the recovery from the disasters caused by the 2019-2020 seismic sequence.

WHEREAS, on February 2022, HUD published the Federal Register Notice Vol. 87, No. 23 (February 3, 2022) known as Consolidated Notice, 87 FR 6364, which allocated a total of \$184,626,000 in CDBG-DR funds to Puerto Rico for major disaster declarations DR-4773-PR (2019-2020 Earthquakes Sequence) and other disasters. As per 87 FR 6364, the Municipalities of Guánica, Ponce, Yauco, Guayanilla, Peñuelas, Lajas, and Mayagüez

were the HUD-identified MID areas, and these were required to be given funding priority in the recovery from the disasters caused by the 2019-2020 seismic sequence and other disasters.

WHEREAS, Public Law 115-123 requires HUD to allocate \$2 billion of CDBG-DR funds for the U.S. Virgin Islands and Puerto Rico to provide enhanced or improved electrical power systems in response to Hurricane María. First and Second Amendments to Grant Agreement between HUD and the Government of Puerto Rico prohibited the use of CDBG-DR funds for activities to enhance or improve electric power systems until after HUD published the Federal Register notice governing the use of these \$2 billion.

WHEREAS, on June 22, 2021, HUD published Federal Register Vol. 86, No. 117 (June 22, 2021), 86 FR 32681, which governs the use of the \$2 billion CDBG-DR allocation for enhanced or improved electrical power systems in Puerto Rico and the U.S. Virgin Islands. Of those \$2 billion, \$1,932,347,000 was allocated to Puerto Rico to enhance the Puerto Rico electrical power system.

WHEREAS, based on this assessment, HUD notified Puerto Rico via 86 FR 32681 that for this allocation, all areas of the Island are considered most impacted and distressed.

WHEREAS, the PRDOH is the grantee for the CDBG-DR and CDBG-MIT funds; as such, it serves as the entity responsible for administering the funds in compliance with applicable regulations and timeframes.

WHEREAS, the PRDOH is interested in contracting a construction management services firm to assist PRDOH with the implementation and administration of the Home Repair, Reconstruction, or Relocation Program (**R3**) and Single-Family Housing Mitigation Program (**SF-MIT**) under the CDBG-DR and CDBG-MIT Program Portfolios. 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 September 1, 2023, the PRDOH issued a Request for Proposal "CDBG-DRMIT-RFP-2023-06" with CDBG-DR/MIT funds. This request was placed through the "Registro Unico de Subastas del Gobierno" (**RUS**, for its Spanish acronym) and the CDBG-DR/MIT Program website. Through this procurement process, PRDOH received ten (**10**) proposals. The proposals were evaluated by an Evaluation Committee appointed pursuant to Administrative Order No. 23-64 dated October 18, 2023. The Evaluation committee evaluated the Proposals based on the criteria stated in the RFP.

WHEREAS, on November 2, 2023, the CONTRACTOR submitted a proposal, which fully complied with the requirements set forth by PRDOH.

WHEREAS, the PRDOH desires to enter into an Agreement with **FRCG-MIT, LLC** to secure its services and accepts the CONTRACTOR's Proposal and reasonable costs, and the CONTRACTOR by its acceptance of the terms and conditions of this Agreement is ready, willing, and able to provide the requested services contemplated under this Agreement.

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

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I. TYPE OF CONTRACT

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

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

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

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

II. TERM OF AGREEMENT

- A.** This Agreement shall be in effect and enforceable between the Parties from the date of its execution. The Term of this Agreement will be for a performance period of **thirty-six (36) months**, ending on September, 25, 20²⁷.
- B. Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term up to **two (2)** additional extensions of **twelve (12) months**, upon mutual written agreement of the Parties.
- C.** The term of this Agreement shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD unless the term of the initial Grant Agreement is extended by HUD, in which case the Agreement nor extension shall not exceed said extended period.

III. SCOPE OF WORK

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

IV. COMPENSATION AND PAYMENT

- A.** The PRDOH agrees to pay the CONTRACTOR for allowable Services rendered under this Agreement in accordance with the rates and amounts described in **Attachment C** (Compensation Schedule) 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 **TWENTY-FIVE MILLION DOLLARS (\$25,000,000.00)**; **Account Number:** eqh03hrr-yau-lmi 6090-03-

000; mith07sfh-doh-lm 6090-03-000; r02eqh03hrrgncim 6090-03-000;
r02eqh03hrrgyllm 6090-03-000; r02eqh03hrrlajlm 6090-03-000; r02eqh03hrrpenlm
6090-03-000; r02eqh03hrrponlm 6090-03-000; r02eqh03hrryaulm 6090-03-000;
r02h07rrr-doh-lm 6090-03-000.

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

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- K. Extended overhead costs are an Ineligible cost under this Agreement and shall not be reimbursable.
- L. In order for the CONTRACTOR to receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOH for payment:

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

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V. REIMBURSABLE EXPENSES

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

VI. ADDITIONAL SERVICES

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

VII. OWNERSHIP AND USE OF DOCUMENTS

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

VIII. WORK FOR HIRE

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

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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, and 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 the 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 refrain 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 close out 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.

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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 in 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's 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 a written request from the PRDOH, CONTRACTOR will return to PRDOH all copies or samples of Confidential Information which, at the time of the notice are in CONTRACTOR's or its agent's possession. CONTRACTOR reserves the right to retain a set of its work papers.

- D. Equitable Relief:** The CONTRACTOR acknowledges and agrees that a breach of the provision of subparagraph B and C of this Section will cause PRDOH to suffer irreparable damage that could not be remedied or compensated adequately only by mere monetary retribution. The CONTRACTOR further agrees that money damages may not be a sufficient remedy for any breach of this Section. Accordingly, the CONTRACTOR agrees that PRDOH shall have the right to seek injunctive relief and the specific performance of the provisions of this Section to enjoin a breach or attempted breach of the provision hereof, such right being in addition to any and all other rights and remedies that are available to PRDOH by law, equity, or otherwise.

XII. PERFORMANCE WARRANTY

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- (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 off-set or partial payment, as the case may be, of amounts owed to the PRDOH by the CONTRACTOR. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.

B. Termination for Convenience: The PRDOH may terminate this Agreement, in whole or in part, whenever the PRDOH determines that such termination is necessary or convenient to the Agency. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of termination by Notice, the PRDOH shall only be liable for payment of services rendered up to and including the effective date of termination, taking into account the CONTRACTOR's obligation to immediately discontinue all affected services upon receipt of the termination notice. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.

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C. Termination by Unilateral Abandonment: The PRDOH will consider this Agreement immediately terminated, in the event that the CONTRACTOR unilaterally and without prior notice, chooses to abandon (in any shape, form or fashion according to what PRDOH deduces) cease and desist in the specific performance of its general and particular duties and responsibilities as agreed in this Agreement. Upon the knowledge of such event, the PRDOH will not be held liable and will immediately, automatically and retroactively deduct from any future reimbursement, all funds from the day such unilateral abandonment took place. The PRDOH will not be compelled to continue the performance of this Agreement, should the CONTRACTOR breach this Agreement by unilateral abandonment. For the purposes of this Section, Abandonment shall mean that CONTRACTOR voluntarily and intentionally disavows its contractual duties in a manner that is overt and without question a relinquishment of said contractual duties.

D. Unilateral Termination: The PRDOH may terminate this Agreement, in whole or in part, at PRDOH's sole discretion, with or without cause, at any time. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of termination by Notice, the PRDOH shall only be liable for payment of services rendered up to and including the effective date of termination, taking into account the CONTRACTOR's obligation to immediately discontinue all affected services upon receipt of the termination notice.

E. Suspension: The PRDOH may suspend this Agreement in whole or in part at any time for the PRDOH's convenience. The PRDOH shall give the CONTRACTOR **five (5) business days'** written notice of such suspension. Upon receipt of said notice the CONTRACTOR shall immediately discontinue all Services affected.

F. Immediate Termination: In the event the CONTRACTOR is subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the CONTRACTOR shall be subject to an order, judgment, or opinion, issued by any federal or local authority, a court of applicable jurisdiction, or any governmental agency, in connection with the execution, delivery, and performance by the CONTRACTOR of this Agreement or the CONTRACTOR of this Agreement has been noncompliant, 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 the 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.

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XIV. PENALTIES AND LIQUIDATED DAMAGES

A. Penalties

1. In the event the CONTRACTOR is determined to have engaged in any proscribed conduct or otherwise is in default as to any applicable term, condition, or requirement of this Agreement, at any time following the Effective Date of the Agreement, the CONTRACTOR agrees that PRDOH may impose sanctions against the CONTRACTOR for any default in accordance with **Attachment B** (Scope of Work) and **Attachment D** (Performance Requirements) and this Section. Refer to all required provisions set forth at 2 C.F.R. § 200.326 and 24 C.F.R. § 570.489(g), if applicable, and the Contract and Subrecipient Agreement Manual, Section 2, Subsection 2.4.1(a), as found in the CDBG-DR/MIT Website (<https://recuperacion.pr.gov/welcome/index.html>) which is herein included and made an integral part of this Agreement, as it may be updated from time to time.
2. If the CONTRACTOR fails to comply with federal and/or local statutes, regulations or the terms and conditions of the Agreement, PRDOH may take one or more of the following actions:
 - i. Temporarily withhold cash payments pending correction of the deficiency by the CONTRACTOR.
 - ii. Disallow all or part of the cost of the activity or action not in compliance.
 - iii. Initiate suspension or debarment proceedings as authorized under 2 C.F.R. part 180.
 - iv. Withhold further Federal awards for the project or program.
 - v. Take other remedies that may be legally available.

B. Liquidated Damages

The CONTRACTOR will be subject to liquidated damages as related to their timeframes of performance under the program(s). Construction timeframes of performance will be established under Task Orders to be issued to CONTRACTOR for each home where work is to be performed. The schedule may be extended by any additional time or delays outside of the control of the CONTRACTOR cause by act of omission of the PRDOH, HUD, or any of their representatives. The CONTRACTOR shall ensure that, once a Task Order reaches Substantial Completion, all pertinent documentation from the CONTRACTOR for the homeowner to move into the home is furnished in no less than **sixty (60) calendar days** from the Substantial Completion Date. This documentation includes, but is not limited to, occupancy permits, no-debt certifications, and warranty packages. The CONTRACTOR shall pay to PRDOH, as liquidated damages, an amount equal to **one hundred (\$100.00) dollars** for each calendar day that the completion of work or the homeowner's move-in is late until deemed in compliance. Said sum, given the difficulty of accurately ascertaining the loss which PRDOH and/or homeowner will suffer because of delay in the completion of the works requested, is hereby fixed and agreed as the liquidated damages that PRDOH and/or homeowner will suffer because of such delay. Liquidated damages received are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the PRDOH's right to indemnification, or the CONTRACTOR's obligation to indemnify the PRDOH, or to any other remedy provided for as a provision of the contract or law. Liquidated damages may be assessed at the sole discretion of PRDOH. To apply and calculate such liquidated damages, a grace period of **ten (10) calendar days** shall be observed, and PRDOH may deduct and retain out of the monies which may become due to the CONTRACTOR, the amount of any such liquidated damages; and in case the amount which may become due is less than the amount of liquidated damages due to the PRDOH, the CONTRACTOR shall be liable to pay the difference.

Penalty for Failed Milestone Inspections: If the CONTRACTOR requests a milestone inspection for work performed, such inspection is completed by PRDOH's consultants, and the inspection has a "failed" result; the CONTRACTOR shall pay to the PRDOH, as penalty, the amount of **five hundred (\$500.00) dollars** for each "failed" inspection. Said sum will cover the cost of re-inspections to confirm the CONTRACTOR's work compliance with program quality and performance requirements.

XV. LIABILITY

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

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

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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 **Attachment B** (Scope of Work) and **Attachment D** (Performance Requirements), insurance policies in compliance with the Insurance Requirements, attached hereto and made an integral part hereof as **Attachment E** (Insurance Requirements). The CONTRACTOR shall meet all other insurance requirements as may be imposed by PRDOH from time to time.

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

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

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

B. Endorsements

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

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

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

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C. Related Requirements

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

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

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

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

The CONTRACTOR expressly understands and agrees that whenever the CONTRACTOR is covered by other primary, excess, or excess contingent insurance that, any insurance or self-insurance program maintained by PRDOH shall apply in excess of and will not contribute with insurance provided by the CONTRACTOR under this Agreement.

XVII. HOLD HARMLESS

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

XVIII. FORCE MAJEURE

In the event of a fire, flood, earthquake, natural disaster, hurricane, riot, act of governmental authority in its sovereign capacity, pandemic officially declared by the Government of Puerto Rico, or declare by the United States of America, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any Force Majeure including inclement weather, herein collectively referred to as Force Majeure during the term of

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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.

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XIX. CONFLICTS OF INTEREST

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

- a) Award of the Agreement may result in an unfair competitive advantage; or
- b) The CONTRACTOR's objectivity in performing the contract work may be impaired.

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

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

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

XX. INDEPENDENT CONTRACTOR

The relationship of the CONTRACTOR to PRDOH shall be that of an independent CONTRACTOR rendering professional services. Neither the CONTRACTOR nor any personnel of the CONTRACTOR shall have any authority to execute contractual agreements or make commitments on behalf of PRDOH. Nothing contained herein shall

be deemed to create the relationship of employer/employee, principal/agent, joint venture or partner between the CONTRACTOR and PRDOH. Further, the CONTRACTOR recognizes that in view of its status as an independent CONTRACTOR, neither it nor its employees or subcontractors will be entitled to participate in or receive any fringe benefits normally granted to PRDOH employees under such programs, including, but not limited to, worker's compensation, voluntary disability, travel accident insurance, medical/dental insurance, life insurance, long-term disability, holiday pay, sick pay, salary continuation pay, leaves of absence (paid or unpaid), pension plan and savings plan.

The CONTRACTOR shall have exclusive control over its employees and subcontractors (and the CONTRACTOR's employees and subcontractors are herein, collectively, referred to as the "CONTRACTOR Personnel"), its labor and employee relations and its policies relating to wages, hours, working conditions and other employment conditions. The CONTRACTOR has the exclusive right to hire, transfer, suspend, lay off, recall, promote, discipline, discharge and adjust grievances with its CONTRACTOR Personnel. The CONTRACTOR is solely responsible for all salaries and other compensation of its CONTRACTOR Personnel who provide Services.

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

XXI. NOTICES

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

To: PRDOH

William O. Rodríguez Rodríguez, Esq.
Secretary
Puerto Rico Department of Housing
606 Barbosa Ave.
Juan C. Cordero Dávila Bldg.
San Juan, PR 00918

To: CONTRACTOR

Antonio Fullana Morales
Vice-President and Board Member
FRCG-MIT, LLC
PO Box 9932,
San Juan, PR,
00908-9932

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XXII. THIRD PARTIES

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

XXIII. SUBCONTRACTS

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

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

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

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

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

E. Notification: Within **three (3) business days** of its execution, the CONTRACTOR shall notify the Contract Administration Area of PRDOH CDBG-DR/MIT Legal Division and provide a copy of all subcontracts related to this Agreement and CDBG-DR/MIT funds, as well as any other subcontracts listed in **Attachment G** (Contractor Certification Requirement). The CONTRACTOR is in charge of obtaining all certifications from the subcontractors listed in Article XXIV of this Agreement that are required for technical, professional, or consulting services, as well as submitting them with the copy of the subcontract and adhering to all other requirements set forth in Circular Letter 1300-16-16 from the Puerto Rico Department of Treasury. Technical, professional, or consulting services that are employed to carry out the terms of this Agreement are referred to as subcontractors for the purposes of this article if they spend at least 25% of their time on it.

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XXIV. CERTIFICATION OF COMPLIANCE WITH LEGAL REQUIREMENTS

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

- A. Compliance with Executive Order No. 2022-014:** The CONTRACTOR agrees to faithfully comply with the provisions of Executive Order No. 2022-014 of February 20, 2022 (OE-2022-014). The CONTRACTOR will provide a minimum salary of **fifteen dollars (\$15.00)** per hour to skilled construction workers and **eleven dollars (\$11.00)** per hour to unskilled construction workers, for the work performed within the "Construction Project", as defined in the OE-2022-014.

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The CONTRACTOR commits to acquire and use cement produced in Puerto Rico in compliance with Act No. 109 of July 12, 1985, as amended, for the completion of the "Construction Project". The CONTRACTOR acknowledges that this is an essential condition of this Agreement whose breach by itself, or by any subcontractor, will release PRDOH from disbursing funds for any part or section of the "Construction Project" completed in non-compliance with OE-2022-014. In addition, the CONTRACTOR recognizes that non-compliance with this clause could lead to cancellation, without more, of this Agreement.

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The CONTRACTOR shall include in any awarded contract to perform the work on behalf of the PRDOH, a clause that obligates the subcontractor to comply with all provisions of OE-2022-014 (including the provisions concerning the acquisition of cement produced in Puerto Rico and the minimum compensation for workers who work within the "Construction Project"), as well as any other document issued pursuant to OE-2022-014.

Similarly, the clause to be included by the CONTRACTOR must provide for any subcontractor to include a similar compliance clause in any subcontract that provides for the release of its obligation before the CONTRACTOR.

Section 4 of OE-2022-014 implements a pilot program to incorporate Project Labor Agreements. The pilot program applies to all Construction Projects that exceed five million dollars (**\$5,000,000**) which are funded in whole or in part with federal funds from the FEMA Public Assistance Program intended for reconstruction and recovery work and obligated under Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, as amended. Section 8 of OE-2022-014 states that upon completion of the Pilot Project, the Project Labor Agreements Evaluation Committee shall issue a final report on the appropriateness of incorporating Project Labor Agreements into other construction projects.

- B. Compliance with Act No. 173:** The CONTRACTOR hereby certifies that in signing this Agreement it is in compliance with Act No. 173 of August 12, 1988, as amended, known as the "Board of Examiners of Engineers, Architects, Surveyors, and Landscape Architects of Puerto Rico Act", 20 LPRA §§ 711-711z to exercise the profession of engineering, architecture, surveying or landscaping architecture in Puerto Rico, is registered in the official Register of the Board, and is an active member, and hold a license issued by the College of Engineers and Surveyors of Puerto Rico or the College of Architects and Landscape Architects of Puerto Rico, as applicable.

- C. 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.
- D. 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.
- E. 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.
- F. 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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G. 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.

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H. 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.

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I. 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".

J. 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.

K. 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."

L. Compliance with Act No. 1-2012, as amended, 3 LPRA § 1854, et seq.: The PRDOH and the CONTRACTOR hereby certify that in signing this Agreement they are in compliance with Act No. 1-2012, as amended, known as the "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.

M. 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.

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N. 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".

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

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

P. 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.

Q. 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.

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

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

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

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

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

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

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

XXVII. MEMORANDUM NO. 2021-029; CIRCULAR LETTER NO. 013-2021 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):

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- A. The PRDOH certifies that the CONTRACTOR was selected as the provider of the services described in this Agreement, pursuant to Executive Order No. 2021-029 (OE-2021-029).
- B. The Parties certify that they acknowledge the provisions stated in OE-2021-029 and Circular Letter No. 013-2021 (CC-013-2021). Any failure to comply with the requirements set forth in OE-2021-029 and CC-013-2021 will result in the termination of this Agreement.
- C. The CONTRACTOR certifies that it has informed PRDOH of any current contractual relationship with any government entities of the Government of Puerto Rico. Accordingly, the CONTRACTOR certifies, as of the date hereof, that it does not have additional contractual relationships with entities of the Government of Puerto Rico. 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.
- D. The CONTRACTOR certifies that it has informed PRDOH whether or not the entity is a public corporation whose shares are exchanged in a stock exchange properly regulated. In the event that the CONTRACTOR certifies that it is not a public corporation that exchanges shares in a stock change, the CONTRACTOR certifies it has completed the applicable certification as stated in CC-013-2021.

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

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

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

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

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

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

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

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

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

XXXI. FEDERAL LAWS AND REGULATIONS APPLICABLE TO CONSTRUCTION CONTRACTS

A. COPELAND "ANTI-KICKBACK" ACT

Salaries of personnel performing work under this Agreement shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. § 874; and Title 40 U.S.C. § 276c).

The CONTRACTOR, as well as any subcontractors, shall provide a weekly statement with respect to the wages paid to each of its employees engaged on work covered by the Copeland "Anti-Kickback Act" during the preceding weekly payroll period.¹ The CONTRACTOR, as well as any subcontractors, shall deliver each weekly statement within

¹ This statement shall be executed by the CONTRACTOR or by an authorized officer or employee of the CONTRACTOR who supervises the payment of wages and shall be on the back of Form WH 347, "Payroll (For Contractors Optional Use)" or on any form with identical wording. Copies of WH 347 may be obtained from the Government contracting or sponsoring agency or from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/index.htm> or its successor site.

seven days after the regular payment date of the payroll period, to the PRDOH. After such examination and check as may be made, such statement, or a copy thereof, shall be kept available, or shall be transmitted together with a report of any violation, in accordance with applicable procedures prescribed by the U.S. Department of Labor. The CONTRACTOR shall preserve his weekly payroll records for a period of **six (6) years** from the date of completion of this Agreement and the Subrecipients must also comply with the record retention requirements, as established in the policy on document handling, administration, and accessibility, in accordance with the RKMA policy, and ensure that all documentations is always available for any internal or external tracing visit. Such payroll records shall be made available at all times for inspection by the contracting officer or his authorized representative, and by authorized representatives of the Department of Labor.

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The CONTRACTOR, as well as any subcontractors, shall comply with all applicable "Anti-Kickback" regulations and shall insert HUD form 4010 and any additional provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations as applicable, and shall be responsible for the submission of affidavits and Statements of Compliance required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.²

B. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The CONTRACTOR, as well as any subcontractors, shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (CWHSSA) (40 U.S.C. §§ 33701-3708) as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or labors. The provisions of CWHSSA apply to all labors and mechanic, including watchmen and guards. 40 U.S.C. Section 3701(b)(2).

The CONTRACTOR, as well as any subcontractors, agrees to compute the wages of every mechanic and laborer on the basis of a standard work week of forty (40) hours in accordance with and subject to the provisions of the CWHSSA. Any work in excess of the standard work week is permissible provided that the worker is compensated at a rate of no less that on and a half times the basic rate of pay for all hours worked in excess of forty (40) hours in the work week. The CONTRACTOR will not require any laborer or mechanic employed in the performance of this Agreement to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to health or safety, as established under construction safety and health standards.

The CONTRACTOR, as well as any subcontractors, shall insert appropriate provisions of the CWHSSA in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

The CONTRACTOR, as well as any subcontractors, shall comply with all regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards³, which can and will be amended from time to time.

C. FAIR LABOR STANDARDS ACT OF 1938, AS AMENDED

The CONTRACTOR, as well as any subcontractors, shall comply with the provisions of the Fair Labor Standards Act (29 U.S.C. §§ 201-219), which governs such matters as Federal minimum wage rates and overtime, as supplemented by the Department of Labor regulations (29 C.F.R. Parts 500-899).

² <https://www.dol.gov/agencies/whd/government-contracts/copeland-anti-kickback>

³ <https://www.dol.gov/agencies/whd/government-contracts/cwhssa>

The CONTRACTOR agrees to comply with and implement the applicable regulations of the U.S. Department of Labor at 29 C.F.R. Parts 500-899.⁴

XXXII. CDBG-DR/MIT POLICIES AND PROCEDURES

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

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XXXIII. 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

⁴ <https://www.dol.gov/agencies/whd/fisa>.

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.

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H. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

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

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

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

- A.** No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B.** If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Forms-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C.** The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and

that all sub recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. §1352 (as amended by the Lobbying Disclosure Act of 1995). The CONTRACTOR acknowledges that any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. The CONTRACTOR certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the CONTRACTOR understands and agrees that the provisions of 31 U.S.C. §3801 et seq., apply to this certification and disclosure, if any.

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XXXV. EQUAL OPPORTUNITY

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

authorized in Exec. Order No.11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Exec. Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- G.** The CONTRACTOR will include the portion of the sentence immediately preceding paragraph (A) and the provisions of paragraphs (A) through (F) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Exec. Order No.11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

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XXXVI. SOLID WASTE DISPOSAL ACT

- 1) In the performance of this contract, the CONTRACTOR shall make maximum use of products containing recovered materials that are Environmental Protection Agency (**EPA**)- designated items unless the product cannot be acquired:
 - a. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - b. Meeting contract performance requirements; or
 - c. At a reasonable price.
- 2) Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines website, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- 3) CONTRACTOR must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include:
 - a. procuring only items designated in guidelines of the EPA at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds ten thousand dollars (\$10,000) or the value of the quantity acquired during the preceding fiscal year exceeded ten thousand dollars (\$10,000);
 - b. procuring solid waste management services in a manner that maximizes energy and resource recovery; and
 - c. establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

XXXVII. 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.

XXXVIII. SUSPENSION AND DEBARMENT

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

XXXIX. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION

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

XL. NO OBLIGATION BY THE FEDERAL GOVERNMENT

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

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

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

XLII. BANKRUPTCY

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

XLIII. ENTIRE AGREEMENT

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

XLIV. MODIFICATION OF AGREEMENT

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

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

XLV. 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.

XLVI. 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.

XLVII. 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.

XLVIII. ORDER OF PRECEDENCE

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

XLIX. GOVERNING LAW JURISDICTION

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

L. TIME OF ESSENCE CLAUSE

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

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

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

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

A. Consolidation or Merger

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for a consolidation or merger with another entity (private or public), by its discretion or otherwise, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov at **least fifteen (15) business days prior to the effective date** of the consolidation or merger. The notice shall include, but not limited to, a description of: the expected effective date of the consolidation or merger; name of each of the constituent entities moving to consolidate or merge into the single resulting or surviving entity; the proposed name of the resulting entity (in case of a consolidation) or the name of the surviving entity (in case of a merger) if necessary; reference to the projected capacity of the resulting or surviving entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement as well as its Exhibits or Attachments;

and a brief summary of the proposed plan to achieve the transition of duties (Scope of Work or Scope of Services), tasks, and performance goals or requirements to the resulting or surviving entity.

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

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

B. Change of Name

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

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

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

C. Dissolution

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

LII. 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.

LIII. 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.

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LIV. 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.

LV. 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.

LVI. 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.

LVII. 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.

LVIII. 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.

LIX. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE

The CONTRACTOR does not have a legal claim to any amount of CDBG funds to be used for the specific project or site until the environmental review process is satisfactorily completed. As such, the CONTRACTOR acknowledges that it has no legal claim to any amount of CDBG funds for any projects or site acquisition under this Agreement until the environmental review process is completed under PRDOH. The CONTRACTOR acknowledges that it will not begin any actions related to the project or site until the environmental review process is completed and has written acceptance and a Notice to Proceed from PRDOH.

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

PUERTO RICO DEPARTMENT OF HOUSING

FRCG-MIT, LLC

William O. Rodríguez Rodríguez
William O. Rodríguez Rodríguez (Sep 25, 2024 18:50 EDT)
William O. Rodríguez Rodríguez, Esq.
Secretary

Antonio Fullana Morales
Fullana Antonio (Sep 23, 2024 09:25 EDT)
Antonio Fullana Morales
Vice-President and Board Member



TECHNICAL PROPOSAL

Request for Proposal For **CONSTRUCTION MANAGEMENT SERVICES HOME REPAIR, RECONSTRUCTION, OR RELOCATION PROGRAM SINGLE-FAMILY HOUSING MITIGATION PROGRAM**

Under The
**Community Development Block Grant
Disaster Recovery**

**Community Development Block Grant
Mitigation**

From
FRCG-MIT, LLC
José Fullana
Managing Director
info@frcg.net
PO Box 9932
San Juan, PR 00908-9932

November 3, 2023
at 4:00 PM AST



Attn.
Melissa Almodóvar Suárez, Esq.
Procurement Director
CDBG-DR and CDBG-MIT

CDBG-DRMIT-RFP-2023-06



DEPARTMENT OF
HOUSING





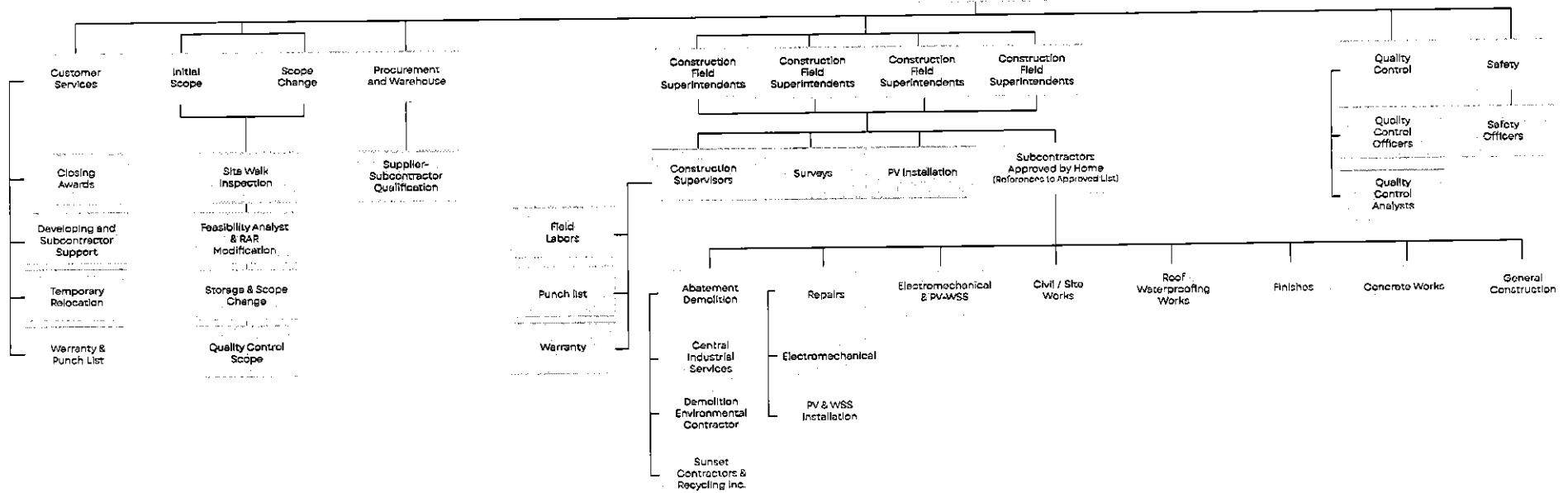
PREVIOUS PAGE



Ricardo Álvarez-Díaz
RA, FAIA, CAAPPR, NCARB
Architect of Record (ADR)

Monique Lugo-López
NCARB, AIA, CAAPPR
Lead Design Manager

Manuel J. Fullana-Morales
PSP, PE, CPESC
Lead Construction Manager



ORGANIZATIONAL CHART (PART 2)

testing, materials logistics, construction staffing, procurement, permitting, abatement, designs, submissions, warehousing, deliveries and so on. We are confident that our Team has the experience, local knowledge, workforce and financial requirements to undertake this Project and provide safe homes to thousands of residents who are still struggling to this date with damages in their current homes.

II. UNDERSTANDING & BEST PRACTICES OF CONSTRUCTION MANAGEMENT SERVICES

The key to the Project's success is the implementation of a Management Approach with clearly defined roles and responsibilities. We ensure that each proposed individual for our team is assigned a specific function that matches their capabilities and technical expertise. This staffing alignment optimizes the presented individual's skills and talents and, simultaneously, allows for our combined capabilities to complement each other, enabling the Team to successfully manage the requirements of the full scope of work.

We have assembled a team of professionals who bring extensive construction knowledge to ensure successful completion on time, within budget and following all contract requirements and specifications. The combined experience of decades in the construction industry in Puerto Rico has enabled **FRCG-MIT** to establish relationships with the local subcontractor community while also having proven expertise in understanding the government agencies' requirements and procedures in the construction industry. **FRCG-MIT** Team is a fundamental skill and talent unique to this construction Team that no other proponent can offer the R3 program.

FRCG-MIT approach to Construction Management for the CDBG-DRMIT programs is constructed on carefully analyzing the skills needed to complete a project on time and within budget — without sacrificing safety and quality — and then assembling the Team to do it right. Throughout our organization, we instill a cooperative, problem-solving approach to overcome challenges and delays that will inevitably occur in a Project of this magnitude. This is accomplished through implementing and enforcing our proven Management Plan, which was developed utilizing the knowledge acquired by our companies through the years of successful Project completion experience and through the implementation of the lessons learned over time. The Management Plan has been tailored for this program with the input of all those involved in the current CDBG-DR R3 program and the "Tu Hogar Renace" program. **FRCG-MIT** Construction Management Team brings first-hand knowledge and a unique understanding of the government needs and standards in disaster recovery efforts as well as the knowledge of the design/build process in Puerto Rico with all of the permit and code enforcement requirements that it entails. By partnering with **FRCG-MIT**, PRDOH benefits from our established relationships with the local subcontractor community, ensuring competitive pricing and responsiveness as well as the involvement of local entrepreneurs in the program.

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We have tailored our Project Approach to include key project issues, project staffing, critical deadlines, a communication plan, schedules and safety and quality control appropriate to the Homeowner Repair, Reconstruction, or Relocation program's requirements. Each of our key staff has a comprehensive understanding of the program requirements in each of its components to ensure complete PRDOH and homeowner satisfaction throughout the completion of the Project.

Our experienced Team is aware of the Safety and Quality Control requirements established by the PRDOH, the Green Building Standards requirements that need to be observed and implemented during construction and the importance of complying with all the PRDOH and homeowner's satisfaction. As with other projects, the **FRCG-MIT** team will work closely with the PRDOH and program manager, employees, field personnel, subcontractors, call center operators, the environmental consultant and cost estimators. Working together from the beginning, we ensure that the PRDOH's Representative, **FRCG-MIT**, construction personnel and selected subcontractors clearly understand the Project and their responsibilities relating to each Project before construction.

We have a highly qualified construction team actively involved in all the different phases of the Project. This Team will be composed of architects, engineers, permit specialists and significant subcontractors in a coordinated effort to design and construct the required houses and repairs.

FRCG-MIT is proposing an unmatched pool of subcontractors comprised of skilled subs with extensive construction knowledge and experience working in the housing industry as well as working with **FRCG-MIT** through the "Tu Hogar Renace" program and the current CDBG-DR R3 program. Being in the construction industry for so long has given our Team the chance to work repeatedly with the majority of the subcontractors on the Island, which has helped us create a partnership with them through the years. We have selected the best-qualified subcontractors based on their experience in similar projects and their relationship with **FRCG-MIT**. Our construction department monitors the subcontractor's performance under the contract.

III. OPERATIONAL PLAN

GENERAL MANAGEMENT FLOWCHART

FRCG-MIT will have different specialized teams / key personnel simultaneously as per the General Management Flowchart for operation management for the Community Development Block Grant (CDBG) program two (2) significant groups programs:

Community Development
Block Grant for Disaster
Recovery (CDBG-DR)

Long-term disaster recovery efforts, restoration of housing infrastructure and economic revitalization in a distressed disaster.

Community Development
Block Grant for Mitigation
(CDBG-MIT)

Mitigation activities aim to increase resiliency to disasters and reduce long-term risks of loss of life, injuries, damage to and loss of property, suffering and hardship by reducing the impact of future disasters.

Please find the **General Management Flowchart** at the end of this section for more details on the scope of work tasks. This **General Management Flowchart** demonstrate and ensure the quality and workflow of the services to reduce the time of different phases. Also shows the construction activity, safety, supervision and control of the scope of work produced by key staff and subcontractors. **FRCG-MIT** implemented experience, technologies and communications to provide specific strategies for solid waste management plan execution of no-hazard materials, methods for material use, efficiency and durability, reuse and recycle demolition and preparing individual plans for each case project. Also, our teamwork has experience constructing and evaluating project intent, including supporting the programs with practical, feasible, cost-reasonable design solutions, means and methods. **FRCG-MIT** has the methods and experience to reduce errors, omissions and unnecessary delays while providing services and completing projects on time with professional expert staff and ensure that applicant complaints and warranty claims are managed and resolved promptly. **FRCG-MIT** has a Customer Services Department to provide a complaint and warranty claim management plan to evaluate, identify trends patterns and implement proactive solutions and areas of improvement. Also, give promptly resolved aggressive solutions and status of internal processes to develop an improvement, implement, monitor and rectify internal strategies.

IMPLEMENTATION SCHEDULE

FRCG-MIT will work closely with the PRDOH and program manager, employees, field personnel subcontractors, call center operators, the environmental consultant and cost estimators and other Projects. Working together from the beginning, we ensure that the PRDOH's representative, **FRCG-MIT**, construction personnel and selected subcontractors clearly understand the Project and their responsibilities relating to each Project before Construction.

FRCG-MIT mobilization process and action plan consist of various steps to establish excellent communication methods and develop techniques to prepare for the mission:

1. We carefully study the received proposal to determine what we need for the mission. As a company, we prepare logistics and develop a plan to correctly deliver materials and supplies to our field team.

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2. We select our most mission-capable employees to complete a successful project and organize a meeting to explain the importance and complexity of the Project and, the most crucial target, a roof for our people. Our proposed project staff received all the information about this mission and are ready to establish the action plan. They are our human resources in the field and need to feel like part of the Project from the beginning.
 3. We evaluate all the areas we will impact to establish a mobilization cost that includes essential facts to determine our action plan to comply with the client's expectations. We need to know the conditions of the properties or structures to establish a plan with all the insurance policies, requirements and adjacent areas that can be affected. We also need to prepare a site layout for Construction. Regarding administrative costs, we review our licenses constantly and will require securing permits very fast to qualify for the starting day program. When discussing construction expenses, we always keep the following in mind: transportation, fuel, equipment rental, initial materials and tools, among others. We have a wide variety of equipment that we use and review constantly to avoid setbacks. We build trust and avoid disputes by establishing the costs from the beginning. As a solid company through the years, we have the financial potential to start this Project at total capacity, guaranteeing a successful launch because of our experience in the current CDBG-DR R3 program.
 4. Contacting our top subcontractors who will be part of **FRCG-MIT** to complete the mission is another critical step in the mobilization process. We will meet with them, explain the Project and request a quotation; we trust them because of the years of working together. We provide the best price and quality of all the items used in every construction Project; our clients always feel confident and the results are our best example.
 5. Over the years, we have established various staging areas around the Island for materials, equipment storage, assembly or other temporary construction activities, so we have quick access to all the different project sites throughout the Island.
 6. We are constantly reviewing our documents to stay ahead of the possible changes that may arise over time, such as our Health and Safety Programs and the Quality Control Program. It is essential to us, as we want to maintain a high standard for our company and clients.
 7. Our database management will be an essential part of communicating in real-time all the details and status of what will happen daily in the Project.

FRCG-MIT workforce and its list of available subcontractors are 100% local. **FRCG-MIT** pool of crew and subcontractors hail from all municipalities in PR, including Vieques and Culebra. **FRCG-MIT** can have a

presence in any part of the Island without having to worry about the logistics of bringing in the personnel from other jurisdictions and the complexity of entering Puerto Rico. By having our workforce and subcontracting crew being 100% local, they also understand the culture and uniqueness of working on a tropical island where only some people speak English.

General Management Flowchart detailing the collaboration with all departments and key staff to provide the most excellent practices of Construction Management Services. Flowchart demonstrated the highly organized, strategic operation control of scattered project sites for the successful and timely completion of Projects. Performing with due diligence, fiduciary duty, professionalism and adhering to the highest standards with operational and management strategies does not limit the following tasks as per the scope of work tasks:

Task 01: Construction Management/Administration

FRCG-MIT aims to adopt a design-build approach that prioritizes efficiency, quality and timely project completion, ensuring alignment with federal and local guidelines. The process begins with a detailed engagement with Project participants, assimilating essential project requirements and molding strategies to fit these specifics. Critical decisions are highlighted early, offering PRDOH comprehensive data for effective decision-making.

Emphasis is placed on consistent project oversight, ensuring construction aligns with set time frames, budgets and client expectations. Cost management is a significant focus, providing optimal use of funds without skimping quality.

Several core management strategies are employed, including using advanced IT solutions for document management, prioritizing occupational safety, enforcing stringent quality assurance, promoting eco-friendly practices and ensuring synchronized public relations efforts in line with PRDOH guidelines.

The responsibilities under this task are expansive, ranging from regulatory adherence and efficient design processes to delivering detailed construction documents and ensuring effective project management. The goal remains to streamline operations, improve efficiency and ensure the Project's success while keeping within budgetary constraints and maintaining a high-quality standard.

Task 02: Architectural and Engineering Design as per Minimum Architectural and Design Standards for Repair Work and Reconstruction

AD&V® will prepare a comprehensive Project execution plan detailing the strategy for efficient project management and execution. This plan encompasses everything from the initial problem statement and objectives to the work requirements, resource allocation and potential risk areas. Key features of the approach include:

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1. Communication and Team Dynamics:

- Establish routine procedures tailored to Project needs, ensuring clear communication between team members, stakeholders and PRDOH.
- A chain-of-command system is emphasized, believed to enhance efficiency and productivity.
- A single project manager will be the focal point for all communication, ensuring cohesion in the Team's efforts and facilitating regular updates.

2. Team Reporting Structure:

- This structure elucidates the roles and relationships between AD&V®, team members and consultants.
- Guiding principles involve a single contact point, developing a comprehensive communication plan, and clearly defining responsibilities and authority.
- Project plans are made collaboratively, detailing responsibilities, deliverables, and quality standards.
- Risks and constraints are meticulously logged, ensuring proactive management.
- A Project Master Schedule will be developed to outline milestones and track progress.

3. Quality Control:

- Quality remains paramount, with the project manager and lead designer taking charge of quality control measures.
- Standardized documentation templates will be used to ensure consistency.
- Checklists will detail tasks, timelines, and procedures for each Project phase.
- Performance evaluations will be conducted after each phase, ensuring iterative improvements.

4. Management of Consultants:

- A specialized, collaborative project team is deemed essential, with AD&V® coordinating numerous consultants and team members.
- All consultants affiliated with AD&V® are specialists in their respective domains, ensuring that the PRDOH's and homeowners' needs are meticulously catered to.
- Consultants' inputs will be integrated and presented for PRDOH review at various Project stages.

In essence, AD&V® aims to seamlessly merge various technical aspects, ensuring efficient project management, superior quality control and effective consultant coordination. This approach is designed to cater to PRDOH's stipulations while maintaining the firm's standards of excellence.

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Repair Work Design

- Combine architectural, civil (if applicable), structural, mechanical and electrical designs to ensure cohesive plans.
- Prepare comprehensive construction drawings and technical specifications.
- Ensure inclusion of details like photovoltaic systems with battery storage, water storage systems, walkways, driveways, carports, submittals, manufacturer recommendations and other essential components.

Reconstruction Design

- Conduct surveys and geotechnical studies to grasp the ground realities before initiating the design process. Collaboratively design architectural, civil, structural, mechanical and electrical components.
- Develop meticulous construction drawings and technical specifications, ensuring clarity in directives.
- Particular focus on graphically depicting elements such as the photovoltaic system, water storage systems, walkways, driveways and carports.

Task 03: Permits and Endorsements

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FRCG-MIT personnel have extensive experience in residential development and design-build Projects. Emphasizes a streamlined permitting and endorsement procurement process. Recognizing the complexities and intricacies of liaising with local and federal agencies, our strategy encompasses a comprehensive suite of services from permit analysis and document preparation to meticulous filing and follow-up. We prioritize proactive engagement, anticipating potential challenges and ensuring timely acquisition of all requisite permits, certifications and endorsements. Emphasizing clear communication channels, **FRCG-MIT** maintains longstanding relationships with public entities, guaranteeing swift resolution of permit-associated challenges. Our commitment remains steadfast: facilitating a smooth, efficient permitting process, protecting the Project's critical path and ensuring compliance at every stage.

Task 04: R3 and SFM Program Lead & Asbestos Abatement

Safety and environmental compliance are paramount at the heart of our abatement approach. **FRCG-MIT** uses a tried and tested method for asbestos and lead-based material assessments. Within a promising span of twenty-one calendar days post-initial environmental review, our Team commits to presenting comprehensive reports focusing on material usage strategies, efficiency and durability. Our expertise also extends to the blueprint for reusing and recycling demolition, construction and organic materials, ultimately targeting a substantial reduction in waste and landfill disposal.

Post-assessment, our focus shifts to the intricate steps of mitigation. All properties are meticulously analyzed to ensure the environmental compliance requirements are seamlessly interwoven into the design documentation. When abatement surfaces as a prerequisite our specialized teams, fortified with top-tier safety training, jump into action ensuring a hazard-free zone for all involved parties.

Our strategy is not solely focused on the present, but emphasizes the importance of future-proofing. Hence, once the abatement process is completed and certified, our teams liaise with relevant agencies to secure essential demolition permits. This lays the foundation for the subsequent demolition, be it partial or complete, executed with the utmost precision adhering to a well-documented plan detailing equipment, methodology, safety protocols and logistics.

Ensuring that the construction phase commences without a hitch, we prioritize the acquisition of relevant construction permits and underscore the importance of detailed daily reports to keep stakeholders informed at every construction phase. Quality control is at the heart of this approach, with dedicated checklists being developed for each case. These checklists encompass various aspects such as rebar placements, concrete pours and environmental concerns.

Furthermore, our dedication towards abatement extends to a firm commitment to conclude all tasks within a 60-day window post issuance of the Task Order. This covers a wide gamut of activities, from preparation of abatement work plans to actual mitigation efforts and clearance.

Through our methodical approach we ensure not just the mitigation or removal of hazardous material, but also the foundation for future work providing homeowners with a safe environment in compliance with the most stringent environmental laws and regulations.

Task 05: General Demolition

In the complex world of demolition, a comprehensive approach that considers safety, efficiency and regulatory compliance is paramount. **FRCG-MIT** is prepared to tackle these challenges head-on leveraging our expertise and experience.

Upon the program's assignment via Task Orders our initial endeavor is to ensure that all prerequisites, like lead and asbestos abatement under Task 04, are sufficiently addressed before we delve into the core demolition activities. Recognizing the importance of boundaries, we strictly adhere to the provisions of the approved Task Order and only overstep with explicit authorization from the program(s).

Our approach is guided by meticulous planning, ensuring that our competent construction managers devise the demolition blueprint in-house. This strategy guarantees that every step of the demolition process, from site preparation to debris disposal, adheres to the highest quality and safety standards.

Understanding the significance of closure, we lay down specific criteria that must be met to deem a project completed. This includes thorough scope assessments, proper waste disposal, site cleaning and grading. Additionally, we ensure that the site is primed for subsequent authorized works be it construction or landscaping.

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Safety remains at the heart of our operations. Boasting a robust team of health, safety and environmental professionals, we are steadfast in our commitment to daily compliance with our EHS practices. Our Team is fortified with comprehensive OSHA certifications, ensuring every Project's safety is never compromised.

Beyond just training, we embrace a proactive approach to risk assessment. Before initiating any work, we conduct in-depth Hazard Risk Assessments (HRAs) to identify potential threats and tailor our project safety plans accordingly. A Job Safety Analysis (JSA) is performed daily, focusing on evaluating risks and hazards associated with the day's tasks. This methodology promotes not only hazard identification but also its mitigation.

Furthermore, regular communication about safety is critical. Thus, we integrate 'Toolbox Talks' into our daily routine. These short yet impactful sessions, led by superintendents or supervisors, delve into safety topics relevant to the day's work.

Subcontractor coordination is another critical aspect. Ensuring they align with our safety standards we mandate that they provide necessary certifications and training proofs. Their adherence to our stringent safety standards ensures uniformity in commitment to health and safety across all levels of Project execution. In conclusion, our demolition approach grounded in safety, compliance and meticulous planning, ensures that every Project we undertake is executed with the utmost precision safeguarding both personnel and the environment. With a strong foundation in established procedures and a commitment to excellence, **FRCG-MIT** is poised to deliver unparalleled results in all demolition endeavors.

Task 06: Repair Works

When restoring homes impacted by natural disasters the mission is to rehabilitate structures to their former state and infuse them with the resilience needed for future challenges. At **FRCG-MIT**, our approach to repair works under Task 06 is driven by thoroughness, efficiency and an unwavering commitment to the well-being of residents. Our philosophy rests on the principle of diligent evaluation. Upon acquiring the Damage Assessment (DA) and Property Risk Assessment (PRA) reports, our construction managers take the helm diving deep into the provided documents. We aim to validate the initial project intent, ensuring the proposed scope aligns with the real needs on the ground. By juxtaposing our expert insights with the program's assessments, we provide that our repair blueprint is comprehensive and precise.

From a structural standpoint, our focus spans from foundational rectifications to roofing rehabilitations. However, our work is broader than just the skeletal aspects of the property. We address interior and exterior elements, ensuring the entire dwelling is discussed holistically. This includes electrical rewiring, plumbing refurbishments, flooring replacements and landscape restorations.

Moreover, understanding the importance of utility, our repair endeavors ensure that homes are equipped for modern living. This means installing efficient energy systems, updating old appliances, enhancing security measures and providing seamless utility connections. Furthermore, under the CDBG-MIT Single Family Housing Program, we aim to embed properties with forward-thinking solutions, such as photovoltaic systems with battery storage, ensuring resilience against future adversities.

However, it's not just about physical repair; it's about restoring life quality. Especially considering elderly and disabled occupants, we deliberate efforts to improve accessibility and mobility within the dwelling. This includes the removal of architectural barriers and the installation of mobility aids.

Beyond the immediate repair work, our approach encompasses a broader readiness vision. Recognizing the historical significance of some properties, our restoration endeavors also involve collaboration with the Puerto Rico Institute of Culture and the State Historic Preservation Office.

As a guardian of quality and transparency, our work culminates with a rigorous validation process. Once repairs are complete, we undergo a thorough inspection regimen ensuring every facet of the restoration meets the Program's benchmarks. From addressing scope changes to certifying work completion, our commitment remains unwavering until every box is ticked, ensuring homes are not just repaired, but truly revitalized. Through meticulous planning, rigorous execution and consistent communication, **FRCG-MIT** strives to turn disaster-affected houses back into beloved homes.

Task 07: Single-Family Replacement Home Construction (Reconstruction)

For homes not situated within high-risk areas, where the cost of repairs exceeds the economic threshold or structural and design constraints render rehabilitation unfeasible, **FRCG-MIT** proposes a robust and efficient approach to reconstruction. Our process initiates with an in-depth review of the Initial Assessment (DA & PRA) documents ensuring a clear understanding of the damage's extent and the subsequent reconstruction roadmap. Homes with historical significance are treated with utmost respect; we collaborate closely with the Puerto Rico Cultural Institute and the State Historic Preservation Office to ensure the preservation of their heritage. Prioritizing energy efficiency and sustainability, our approach ensures that all installations, products and appliances integrated into the reconstructed homes comply with Energy Star, Water Sense or FEMP standards. Recognizing the diversity in household sizes and property constraints, our designs offer versatility ranging from compact two-bedroom units to more expansive four-bedroom homes in single- and two-story layouts.

Safety and compliance are at the forefront of our operations. As such, all environmental contamination issues are systematically addressed following the stringent guidelines in Task 04. Additionally, any required

demolitions are meticulously conducted in alignment with Task 05. In parallel, **FRCG-MIT** ensures all requisite federal and municipal permits are secured promptly guaranteeing that our construction practices are fully compliant.

Our commitment to quality is unwavering. Our Quality Plan sets the benchmark for each reconstruction project from the onset. Laboratory testing, periodic inspections and consistent site visits underline our dedication to excellence. Regular engagements with program(s) representatives ensure alignment with meetings conducted in Spanish or English as per participant preferences. The journey concludes with a rigorous validation process; each Project undergoes multiple checks, inspections and reviews before completion. Through this holistic approach **FRCG-MIT** is poised to deliver reconstructed homes that not only meet, but exceed expectations standing resilient against future challenges.

Task 08: Photovoltaic and Water Storage System

FRCG-MIT emphasizes integrating standardized Photovoltaic (PV) Systems with battery storage and Water Storage Systems (WSS) for repaired, retrofitted or reconstructed homes. Both systems are designed and installed strictly according to local regulations and codes. Licensed professionals oversee the design of PV Systems, ensuring all equipment is new and top-grade. A robust permit acquisition process ensures regulatory compliance. PV Systems, designed to sustain critical loads, undergo meticulous commissioning post-installation to confirm efficiency. Meanwhile, our WSS provides uninterrupted water supply using UV and corrosion-resistant storage tanks positioned strategically to maximize functionality without obstructing the PV Systems. Our comprehensive approach strengthens homes with self-sufficient energy and water systems promising resilience and sustainability.

Task 09: Projects Closeout

FRCG-MIT systematically compiles and presents all required information for the Project Closeout, which is encapsulated within the Closeout Binders. These binders, meticulously segmented into PRDOH and Homeowner versions, are uploaded to the PRDOH Grant Management System of Record and undergo scrutiny by the program managers, PRDOH and other pertinent stakeholders. The essence of the task lies in record-keeping; managers are accountable for safeguarding project records for the duration specified in the contract and as mandated by federal and state laws. Furthermore, they should be poised to assist in any audits led by agencies like OIG, HUD, PRDOH and their representatives.

The Closeout Binder, a comprehensive compilation, encompasses crucial details like warranty information, equipment ownership transfer, operation and maintenance manuals, record drawings and certifications. A structured table of contents is at the heart of the binder, which enumerates sections like program name, case

number and applicant details. Besides, there's a stress on including certifications, commissioning reports, submittals, permits and other related documents. Complete with a meticulous checklist, this binder ensures that every element resonates with the table of contents offering clarity and ensuring compliance.

Task 10: Warranty Period

At the core of our ethos in housing unit construction is the unwavering commitment to the homeowner, a dedication that has been the bedrock of the thousands of housing units we've built over the decades in Puerto Rico. Our allegiance spans the entire spectrum of a housing unit's life: from the initial stages of pre-construction through the vital moment of home delivery and, most pivotally, throughout the various warranty periods. To optimize our commitment and ensure homeowners experience seamless service, we've instituted a specialized Customer Service Department. This department is designed exclusively to address homeowners' concerns, whether related to complaints or warranty-related issues. Our goal is to provide prompt, efficient and professional responses to any grievances. Recognizing the diverse communication preferences of homeowners, we've developed a multi-pronged approach to ensure accessibility.

Additionally, each homeowner will be assigned a dedicated Point of Contact to streamline the process further. This individual will function as a quality control supervisor, ensuring a seamless line of communication and swift resolution of issues. If a problem arises our skilled crews, armed with the necessary materials and expertise, will ensure timely and efficient rectification. For more specialized concerns we will collaborate with homeowners and third-party experts to guarantee effective resolution, enabling homeowners to continue to enjoy their living spaces. Our long list of repeated clientele is a testament to our exceptional service level and unmatched ability to meet client expectations. This is possible through our strategic utilization of the firm's resources and collaborative approach to managing the construction process.

Task 11: Temporary Relocation

This aid can encompass a spectrum of services, including temporary relocation, storage and move-out cost assistance, all governed by the Program's Optional Relocation Assistance (ORA) policy. However, it's crucial to note that applicants only living in the designated property, if displaced due to program-driven construction, might not qualify for this relocation assistance.

The benchmark for compensation extended to the applicant will align with the program's policy and be based on the HUD fair-market rent rate. As a reference, the rates used will be the most recent ones articulated by HUD for Fiscal Year 2023. It's imperative to highlight that these rates are not static, they will be periodically adjusted with HUD directives and the evolving rental market landscape. The timeframe estimated for temporary relocation will cover the Project's entire duration. It will include additional allowance for the

applicant to vacate and return to the property after the Program's Final Inspection approval or upon procuring an occupancy permit, if relevant.

The onus lies squarely on the construction managers for the actual disbursement of ORA payments to qualified applicants. They are expected to dispense these payments promptly and efficiently, mitigating any potential distress to the applicants. This rapid and compassionate response is not just a mandate. Still, it is viewed as the essence of superior customer service, central to the Program's objectives and the overarching vision of the PRDOH. After the construction managers' disbursements, the PRDOH will be responsible for reimbursing them for ORA assistance payments, as approved by the program(s). However, this reimbursement will strictly cover the ORA assistance payments and exclude any ancillary charges, whether administrative, overhead, profit or any other kind.

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I. EXPERTISE IN ELECTRONIC DATABASE MANAGEMENT TO TRACK AND SCHEDULE WORK

During all the years that we have been in the construction industry, we have seen the development and changes in work trends both administratively and in the field. This is why we have adapted in parallel to the changes, to be at the forefront of them. These significant changes have been necessary and beneficial to continue strengthening the relationship between **FRCG-MIT** and our customers providing more confidence, accuracy, engagement and value for the money invested.

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We have software systems that provide us with the electronic database management necessary to maintain uniformity and have the details of everything that happens in the Project in real time. We also use custom-made Project web-based software to enable and increase the efficiency of exchanging digital data between clients in construction Projects.

The system is accessible to all the authorized employees in each Project (operations manager, quality control manager, superintendent, safety & health officer and contractor database manager), which allows our company to be up to date on everything happening in real-time in the Project, while also sharing the necessary information with the Team in real-time. All the authorized employees are highly trained to use the system and are fully bilingual; they perfectly understand the system's functionality. Experiences like the STEP program and the current CDBG-DR R3 program have helped us to evolve and improve our system.

When delays and setbacks occur, status can be instantly transmitted to the Team with revised expectations and alerts. Sharing documentation, changes or any critical information with our local office that requires immediate action are factors that, in the short and long term, expedite project development, increase productivity and we can guarantee to meet the project delivery date. We aim to share information by making documents secure, accessible, retrievable and interchangeable.

Initially, issues like technology to manage the project optimization affected our operation because we could not have the exact details about the inventory, production and excellent communication with our field team. However, we have been investing in this vital fact and today we have a robust technological team approach and two ideal platforms were implemented. The first one is the custom-made R3BASE software for the current CDBG-DR R3 Project that we are part of. This platform provides us with all the specific details about the houses like the scope of work, changes, address, inventory, task and work order, award type, invoices, programmed execution date and any information that helps the involved Team communicate effectively.

Throughout the development of the program, we have identified a few issues in the permitting process that we have improved over time. For the delay in the permitting approval by OGPe, we are using an authorized professional to evaluate and approve the construction permits. Also, assess case by case to proceed with surveying and soil studies before the award stage. The delay in the mitigation process on DNRA has delays in the permitting approval process that we can't control, but the only way we can overcome this delay is in the execution part. We are working closely with our abatement subcontractor and have a strategic plan to ensure that a minimum of 8 cases are finished in a week to ensure all works are completed.

Part of our production and strategic plan is to forecast the number of case completions for each month. Some of our strategical plans to ensure subcontractors deliver Projects on time are: increase Project supervision and progress tracking of construction development, extensive quality control requirements to minimize punch list items, strategic agreements with hardware stores for the continuity of construction materials, acquisition of prefabricated forming and shoring systems and addition of self-performing company crews. To compensate for labor and material shortage risks, **FRCG-MIT** is making the following efforts: furnishing specialty items to our subcontractor. Most of these items are pre-paid and **FRCG-MIT** will manage the inventory and storage.

The other platform implemented is Smartsheet and R3 Base by Campo Data, an excellent resource for project management. With Smartsheet and R3 Base, we can develop the Project's strategic plan and establish our schedules and deadlines to get the results on time. Also, this platform helps us to maintain and manage our inventory to reduce delays and stay focused on our tasks. We can scale our Projects with confidence and speed and help us focus on the work that matters most reducing time, but always with precision, managing the content and following the agenda. One of the most excellent results we get with this platform is avoiding the communication problems that can emerge between different teams and departments. In other words, we have a solid automation and integration system for our operations and projects, guaranteeing quality, safety and efficiency.

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1. **Integrated Design:** A comprehensive approach considering accessibility, aesthetics, functionality, safety, and more, aiming for high-performance homes throughout the planning, design and construction phases.
2. **Constructability:** The homes employ reinforced concrete for structural elements and use specific window types to enhance natural ventilation and daylighting.
3. **Accessibility & Universal Design:** Homes are tailored for both permanent and temporary disabilities, ensuring adaptability and equal usability.
4. **Aesthetics:** A user-centric design is employed that resonates with the homeowner and considers climate, cultural context and human-scale proportions.
5. **Functionality:** The designs factor in Puerto Rico's cultural and demographic nuances, ensuring spaces are suitable for their intended activities and equipment.
6. **Cost-Effectiveness:** The design focuses on both the initial construction cost and long-term maintenance expenses. Modular design and repetitive elements are used to enhance cost efficiency.
7. **Code Compliance:** Homes are designed to comply with all local, state and federal regulations.
8. **Resiliency and Safety:** Emphasis on creating safe and resilient homes, resistant to natural hazards like hurricanes and earthquakes and ensuring improved indoor air quality and electrical safety.
9. **Sustainability:**
 - **Site Optimization:** Includes considerations like site selection, conservation of natural resources and orientation for solar features.
 - **Energy & Water Conservation:** Emphasizes reduced energy loads, water conservation and the inclusion of renewable energy systems.
 - **Environmentally Preferable Products:** Uses products made with recycled content that are durable and low maintenance.
 - **Indoor Environmental Quality:** Prioritizes natural ventilation and lighting and uses low VOC products.
 - **Optimized Operations & Maintenance:** Designs incorporate flexibility for future adaptations and focus on reducing life-cycle costs.

Furthermore, the homes are designed to meet the minimum standards of the National Green Building Standard (NGBS) ICC/ASHRAE 700-2015, ensuring high performance in site design, resource efficiency, water and energy efficiency and more. The designs cover various aspects ranging from siting and design to construction materials, methods, finishes and equipment, aligning with the goals outlined in the program's scope of work.

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CONCEPTUAL DESIGN MODEL HOME DRAWINGS, RENDERINGS AND DESIGN NARRATIVE

As per requirement, please find the *Conceptual Design Model Home Drawings, Renderings and Design Narrative* at the end of this section:

- 2 Bedroom | 1 Bathroom – Single Story Standard Home
- 2 Bedroom | 1 Bathroom – Two-Story Standard Home

III.CONSTRUCTION MANAGEMENT

At the time of this RFP Proposal, we cannot establish locations, site conditions, quantities and what model homes will be used. Since we expect to be building various houses simultaneously on many different sites, the construction approach presented in this proposal will consider each home as a stand-alone construction rather than a housing development where multiple adjacent houses can be built simultaneously. Instead, we will assign distinct construction crews to each house being built. Our teams and supervisory personnel will assess construction means and methods in a case-by-case scenario. Once the pre-construction meeting is held and final construction permits and designs are obtained, we will proceed expeditiously.

Site preparation will vary on a site-by-site basis. Earth fill, earth to cut and remove and earth improvements that may be necessary will all be performed according to site requirements and design parameters. The primary formwork to be used will be handset methods. Plywood and lumber will be the primary materials for formwork for the concrete structures. Still, we will consider using modular lightweight steel forms as they become available and may be incorporated into the construction. Once the housing concrete structures are completed, we will relocate most of the materials used for the formwork to different sites where they may be reused as necessary.

Masonry, plaster and general housing unit finishes will all be performed following specs and quality standards for each housing unit to be built. Project documentation, daily reports, progress photographs, concrete tests, quality assurance, safety, supervision, budget and time will be some of the factors used to monitor and keep records of each home impacted by the R3 Program.

In structuring our menu of services, we recognize how important it is for you to benefit from a single source of resources for all your needs. Our services provide you with an efficient, reliable, innovative, fitting and attentive devotion to every detail of your Project. This allows us to design a Project efficiently down to the smallest detail, so we can address all your needs including facilities use, delivery schedule and budget. Since the beginning, our path to success has been apparent: General Contracting is the backbone on which we have founded all of our other services. That has helped us create and offer, for the benefit of our clients, a portfolio of services and opportunities that have allowed us to undertake any general contracting job in any

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market, industry or location. Our staff is fully trained in all applicable construction permits, regulations and labor laws. Their professional abilities and expertise have also eased the way for them to develop innovative construction techniques, raising the bar in the industry. Also, our solid track record of operations with government agencies, trade organizations and clients attest to our standing and credentials in the markets we serve. On the other hand, our systems approach to organizing, scheduling, supplying, managing and monitoring projects and integrating the latest technology help us deliver construction on time, within budget and meeting the required quality standards. All of these attributes, the very same that have allowed us to write an essential chapter in Puerto Rico's construction history, we now present to you.

RECRUITING TRAINING, DEVELOPMENT & EXPERIENCE

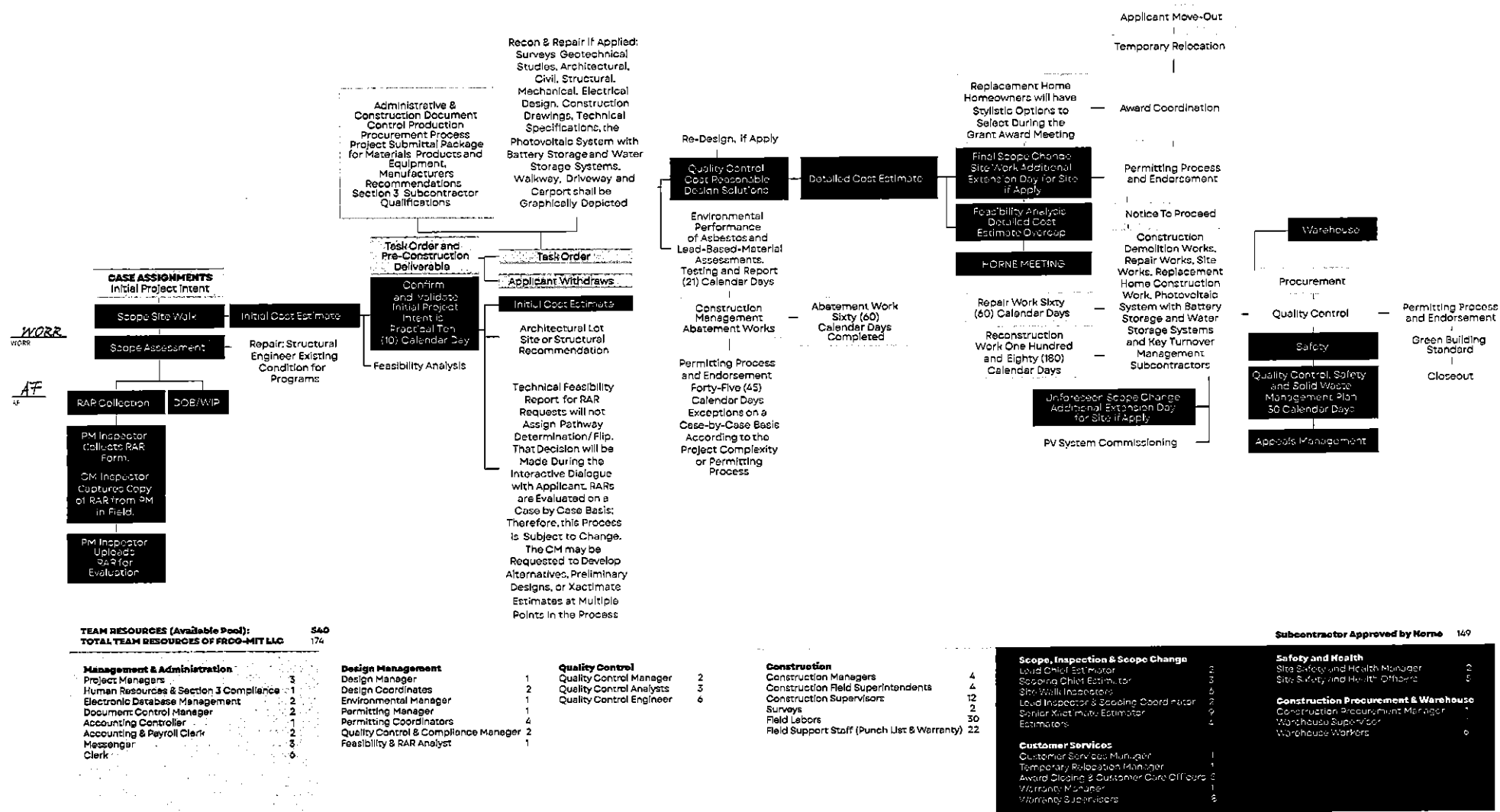
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Selecting the best candidates is one of our top priorities. A project's success depends on successful people. We use all resources to ensure the availability of top-notch professionals, technicians and labor in the company. Background checks, credentials, references and drug testing are commonly used. **FRCG-MIT** offers training and further education in almost all aspects of our business. We provide our personnel with courses and seminars to upgrade their professional skills and improve their work's creative and critical competence. Consecutively, in the months and whenever it is vital to offer, our Team receives safety and occupational health training to maintain our standards. Additionally, we offer them themes that help to continue developing their strengths, teamwork and capacity to work with passion, strategies to complete their tasks on time and with the quality and the standard that recognize us as a company; our values are part of our employees. Under the leadership of our supervisors, our field labor force of over 840 skilled workers is firmly bound to the company and its objectives. Thirty percent of the personnel have been with the company for over thirty (30) years and sixty percent for more than ten (10) years.

RECOGNITION, STRENGTH & STABILITY

With our emphasis on recognizing an individual's effort through a profit-sharing program, awards and merit shop environments, **FRCG-MIT** management has demonstrated a particular desire and capability to achieve that every employee feels that they are an essential part of the company. It also promotes a loyal following of first-class craftsmen who advance through the ranks of field supervision. Providing opportunities to make specific decisions and responsibilities also makes them feel recognized. Merit shops, open opportunities and steady growth are the fundamental reasons behind **FRCG-MIT's** capability to maintain and attract top-level personnel. The timeframe in all the projects will be covered thanks to our values and the organization's vision of being clear on the importance of taking care of our employees to train them and make them feel that they are a mighty pillar of our organization, which must be recognized.



GENERAL MANAGEMENT FLOWCHART

0310-0310-0310-0310

ONE STORY MODEL HOME | 2 BEDROOMS - 1 BATHROOM CONCEPTUAL DESIGN | SUBMISSION

REQUEST FOR PROPOSALS - CONSTRUCTION MANAGEMENT SERVICES

October 20, 2023

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM
SINGLE FAMILY HOUSING MITIGATION PROGRAM UNDER THE COMMUNITY BLOCK GRANT INITIATION
COMMUNITY BLOCK GRANT DISASTER RECOVERY
FDBG-DRMITF-RP-2023-02

FRCC-MIT AD&V



WORK

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INTRODUCTION

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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In September 2017, Hurricanes Maria and Irma ravaged the island of Puerto Rico and uncovered the fragility of our built environment. Today, it has been six years since the atmospheric events, and still many residents of the island struggle with the socio-economic devastation that the storm uncovered. The responsible use of design is a vital component in community planning which aims to minimize the risks to human life and property during catastrophic disasters. The proposal designed by AD&V creates the building blocks towards the development of resilient communities that create protective interventions in the planning and the construction of a new local dwelling that to make a difference to the “housing problem” of Puerto Rico. The homes designed and constructed under this proposal will deliver a unique dwelling where dignity comes first, where families can integrate their values, where social bonds are fostered, where people are rooted to their context and ultimately where places of purpose are created. These new housing products will achieve true meaning when their owners feel proud and happy to own an expression of themselves and their place in society.

The houses proposed will be a symbol and a testament of new vision towards the reconstruction of the Island. The design of these homes by AD&V in this proposal take into consideration the stress and trauma suffered by the homeowners who will benefit from this program.

Our proposal understands that the opportunity offered by the CDBG-DRMIT funding requires a shift in the usual discourse and demands a remarkable and innovative offer that ensures a housing product where people feel secure, sheltered, optimistic and engaged to their community. The implementation of these programs affords individuals and communities the means to manage and recover from future disasters. The use of conscious design in building the houses under the program of this RFP is a powerful tool that will connect the homeowners to their surroundings, will provoke socio-economic change and will add purpose to the dwelling places of people in need.

DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

KEY DESIGN PRINCIPLES

The key design principles for the model homes presented designed by AD&V for the R3 program are:

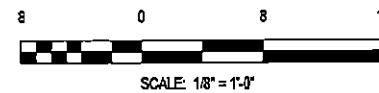
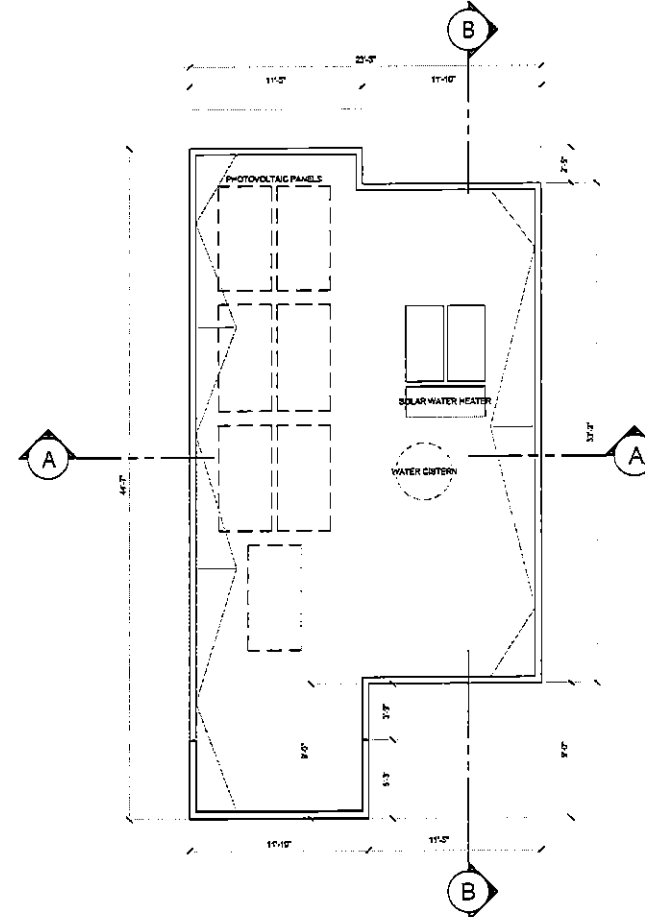
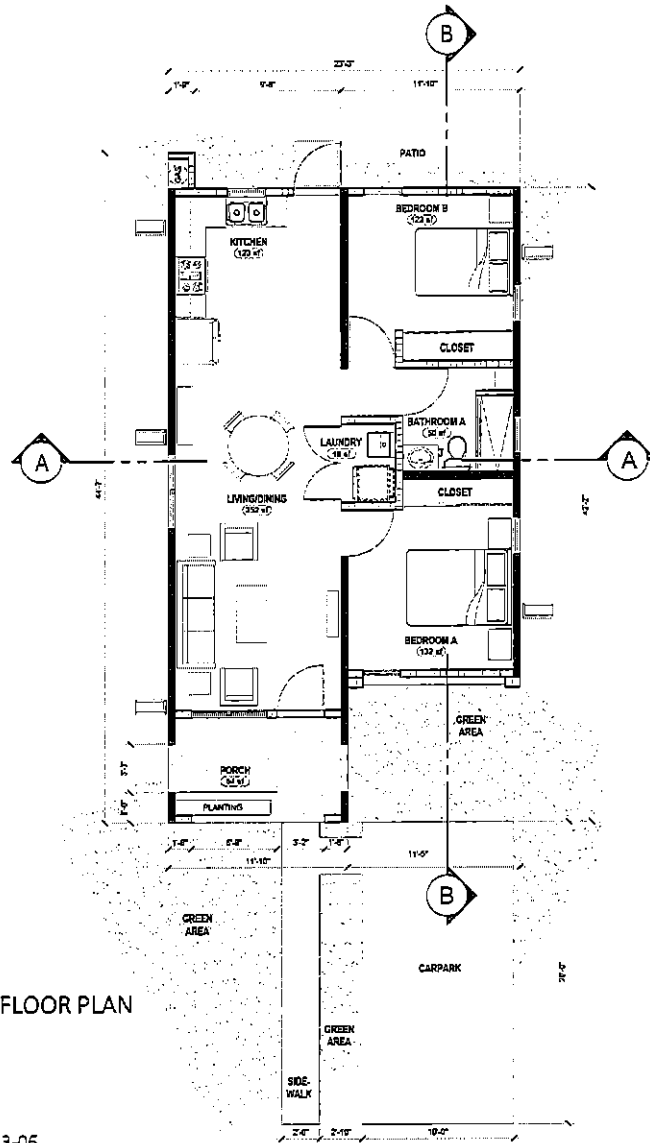
- I. **Resiliency:** The design of all the model homes by AD&V plans for the construction of a resilient, safe, secure residence and community as its primary goal. Considerations to different concerns, such as improved indoor air quality, electrical safety, ergonomics, and accident prevention are incorporated in the design and specification of materials of all the models presented in this proposal. Resistance to natural hazards like hurricanes, floods, and earthquakes. All windows with shutters will be impact resistant, with no water infiltration as required by Code. The homes presented in this proposal will be designed to withstand the structural wind and earthquake loads as prescribed in the 2018 PRBC. The homes will be ready for the installation of Photovoltaic Systems and Potable Water Storage Systems.
- II. **Integrated Design:** A holistic design approach that yields a high-performance home where the principles of accessibility, aesthetics, cost-effectiveness, functionality, productivity, health, history, safety, security, and sustainability are considered and are of equally important and evenly integrated in all the key design objectives and decisions during every phase of the planning, design, and construction of the residences.
- III. **Functionality:** Understanding how the home will fit its ultimate residents means defining the size and proximity of the different spaces needed for activities and equipment and considering future needs based on the cultural customs and traditions and the population demographics of Puerto Rico today.
- IV. **Design Appeal and Aesthetics:** The use of a user-centric architectural vocabulary that provides meaning and is familiar to the homeowner considers its surroundings by creating a sense of place and takes into consideration climate, context, construction, and culture. All models were designed taking human scale proportions and ergonomics into consideration. The interior design of all the model homes by AD&V presented in this RFP reflect upon experience, family relationships, contextual values, and community building.
- V. **Interior Finishes:** The homes will have porcelain tiled floor and non-VOC latex painted walls and ceilings. Interior doors and frames shall be painted wood, with ADA compliant lever handled door hardware. Bathrooms will have ceramic tiles on wet walls and equipped with low-consumption high-efficiency fixtures. Kitchens will have plastic laminate cabinets and countertops with a tiled ceramic backsplash.

- VI. **Accessibility & Universal Design:** The design of all the model homes by AD&V under this program considers accommodating persons who are or could become permanently disabled or temporarily disabled due to an injury. The concepts of mobility, visitability, and aging in place are being considered in aspects such as the location of stairs in the two-story model, the width of interior doors and universal bathroom and kitchen design. The goal is to ensure equal use of the home for all its residents and visitors and easy adaptability in case of disability. One bathroom in each of the models and all kitchens are sized to accommodate accessible requirements if the future need shall arise. Modifications and removal of barriers can be easily achieved by Homeowners if the future need might arise. The two-story model has the option of accommodating an accessible bathroom and bedroom on the ground floor, as well as a barrier-free laundry area. All units will have accessible entrances achieved through the regrading of the site or the construction of a ramp with a maximum rise of 1:12. All ADA compliant model homes will have: The interior doors of all home models will have minimum clear opening of 32" to roll the wheelchair through the doorways. The exterior door openings of all home model will have a minimum clear opening of 32".
- VII. **Code Compliance:** The design of the homes presented in this proposal will comply with federal, state and municipal codes, laws, rules, ordinances, regulations and other authorizations, approvals, and requirements as applicable by law and by the jurisdiction where the house will be constructed or repaired. These include, but are not limited to:
 - Joint Regulation for Construction Works and Land Use of the PR Planning Board
 - 2018 International Residential Code (IRC) as adopted by the 2018 Puerto Rico Building Code (PRBC) & referenced standards
 - Americans with Disabilities Act (ADA 2010)
 - 2018 International Energy Efficiency Code (IECC)
 - 2015 International Green Construction Code (IGCC)
 - National Green Building Standard ICC/ASHRAE 700-2015
 - National Electric Code (NEC), NFPA 70; current approved version
 - NFPA 101 Life Safety Code, current approved version
 - Requirements of the Housing and Community Development Act (HCDA)
 - American National Institute (ANSI); current approved version | American Concrete Institute (ACI) | ASHRAE

PROPOSED PLANS | ONE STORY MODEL HOME

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

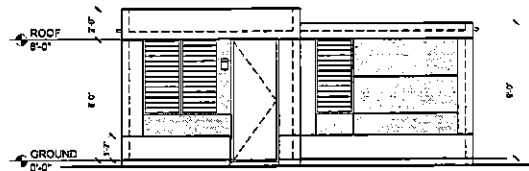
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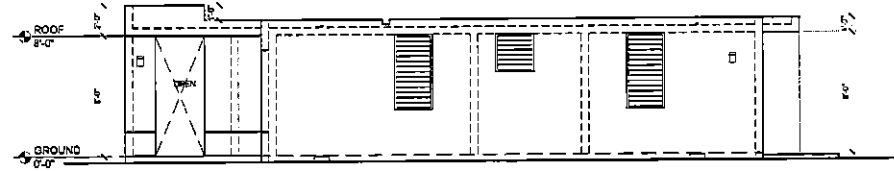
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PROPOSED ELEVATIONS | ONE STORY MODEL HOME

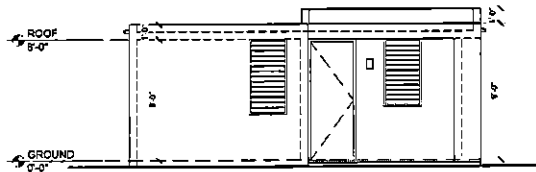
HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES



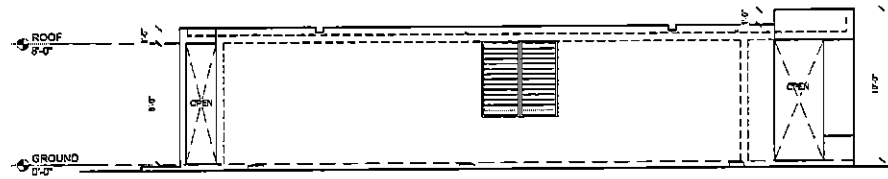
FRONT ELEVATION



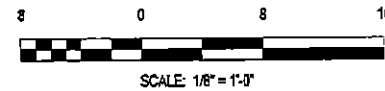
LEFT ELEVATION



REAR ELEVATION



RIGHT ELEVATION

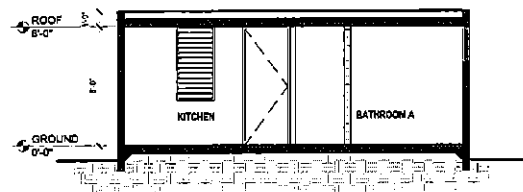


PROPOSED SECTIONS | ONE STORY MODEL HOME

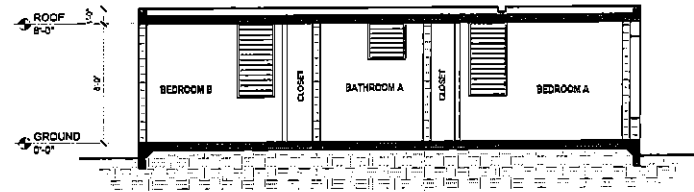
HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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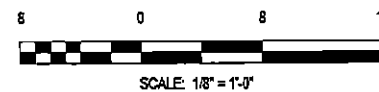
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SECTION AA



SECTION BB





3D VISUALIZATIONS

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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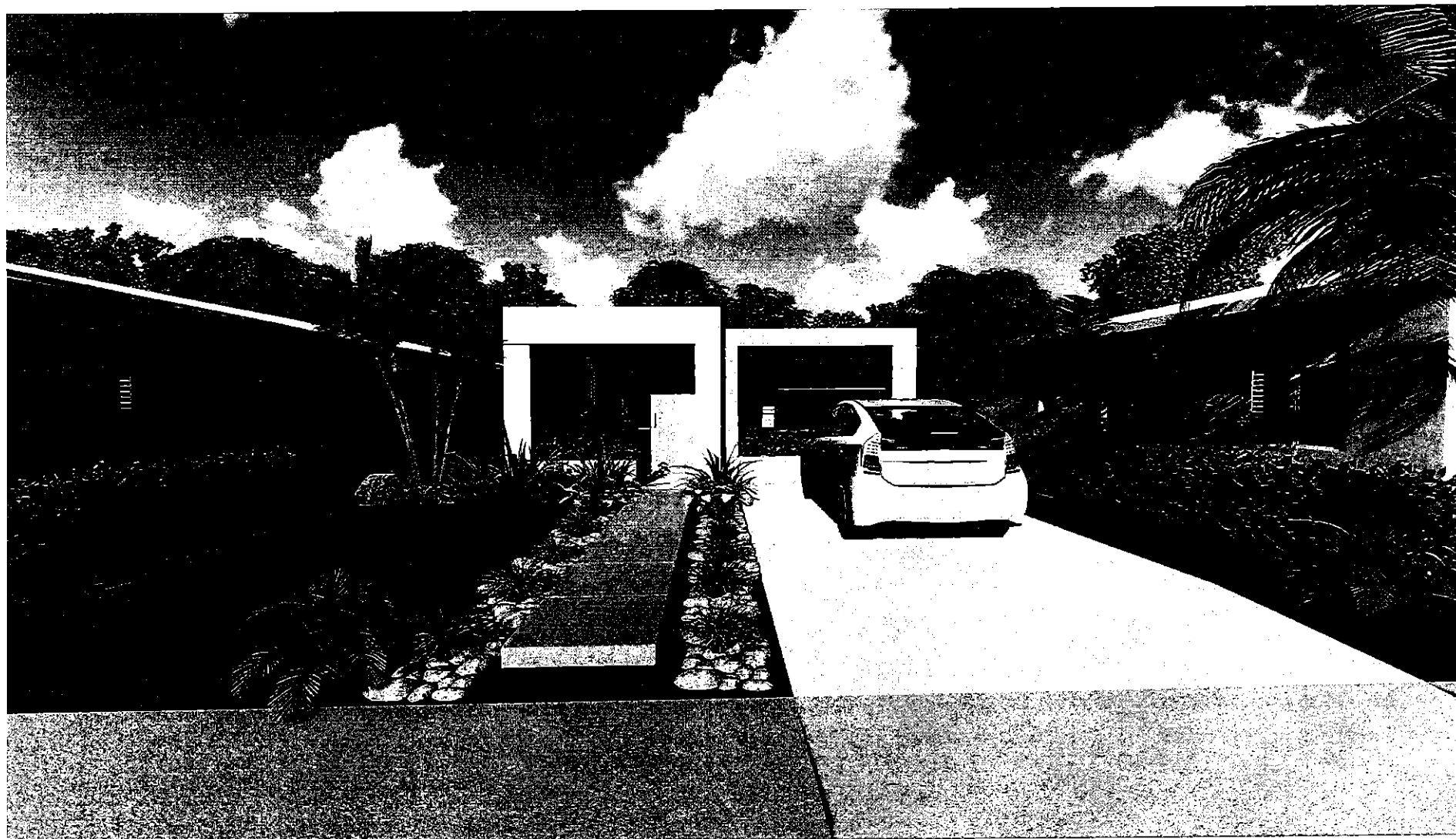


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3D VISUALIZATIONS

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES



CDBG-DRMIT-RFP-2023-06

3D VISUALIZATIONS

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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CD&G-DRMIT-RFP-2023-06



DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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OVERALL CONCEPT

The one story, two-bedroom home presented has an area of 881 square feet, in addition to the area occupied by the uncovered carport. The house is entered from the sidewalk through a pathway, bordered with a planned planting area, that leads to a covered porch located on the front façade. The porch acts as a community connector to the personal realm of the home. Once inside the visitor is welcomed by an open layout living area with 8-foot ceilings and operable windows at 3 feet from floor on all exterior walls, diffusing the natural light, creating the perception of spaciousness and tropical cross ventilation. There is no clear definition of the separation of the kitchen, which is open to the living and dining room and awards the perception of a roomier area that gives the homeowner flexibility in the furniture arrangement. A secondary entrance is provided on the rear of the house, through the kitchen, providing a connection to the backyard.

The spatial order of the home is organized to accommodate the bedrooms parallel to the living areas giving each bedroom direct access to the shared spaces of the home and encouraging interaction within the residence. This area organization of the home minimizes the need for interior hallways, reducing circulation space and making the layout very efficient in terms of space usage.

Finally, this model home reinterprets the traditional shotgun housing model of Puerto Rico and offers of a safe contemporary and resilient home that each of the recipients can make its own.

SINGLE STORY 2 BEDROOM | 1 BATHROOM SPACE PROGRAM

	Area
LIVING & DINING AREA	252 sq. ft. (net)
KITCHEN	123 sq. ft. (net)
BEDROOM #1 (WITH CLOSET)	132 sq. ft. (net)
BATHROOM	50 sq. ft. (net)
BEDROOM #2 (WITH CLOSET)	122 sq. ft. (net)
LAUNDRY	18 sq. ft. (net)
TERMINATED OR FLEET AREA (UNCOVERED)	85 sq. ft. (GROSS)
FRONT PORCH	64 sq. ft. (net)
TOTAL AVAILABLE AREA	754 sq. ft. (GROSS)
TOTAL CONSTRUCTION AREA	881 sq. ft. (GROSS)



DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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PROPOSED CONSTRUCTION MATERIALS AND METHODS

The proposed model home designed by AD&V will be cast-in-place reinforced concrete for all exterior walls, interior structural elements, shear walls, floor and roof slabs. Concrete masonry units will be used for the interiors non-load bearing walls. Impact resistant aluminum jalousie glazed windows and insect screens will be utilized to take full advantage of natural ventilation. Owners will be provided with storm panels for any non-impact resistant windows to protect openings during hurricane force winds. Glazed window units are provided to maximize daylighting and views to the exterior. Emergency egress windows are provided on all bedrooms as required by the Residential Code. Solid aluminum swing doors are used to physically connect the interior of the house to the exterior patios. Interior finishes include ceramic floor tile and wall base and painted walls and ceilings. Bathrooms walls will be tiled on wet walls.

At the time of this submission, we are unable to establish site locations, site conditions, quantities, and/or what model homes will be used. Since we are expecting to be building various houses simultaneously in many different sites, the construction approach presented in this proposal will consider each home as a stand-alone construction, rather than a housing development, where multiple adjacent houses can be built at the same time. Instead, we will be assigning distinct construction crews to each house being built. Our crews, along with our supervisory personnel will assess construction means and methods on a case-by-case scenario. Once the Pre-Construction meeting is held and when final construction permits and designs are obtained, we will proceed with the construction in an expedited manner.

Site preparation will vary on site-by-site basis. Earth fill, earth to cut and/or remove, earth betterments that may be necessary will all be performed according to site requirements and design parameters. We anticipate that the primary formwork to be used will be handset methods. Plywood and lumber will be the primary materials for formwork for the concrete structures, but we will consider using modular lightweight steel forms as they become available and may be incorporated into the construction. Once the housing concrete structures are completed, we will proceed to relocate most of the materials used for the formwork to different sites where they may be re-used, as necessary. Masonry, plaster, and general housing unit finishes will all be performed following specs and quality standards for each of the housing units to be built.

Project documentation, daily reports, progress photographs, concrete tests, quality assurance, safety, supervision, budget, and time will be some of the factors used to monitor and keep records of each home to be impacted by the R3 Program.

TIME OF CONSTRUCTION AND BUDGET

Our team knows and understand that time is of the essence in the delivery of the services under this program. For the new homes' construction, we have estimated that our expected time of construction will be within the 180 days set forth and required by the RFP documents.

The design of all the model homes presented in this proposal take into consideration not only initial construction cost but the costs of operating and maintain the home that will be the owner's responsibility. Modular efficient design and the intentional use of standard and repetitive elements in the design of windows, bathrooms, kitchens, and millwork is used to achieve cost-effectiveness.

Our team's combined experience of over 100 years in the construction industry in Puerto Rico and our recent experience in the CDBG-DR R3 program tells us that we know the real costs of construction in our local market. Throughout our history, we have experienced market conditions that have caused construction pricing to change over time, and we have been able to adapt to those changes.

Our cost estimates for this RFP have taken current local market conditions into consideration, and we are confident that project costs will be kept within budget and within time.

GREEN BUILDING STANDARD

As required by the R3 Program the houses proposed will comply with the minimum standards required for single-family homes by the National Green Building Standard (NGBS) ICC/ASHRAE 700-2015. The ICC 700 National Green Building Standard™ (NGBS) is the only residential green building rating system approved by ANSI, the American National Standards Institute, as an American National Standard. The NGBS provides practices for the design, construction, and certification of new multifamily buildings and renovations. This compliance will demonstrate that the homes proposed will achieve high performance in terms of site design, resource efficiency, water and energy efficiency, indoor environmental quality and building operation and maintenance. The minimum scoring of this rating system requires 91 points from Site Design for One Star for Land Development and 231 points for a Bronze certification for the new house construction. The strategies to meet these goals will be implemented in the following areas:

DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

I. Lot Design, Preparation and Development:

- Depending on the location of the lot selection by the Housing Department, FRCG-MIT will minimize the environmental impact on the existing lot and will protect sensitive areas that can be disturbed by construction
- Will establish a knowledge team and team members roles will be identified with respect to lot design, preparation, and development
- Natural resources will be conserved during construction and a natural conservation plan will be prepared and implemented
- Soil disturbance and erosion will be minimized
- The stormwater management system will be designed to use low impact development/green infrastructure practices to serve, restore or mitigate changes in site hydrology
- On-site supervision and coordination will be provided during demolition and construction to ensure that specified green development practices are implemented.

II. Equipment Specification:

- Water Storage Systems: Standard design of criteria, equipment specifications and installation details of watertight, pressurized potable water tank, pump, backflow preventer and filter consistent with conditions and code requirements. Systems to be installed at the discretion of the PRDOH.
- Solar Water Heater: certified by SRCC and EPA Energy Star, corrosion resistant and hurricane resistant installation.
- Rough-in for Option for Gas Stove, in addition to the electrical rough-in.
- Ceiling Fans on all bedrooms and Living Dining Area.
- PV Systems: Standard design of criteria, equipment specifications and installation details of PV Systems, UL Listed Inverter, Automatic Transfer Switch and Lithium-ion battery storage for critical loads consistent with conditions and code requirements. Systems to be installed at the discretion of the PRDOH.
- House shall be prepared for connection to an Emergency Power Generator by Owner.
- Residential grade water efficient plumbing fixtures bearing the EPA Water Sense label.
- The toilets will be 1.28 gallons per flush or dual flush
- Use of aerators in all faucets.
- Energy Star Appliances will be provided.
- Interior and Exterior Lighting: LED fixtures – warm color temperature.

III. Energy Efficiency: As an alternative in the TROPICAL CLIMATE ZONE the model homes will meet all the requirements in the International Energy Conservation Code (IECC 2015) section R401.2.1. Residential Buildings in the tropical zone will comply with following conditions:

- None of the occupied space will be air conditioned
- The occupied space is not heated
- Solar Water Heaters Will Be Provided For 100% Water Heating Services.
- Glazing in conditioned space will have a solar heat gain coefficient of less than 0.40 (0.35 according to the ENERGY STAR Certified Homes, Version 3 (Rev.10)
- Only high-efficacy lamps will be used.
- Exterior roofs will have a three-year-aged solar reflectance index of 55 and 3-year aged thermal emittance of 0.75.
- Roof surface will have a minimum of ¼" per foot of run. The finished roof will not have water accumulation areas.
- Operable fenestrations will provide ventilation area of more than 14 percent of the floor area in each room.
- Bedrooms with exteriors walls facing two different directions will have operable windows on each wall.
- Interior doors to bedrooms will be capable of being secured in the open position.
- Ceiling fans will be provided in all bedrooms and living area.

IV. Water Efficiency

- Water-conserving, Water Sense labeled will be installed.
- Showerheads and shower compartments will have the minimum requirements for the flow rate and controllers.
- Water closets will be installed in accordance with the minimum requirements for flush volumes.

DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

V. Indoor Environmental Quality:

- A minimum of 85 percent of all material within the following groups will be manufactured in accordance with DOC PS 1 and/or DOC PS 2 (Voluntary Product Standard establishes requirements for the principal types and grades of structural plywood and provides a basis for common understanding among producers, distributors, and users of the product)
- Wood panels
- Countertops and cabinets
- Custom woodwork
- Closet shelving
- Interior architectural coating will be Low VOC as determined by EPA Method 24
- Interior adhesives and sealants emission levels will comply with minimum requirements
- Smoke detector alarms will be provided in all bedrooms and living/dining area.
- Bathrooms will be vented to the outdoors with windows will be installed to provide natural ventilation as well
- Fenestration in all spaces will provide cross ventilation.

VI. Operation, Maintenance, And Building Owner Education

- Homeowner's manual will be provided including building's use, maintenance and green components
- Training will be provided to the responsible party regarding equipment operation and maintenance, control systems, and occupant actions that will improve the environment performance of the home
- Public education will be provided.

INTRODUCTION

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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In September 2017, Hurricanes Maria and Irma ravaged the island of Puerto Rico and uncovered the fragility of our built environment. Today, it has been six years since the atmospheric events, and still many residents of the island struggle with the socio-economic devastation that the storm uncovered. The responsible use of design is a vital component in community planning which aims to minimize the risks to human life and property during catastrophic disasters. The proposal designed by AD&V creates the building blocks towards the development of resilient communities that create protective interventions in the planning and the construction of a new local dwelling that to make a difference to the “housing problem” of Puerto Rico. The homes designed and constructed under this proposal will deliver a unique dwelling where dignity comes first, where families can integrate their values, where social bonds are fostered, where people are rooted to their context and ultimately where places of purpose are created. These new housing products will achieve true meaning when their owners feel proud and happy to own an expression of themselves and their place in society.

The houses proposed will be a symbol and a testament of new vision towards the reconstruction of the Island. The design of these homes by AD&V in this proposal take into consideration the stress and trauma suffered by the homeowners who will benefit from this program.

Our proposal understands that the opportunity offered by the CDBG-DRMIT funding requires a shift in the usual discourse and demands a remarkable and innovative offer that ensures a housing product where people feel secure, sheltered, optimistic and engaged to their community. The implementation of these programs affords individuals and communities the means to manage and recover from future disasters. The use of conscious design in building the houses under the program of this RFP is a powerful tool that will connect the homeowners to their surroundings, will provoke socio-economic change and will add purpose to the dwelling places of people in need.

DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

KEY DESIGN PRINCIPLES

The key design principles for the model homes presented designed by AD&V for the R3 program are:

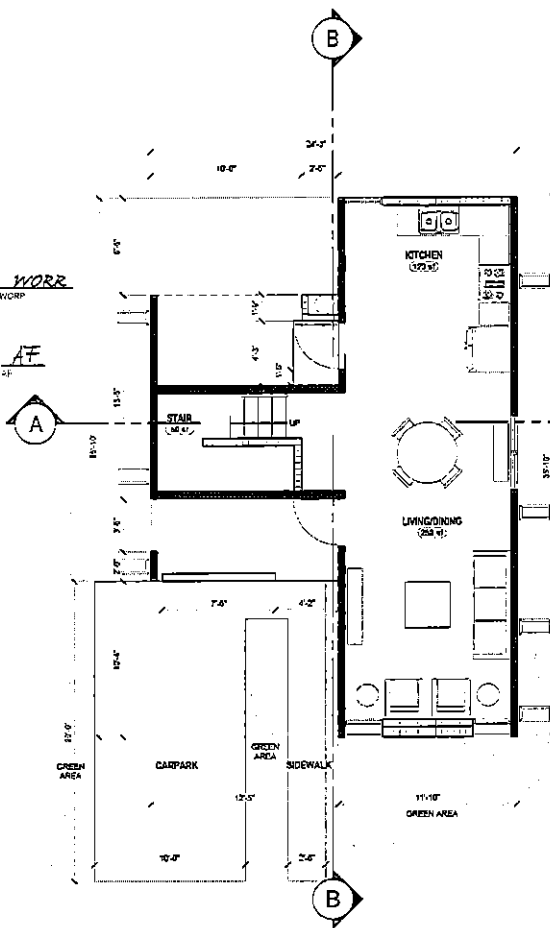
- I. **Resiliency:** The design of all the model homes by AD&V plans for the construction of a resilient, safe, secure residence and community as its primary goal. Considerations to different concerns, such as improved indoor air quality, electrical safety, ergonomics, and accident prevention are incorporated in the design and specification of materials of all the models presented in this proposal. Resistance to natural hazards like hurricanes, floods, and earthquakes. All windows with shutters will be impact resistant, with no water infiltration as required by Code. The homes presented in this proposal will be designed to withstand the structural wind and earthquake loads as prescribed in the 2018 PRBC. The homes will be ready for the installation of Photovoltaic Systems and Potable Water Storage Systems.
- II. **Integrated Design:** A holistic design approach that yields a high-performance home where the principles of accessibility, aesthetics, cost-effectiveness, functionality, productivity, health, history, safety, security, and sustainability are considered and are of equally important and evenly integrated in all the key design objectives and decisions during every phase of the planning, design, and construction of the residences.
- III. **Functionality:** Understanding how the home will fit its ultimate residents means defining the size and proximity of the different spaces needed for activities and equipment and considering future needs based on the cultural customs and traditions and the population demographics of Puerto Rico today.
- IV. **Design Appeal and Aesthetics:** The use of a user-centric architectural vocabulary that provides meaning and is familiar to the homeowner considers its surroundings by creating a sense of place and takes into consideration climate, context, construction, and culture. All models were designed taking human scale proportions and ergonomics into consideration. The interior design of all the model homes by AD&V presented in this RFP reflect upon experience, family relationships, contextual values, and community building.
- V. **Interior Finishes:** The homes will have porcelain tiled floor and non-VOC latex painted walls and ceilings. Interior doors and frames shall be painted wood, with ADA compliant lever handled door hardware. Bathrooms will have ceramic tiles on wet walls and equipped with low-consumption high-efficiency fixtures. Kitchens will have plastic laminate cabinets and countertops with a tiled ceramic backsplash.

- VI. **Accessibility & Universal Design:** The design of all the model homes by AD&V under this program considers accommodating persons who are or could become permanently disabled or temporarily disabled due to an injury. The concepts of mobility, visitability, and aging in place are being considered in aspects such as the location of stairs in the two-story model, the width of interior doors and universal bathroom and kitchen design. The goal is to ensure equal use of the home for all its residents and visitors and easy adaptability in case of disability. One bathroom in each of the models and all kitchens are sized to accommodate accessible requirements if the future need shall arise. Modifications and removal of barriers can be easily achieved by Homeowners if the future need might arise. The two-story model has the option of accommodating an accessible bathroom and bedroom on the ground floor, as well as a barrier-free laundry area. All units will have accessible entrances achieved through the regrading of the site or the construction of a ramp with a maximum rise of 1:12. All ADA compliant model homes will have: The interior doors of all home models will have minimum clear opening of 32" to roll the wheelchair through the doorways. The exterior door openings of all home model will have a minimum clear opening of 32".
- VII. **Code Compliance:** The design of the homes presented in this proposal will comply with federal, state and municipal codes, laws, rules, ordinances, regulations and other authorizations, approvals, and requirements as applicable by law and by the jurisdiction where the house will be constructed or repaired. These include, but are not limited to:
 - Joint Regulation for Construction Works and Land Use of the PR Planning Board
 - 2018 International Residential Code (IRC) as adopted by the 2018 Puerto Rico Building Code (PRBC) & referenced standards
 - Americans with Disabilities Act (ADA 2010)
 - 2018 International Energy Efficiency Code (IECC)
 - 2015 International Green Construction Code (IGCC)
 - National Green Building Standard ICC/ASHRAE 700-2015
 - National Electric Code (NEC), NFPA 70; current approved version
 - NFPA 101 Life Safety Code, current approved version
 - Requirements of the Housing and Community Development Act (HCDA)
 - American National Institute (ANSI); current approved version | American Concrete Institute (ACI) | ASHRAE

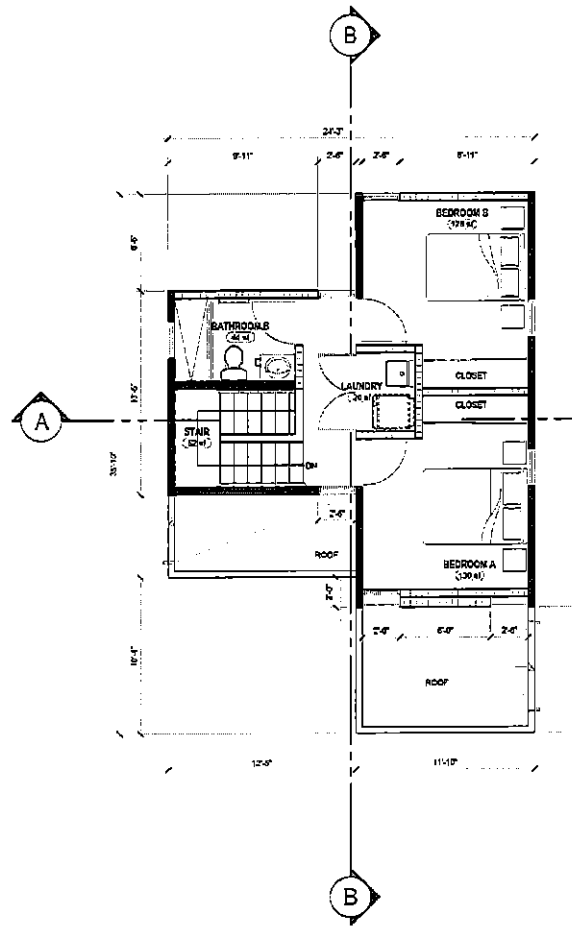
PROPOSED PLANS | 2 STORY MODEL HOME

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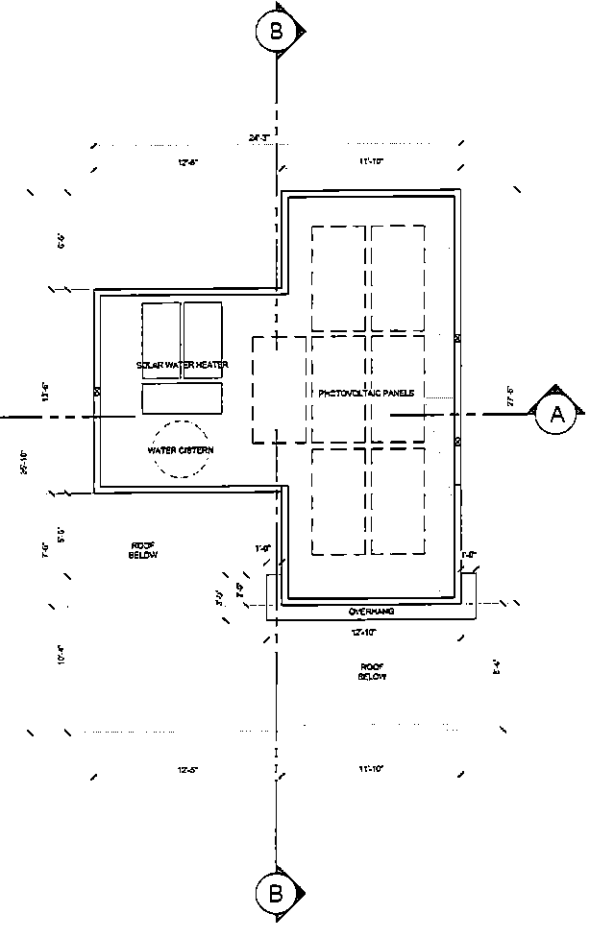
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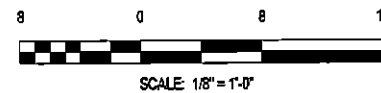
GROUND FLOOR PLAN



SECOND FLOOR PLAN



ROOF PLAN



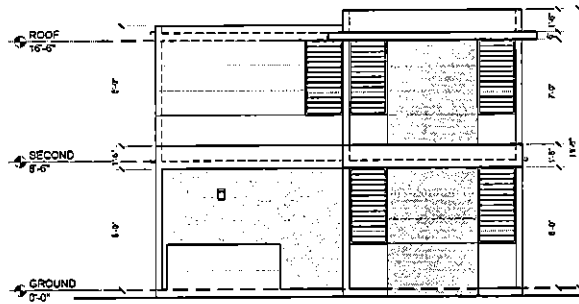
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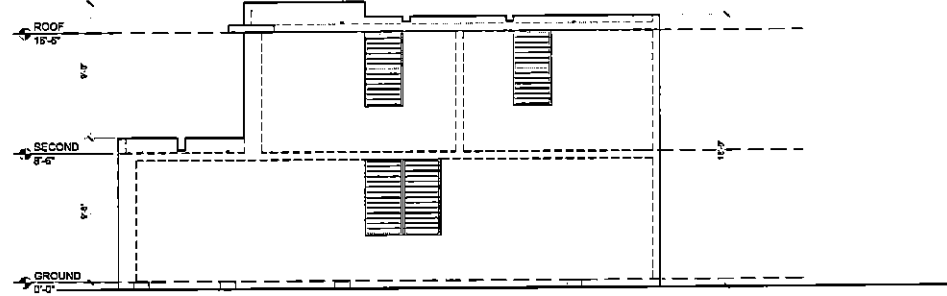
PROPOSED ELEVATIONS | 2 STORY MODEL HOME

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

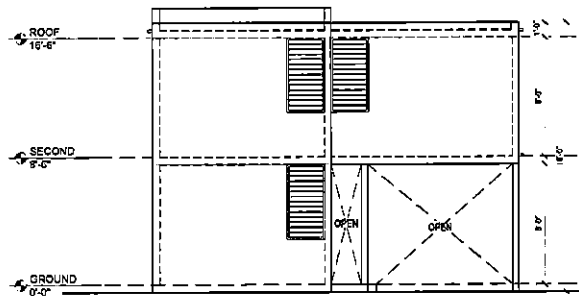
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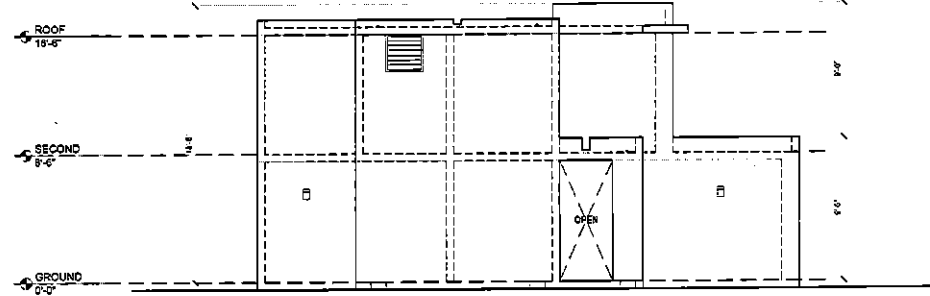
FRONT ELEVATION



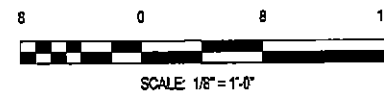
LEFT ELEVATION



REAR ELEVATION



RIGHT ELEVATION



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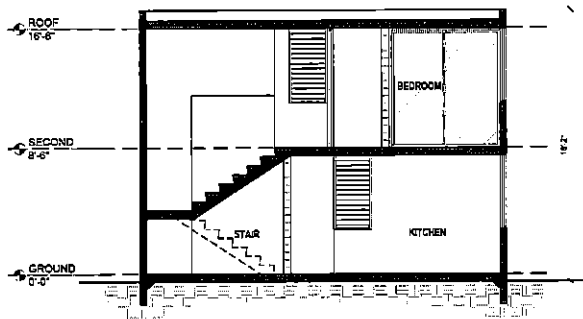
PROPOSED SECTIONS | 2 STORY MODEL HOME

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

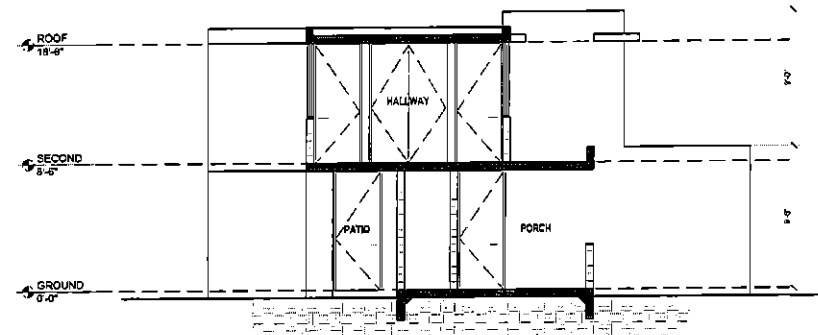
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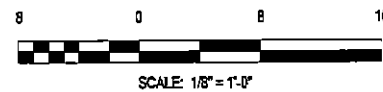


SECTION AA



SECTION BB

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3D VISUALIZATIONS

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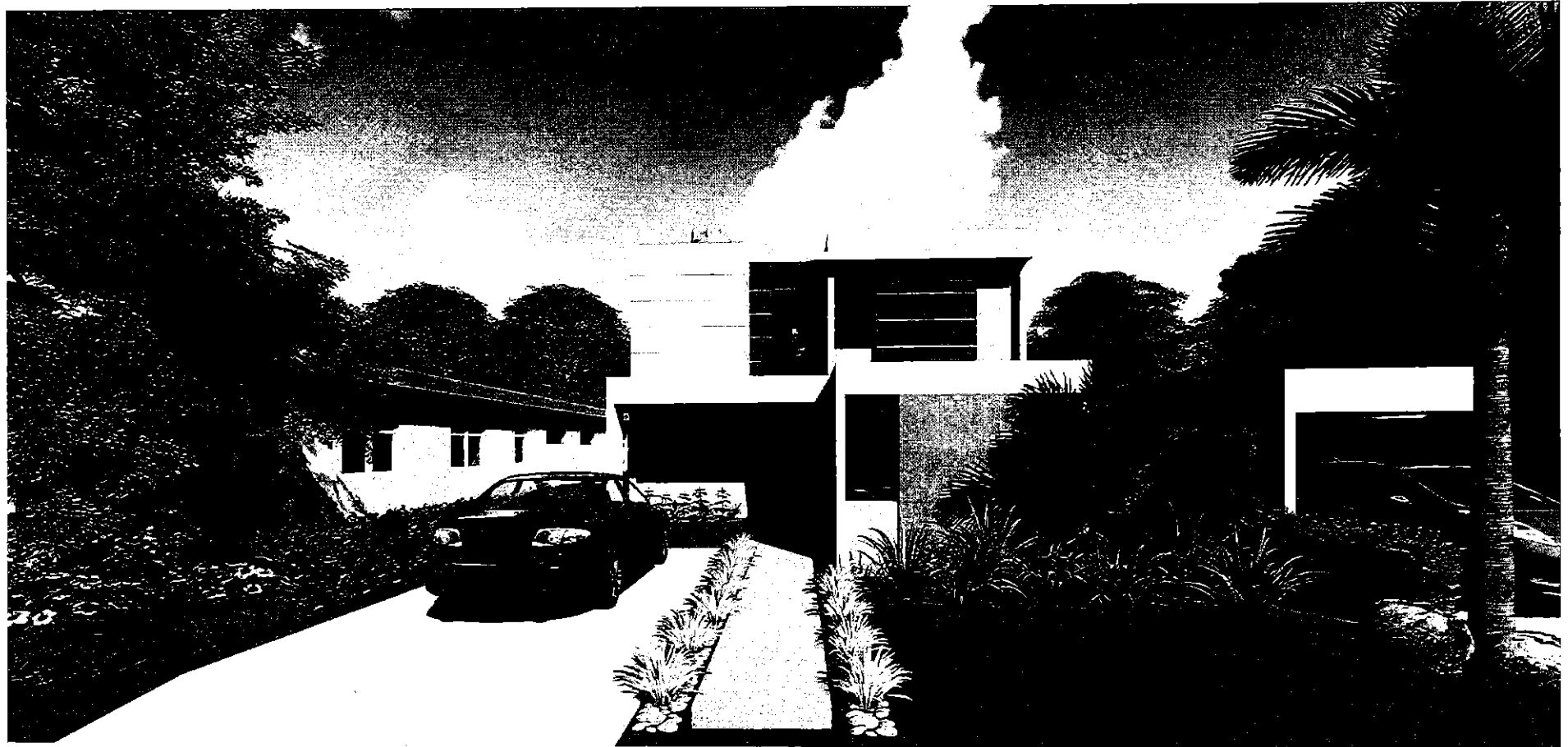
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3D VISUALIZATIONS

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES



3D VISUALIZATIONS

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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OVERALL CONCEPT

The two story, two-bedroom home presented has an area of 1,153 square feet, in addition to the area occupied by the uncovered carport. The house is entered from the sidewalk through a pathway, bordered with a planned planting area, that leads to a covered porch located on the front façade. The porch acts as a community connector to the personal realm of the home.

Once inside the visitor is welcomed by an open layout living area with 8-foot ceilings and operable windows at 3 feet from floor on all exterior walls, diffusing the natural light, creating the perception of spaciousness and tropical cross ventilation. There is no clear definition of the separation of the kitchen, which is open to the living and dining room and awards the perception of a roomier area that gives the homeowner flexibility in the furniture arrangement. A secondary entrance is provided on the rear of the house, through the kitchen, providing a connection to the backyard.

The bedrooms are located on the second-floor level. All bedrooms have operable windows on two of the walls to allow for daylight and cross ventilation. The central circulation bay on the second floor has operable windows at both ends for cross ventilation and to provide a focal point that anchors the residence to the surrounding neighborhood and ties the resident to the context where he lives.

Lastly, this home prototype translates the traditional Puerto Rican home and establishes a progressive offer where each one of the program recipients feels connected and optimistic.

TWO STORY 2 BEDROOM | 1 BATHROOM SPACE AND AREA PROGRAM – FIRST FLOOR

	Area
LIVING & DINING AREA	252 sq. ft. (net)
KITCHEN	123 sq. ft. (net)
TOTAL INTERIOR FLOOR AREA – FIRST FLOOR	453 sq. ft. (net)
FRONT PORCH	64 sq. ft. (net)
TERRACE	72 sq. ft. (net)
TOTAL FLOOR AREA – FIRST FLOOR	589 sq. ft. (net)

SPACE AND AREA PROGRAM- SECOND FLOOR

BEDROOM #1 (WITH CLOSET)	126 sq. ft. (net)
BEDROOM #2 (WITH CLOSET)	130 sq. ft. (net)
BATHROOM	44 sq. ft. (net)
LAUNDRY	20 sq. ft. (net)
TOTAL INTERIOR FLOOR AREA – SECOND FLOOR	350 sq. ft. (net)
TOTAL AVAILABLE AREA	939 sq. ft. (net)
TOTAL CONSTRUCTION AREA	1,153 sq. ft. (GROSS)

DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

PROPOSED CONSTRUCTION MATERIALS AND METHODS

The proposed model home designed by AD&V will be cast-in-place reinforced concrete for all exterior walls, interior structural elements, shear walls, floor and roof slabs. Concrete masonry units will be used for the interiors non-load bearing walls. Impact resistant aluminum jalousie glazed windows and insect screens will be utilized to take full advantage of natural ventilation. Owners will be provided with storm panels for any non-impact resistant windows to protect openings during hurricane force winds. Glazed window units are provided to maximize daylighting and views to the exterior. Emergency egress windows are provided on all bedrooms as required by the Residential Code. Solid aluminum swing doors are used to physically connect the interior of the house to the exterior patios. Interior finishes include ceramic floor tile and wall base and painted walls and ceilings. Bathrooms walls will be tiled on wet walls.

At the time of this submission, we are unable to establish site locations, site conditions, quantities, and/or what model homes will be used. Since we are expecting to be building various houses simultaneously in many different sites, the construction approach presented in this proposal will consider each home as a stand-alone construction, rather than a housing development, where multiple adjacent houses can be built at the same time. Instead, we will be assigning distinct construction crews to each house being built. Our crews, along with our supervisory personnel will assess construction means and methods on a case-by-case scenario. Once the Pre-Construction meeting is held and when final construction permits and designs are obtained, we will proceed with the construction in an expedited manner.

Site preparation will vary on site-by-site basis. Earth fill, earth to cut and/or remove, earth betterments that may be necessary will all be performed according to site requirements and design parameters. We anticipate that the primary formwork to be used will be handset methods. Plywood and lumber will be the primary materials for formwork for the concrete structures, but we will consider using modular lightweight steel forms as they become available and may be incorporated into the construction. Once the housing concrete structures are completed, we will proceed to relocate most of the materials used for the formwork to different sites where they may be re-used, as necessary. Masonry, plaster, and general housing unit finishes will all be performed following specs and quality standards for each of the housing units to be built.

Project documentation, daily reports, progress photographs, concrete tests, quality assurance, safety, supervision, budget, and time will be some of the factors used to monitor and keep records of each home to be impacted by the R3 Program.

TIME OF CONSTRUCTION AND BUDGET

Our team knows and understand that time is of the essence in the delivery of the services under this program. For the new homes' construction, we have estimated that our expected time of construction will be within the 180 days set forth and required by the RFP documents.

The design of all the model homes presented in this proposal take into consideration not only initial construction cost but the costs of operating and maintain the home that will be the owner's responsibility. Modular efficient design and the intentional use of standard and repetitive elements in the design of windows, bathrooms, kitchens, and millwork is used to achieve cost-effectiveness.

Our team's combined experience of over 100 years in the construction industry in Puerto Rico and our recent experience in the CDBG-DR R3 program tells us that we know the real costs of construction in our local market. Throughout our history, we have experienced market conditions that have caused construction pricing to change over time, and we have been able to adapt to those changes.

Our cost estimates for this RFP have taken current local market conditions into consideration, and we are confident that project costs will be kept within budget and within time.

GREEN BUILDING STANDARD

As required by the R3 Program the houses proposed will comply with the minimum standards required for single-family homes by the National Green Building Standard (NGBS) ICC/ASHRAE 700-2015. The ICC 700 National Green Building Standard™ (NGBS) is the only residential green building rating system approved by ANSI, the American National Standards Institute, as an American National Standard. The NGBS provides practices for the design, construction, and certification of new multifamily buildings and renovations. This compliance will demonstrate that the homes proposed will achieve high performance in terms of site design, resource efficiency, water and energy efficiency, indoor environmental quality and building operation and maintenance. The minimum scoring of this rating system requires 91 points from Site Design for One Star for Land Development and 231 points for a Bronze certification for the new house construction. The strategies to meet these goals will be implemented in the following areas:



DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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I. Lot Design, Preparation and Development:

- Depending on the location of the lot selection by the Housing Department, FRCG-MIT will minimize the environmental impact on the existing lot and will protect sensitive areas that can be disturbed by construction
- Will establish a knowledge team and team members roles will be identified with respect to lot design, preparation, and development
- Natural resources will be conserved during construction and a natural conservation plan will be prepared and implemented
- Soil disturbance and erosion will be minimized
- The stormwater management system will be designed to use low impact development/green infrastructure practices to serve, restore or mitigate changes in site hydrology
- On-site supervision and coordination will be provided during demolition and construction to ensure that specified green development practices are implemented.

II. Equipment Specification:

- Water Storage Systems: Standard design of criteria, equipment specifications and installation details of watertight, pressurized potable water tank, pump, backflow preventer and filter consistent with conditions and code requirements. Systems to be installed at the discretion of the PRDOH.
- Solar Water Heater: certified by SRCC and EPA Energy Star, corrosion resistant and hurricane resistant installation.
- Rough-in for Option for Gas Stove, in addition to the electrical rough-in.
- Ceiling Fans on all bedrooms and Living Dining Area.
- PV Systems: Standard design of criteria, equipment specifications and installation details of PV Systems, UL Listed Inverter, Automatic Transfer Switch and Lithium-ion battery storage for critical loads consistent with conditions and code requirements. Systems to be installed at the discretion of the PRDOH.
- House shall be prepared for connection to an Emergency Power Generator by Owner.
- Residential grade water efficient plumbing fixtures bearing the EPA Water Sense label.
- The toilets will be 1.28 gallons per flush or dual flush
- Use of aerators in all faucets.
- Energy Star Appliances will be provided.
- Interior and Exterior Lighting: LED fixtures – warm color temperature.

III. Energy Efficiency: As an alternative in the TROPICAL CLIMATE ZONE the model homes will meet all the requirements in the International Energy Conservation Code (IECC 2015) section R401.2.1. Residential Buildings in the tropical zone will comply with following conditions:

- None of the occupied space will be air conditioned
- The occupied space is not heated
- Solar Water Heaters Will Be Provided For 100% Water Heating Services.
- Glazing in conditioned space will have a solar heat gain coefficient of less than 0.40 (0.35 according to the ENERGY STAR Certified Homes, Version 3 (Rev.10)
- Only high-efficacy lamps will be used.
- Exterior roofs will have a three-year-aged solar reflectance index of 55 and 3-year aged thermal emittance of 0.75.
- Roof surface will have a minimum of ¼" per foot of run. The finished roof will not have water accumulation areas.
- Operable fenestrations will provide ventilation area of more than 14 percent of the floor area in each room.
- Bedrooms with exteriors walls facing two different directions will have operable windows on each wall.
- Interior doors to bedrooms will be capable of being secured in the open position.
- Ceiling fans will be provided in all bedrooms and living area.

IV. Water Efficiency

- Water-conserving, Water Sense labeled will be installed.
- Showerheads and shower compartments will have the minimum requirements for the flow rate and controllers.
- Water closets will be installed in accordance with the minimum requirements for flush volumes.

DESIGN NARRATIVE

HOME REPAIR, RECONSTRUCTION OR RELOCATION PROGRAM | CONSTRUCTION MANAGEMENT SERVICES

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V. Indoor Environmental Quality:

- A minimum of 85 percent of all material within the following groups will be manufactured in accordance with DOC PS 1 and/or DOC PS 2 (Voluntary Product Standard establishes requirements for the principal types and grades of structural plywood and provides a basis for common understanding among producers, distributors, and users of the product)
- Wood panels
- Countertops and cabinets
- Custom woodwork
- Closet shelving
- Interior architectural coating will be Low VOC as determined by EPA Method 24
- Interior adhesives and sealants emission levels will comply with minimum requirements
- Smoke detector alarms will be provided in all bedrooms and living/dining area.
- Bathrooms will be vented to the outdoors with windows will be installed to provide natural ventilation as well
- Fenestration in all spaces will provide cross ventilation.

VI. Operation, Maintenance, And Building Owner Education

- Homeowner's manual will be provided including building's use, maintenance and green components
- Training will be provided to the responsible party regarding equipment operation and maintenance, control systems, and occupant actions that will improve the environment performance of the home
- Public education will be provided.



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT B

SCOPE OF WORK
Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery & Mitigation Programs
Puerto Rico Department of Housing
CDBG-DRMIT-RFP-2023-06
(Revised for Addendum No. 3)

This document defines the construction management tasks that the Proposers must perform to support the Puerto Rico Department of Housing (PRDOH) in the implementation of the Home Repair, Reconstruction or Relocation Program (**R3 Program**), the Single-Family Housing Mitigation Program (**SFM**), the Community Development Block Grant for Disaster Recovery (**CDBG-DR**) Programs Portfolios, and the Community Development Block Grant for Mitigation (**CDBG-MIT**) Programs Portfolios, and any other federal allocation. The PRDOH reserves the right to retain construction management services of some of these programs internally and to select more than one Construction Manager (**CM**). Selected Proposers may be required to work on some or all of these Programs as requested by PRDOH.

A description of the Housing Sector CDBG-DR, CDBG-DR Earthquakes, and CDBG-DR & CDBG-MIT programs is included in the Action Plans approved by the U.S. Department of Housing and Urban Development (**HUD**), available in the following website <https://cdbgd-dr.pr.gov/en/action-plan/>.

The PRDOH anticipates awarding the contract for an initial term of **three (3) years**. The PRDOH may, at its sole discretion, extend the contract term for **two (2) optional one (1)** year extensions upon mutual written agreement of the parties. If additional CDBG-DR and CDBG-MIT funds are allocated to Puerto Rico during the life of the contract, the Construction Manager may be assigned to work on those future federal grants awarded. There is no guarantee of a minimum level of services that may be requested by the PRDOH under this contract.

1. PRDOH's Reservation of Rights:

The PRDOH reserves the right, without limitations, to:

- (i) Reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed to be in its best interests.
- (ii) Reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to, incomplete proposals and/or proposals offering alternate or non-requested goods.
- (iii) Cancel this solicitation and reissue the RFP 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 proposer for any costs incurred in responding to this RFP.
- (v) To reduce or increase estimated or actual quantities in whatever amount necessary without prejudice or liability to, if:

- a. Funding is not available.
 - b. Legal restrictions are placed upon the expenditure of monies for this category.
 - c. PRDOH's requirements in good faith change after the award of the contract.
- (vi) Make an award to more than one Proposer based on ratings.
- (vii) To require additional information from all suppliers to determine the level of responsibility.
- (viii) To contact any individuals, entities, and/or organizations that have had a business relationship with the proposer, regardless of their inclusion in the reference section of the proposal's submittal.
- (ix) In the event any resulting contract is prematurely terminated due to nonperformance and/or withdrawal by the Contractor, PRDOH reserves the right to:
- a. seek monetary restitution (to include but not limited to withholding of monies owed or the execution of the payment and performance bond) from the Contractor to cover costs for interim services and/or cover the difference of a higher cost (difference between terminated Contractor's rate and new company's rate) beginning the date of Contractor's termination through the contract expiration date.
- (x) To amend the contract(s) of the Selected Proposer(s) to, among others, extend its original duration, as further explained in the RFP, or to extend the scale of its scope to include work under subsequent CDBG-DR and CDBG-MIT action plans as related to the services requested herein, or to reduce the scale of its scope to decrease work as a consequence of underperformance or inexcusable delays related to the services requested herein.
- (xi) To contract with one or more qualified as a result of the selection of the RFP or the cancellation of this RFP.
- (xii) To negotiate any price from the awarded proposer(s) in response to a specific order under this solicitation.
- (xiii) To modify the quantity of the listed items and/or services during the term of the contract in compliance with policies and procedures.
- (xiv) To withdraw from the contracting process with a selected Proposer if the selected Proposer does not provide the required contract documents, including insurance requirements, within **ten (10) business days** of contract Award Notice.

2. Overview

The PRDOH is issuing this Request for Proposal (**RFP**) to procure highly qualified and skilled architecture and engineering (**A&E**) designers and contractors to provide Construction Management Services for the R3 and/or SFM Programs and serve the Program(s) as a design-build, single source responsibility entity. It is expected the Selected Proposers will be prepared to invest considerable resources and efforts as related to the site walks, scope of work development, technical studies, survey, design, permitting, abatement,

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demolition, rehabilitation (either repair or repair/retrofit), and new construction of single-family dwelling units as specified and described in the Action Plan(s), in a short period of time. The Proposers must understand and align with the CDBG-DR and CDBG-MIT Federal Register Notices¹, Action Plans, Program Guidelines, national objectives, eligible/ineligible use of funds, guidelines, and policies. Proposers must be familiar with the Department of Housing and Urban Development (**HUD**) latest policy objectives, plan alignment, glossary, acronyms, policies, guidelines, and design standards applicable to the Scope of Work (**SOW**) of this RFP. The Proposer remains fully responsible for determining if the information mentioned before has been revised or updated.

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

The Contract(s) will be awarded to the "Qualified Proposers" whose Proposals, conforming to the RFP, is(are) most advantageous to the PRDOH. The SOW presented is based upon circumstances existing at the time of its release. The PRDOH reserves the right to modify or delete the tasks listed and, if appropriate, add additional tasks prior to and during the term of the contract. Upon Contract execution, the Construction Managers may be required to work outside of normal business hours to accommodate for the Program(s) goals, production, and operational needs (i.e. weekends or evenings).

The PRDOH will outsource Program Management (**PM**) services for the implementation and the everyday administration of the program, projects, and case management. The PM will be responsible for the Construction Managers' contract management administration, control, regulatory and statutory compliance oversight. The Program Managers will also be responsible for the development of Environmental Review Records (**ERR**) and inspection of all construction works for the Program(s), and others.

3. Construction Management

The Construction Managers are expected to strengthen the Program(s) by providing their experience, technical knowledge, and expertise for the successful implementation of the Program(s). As consequence, the Construction Managers are expected to efficiently

¹ Federal Register Notices for the CDBG-DR and CDBG-MIT are published in the corresponding websites at <https://cdbg-dr.pr.gov/en/resources/federal-register/> and <https://cdbg-dr.pr.gov/en/download/federal-register/> respectively.

operate as a design-build team for the correctness, completeness, compliance, and systematic project completions in a time accelerated environment.

3.1. General Objectives

The objectives for the Construction Managers include but are not limited to the safe evaluation and completion of projects on time, budget, quality, and compliance with, federal, state, local laws, statutory, regulations, requirements, and standards. This includes but is not limited to the following:

- Reduce the amount of time and increase the production of assigned applications;
- Provide practical, feasible and cost reasonable design solutions;
- Control cost and reduce Program(s) budget overruns;
- Provide, implement and administer the Quality Plan and optimize quality assurance of the services and goods being provided;
- Provide, implement, and administer the Project Safety Plan and complete projects safe and healthful manner;
- Methodically optimize project completions and expedite the close-out process of projects;
- Comply with green building initiatives and checklist;
- Ensure Program(s) expenditure of funds are related to the corresponding objectives such as "tie-back to storm" for CDBG-DR R3 Program and "mitigation unmet need" for CDBG-MIT SFM Program.
- Identify and reduce the risks and legal burden to PRDOH, Program(s) and its representatives;

The PRDOH may assign cases to Construction Managers as part of offering repair, reconstruction, elevated reconstruction or new construction assistance to Program applicants. Additionally, the PRDOH may assign construction projects to Construction Managers related to PRDOH owned properties that may require repair or reconstruction works to expand the replacement home housing stock available to relocation applicants.

3.2. Duties and Responsibilities

Duties and responsibilities of Construction Managers include, but are not limited to, the following:

- Obtaining and evaluating the documents and information of the initial assessment phase in preparation to the scope site walk, scope of work development and a potential Grant Award to Program(s) applicants. Identify specific concerns that could affect the Initial Project Intent;

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- Performing a scoping site walk and developing an initial scope of work (scope report);
- Participating in the Program(s) Grant Agreement process with Program Managers representatives and applicants.
- Obtaining and evaluating copies of the Environmental Review Record information in preparation to the design, construction documents, permitting process and other related activities. Identifying specific concerns that could affect the Initial Project Intent;
- Performing the Asbestos Containing Materials (**ACM**), Lead-based Paint (**LBP**) materials, assessment, testing and report;
- Providing the ACM and LBP reports to the applicants, as needed;
- Providing the construction documents, corresponding permits for abatement, demolition, and construction activities, when required;
- Safely, timely, organized, and efficient completion of the Program(s) assigned Task Orders;
- Providing the highest level of service to the applicants, Program(s) representatives and PRDOH;
- Maintain overall project administration, production, control and responsibility, including Subcontractors management.
- Providing the PRDOH, Program(s) representatives and applicants the highest customer service standards.

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3.3. Construction Manager Levels

Construction Managers will be divided into Levels based on their financial capacities and experience in projects.

3.3.1. Level 1 Construction Managers

Level 1 Construction Managers will be those with greater financial capabilities which are able to operate and concurrently perform and complete extraordinary amounts of work within a larger geographical area. Level 1 Construction Managers:

- Initially may be assigned to geographical regions (group of municipalities), at the discretion of PRDOH;
- Can work one or more regions at any given time as requested by the Program(s);
- Will have a higher financial, operational, and technical capacity, which enable them to work and complete a greater volume of projects;
- Will be a design-build single-source responsibility entity and organization;
- Can perform all types of projects concurrently, including abatement, demolition, repair, retrofit and new construction of single-family dwellings;
- Can procure, acquire, furnish, and provide a greater volume of labor and materials for assigned Task Orders;

- Must ensure that subcontracting of work is assigned to PRDOH approved subcontractors;
- Must ensure that PRDOH approved subcontracting of works only occur up to a tier 2 subcontractor level;
- Will be frequently evaluated and held responsible for the performance of their team and organization, including designers, consultants, suppliers, manufacturers, and subcontractors;
- Should engage local subcontractors, professionals and relevant service providers headquartered in Puerto Rico as Team Members and Key Staff Personnel to the greatest extent possible;
- Will engage and cooperate with the local communities, municipalities, and governmental officials;
- Will provide periodical status reports to PRDOH and its representatives; and
- Will attend or conduct meeting with the PRDOH and its representatives.

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3.3.2. Level 2 Construction Managers

Level 2 Construction Managers will be those with moderate financial capabilities which are able to operate, concurrently perform and complete moderate quantities of work within adjacent groups of municipalities. Level 2 Construction Managers:

- May be initially assigned to work within adjacent groups of municipalities;
- May be initially assigned to adjacent municipalities from the locations of their headquarters to reduce the risk of over-extending their operations;
- Additional municipalities may be assigned if requested and approved by PRDOH;
- Will have moderate financial and operational capacity, which enable them to work moderate quantities of projects;
- Will be a design-build single-source responsibility entity and organization;
- Can perform all types of projects concurrently, including abatement, demolition, repair, retrofit and new construction of single-family dwellings;
- Can procure, acquire, furnish, and provide a moderate volume of labor and materials for assigned Task Orders;
- Must ensure that subcontracting of work is assigned to PRDOH approved subcontractors;
- Must ensure that PRDOH approved subcontracting of works only occur up to a tier 2 subcontractor level;
- Will be frequently evaluated and held responsible for the performance of their team and organization, including designers, consultants, suppliers, manufacturers, and subcontractors;

- Should engage local subcontractors, professionals and relevant service providers headquartered in Puerto Rico as Team Members and Key Staff Personnel to the greatest extent possible;
- Will engage and cooperate with the local communities and municipalities within their geographical regions;
- Will provide periodical status reports to PRDOH and its representatives; and
- Will attend or conduct meeting with the PRDOH and its representatives.

4. Staff and Subcontractors

This Section details minimum Key Staff Personnel that will be required from the Construction Managers to perform the tasks required for the Program(s). All subcontractors performing abatement, demolition and construction activities under the Program(s) will be managed, administered, evaluated, controlled by the Construction Managers, and approved by the PRDOH or its representatives. Under no circumstance work shall be performed by a subcontractor that is not approved by PRDOH. Construction Managers performing non-compliant work may be subject to unnecessary risk, legal exposure, and other actions by the Program(s). The Construction Managers will be directly responsible for ensuring the accuracy, timeliness, quality, and completion of all tasks assigned under the Contract.

4.1. Staff Requirement

The Construction Manager must retain and maintain over the life of the contract or until requested by PRDOH, the Key Staff Personnel. All Key Staff Personnel resources must be physically located in Puerto Rico. The PRDOH expects the Selected Proposers to provide competent and qualified staff that are authorized or permitted under federal, state, and local law to perform the scope of work under this contract. The PRDOH reserves the right to request the removal of any staff not performing to standard, following the code of ethics and/or irregularities that may result in an unnecessary legal burden to the PRDOH, the Program(s) or its representatives. No Key Staff Personnel may be assigned to the resulting contract without the written consent of the PRDOH. Key Staff Personnel currently performing on the R3 Program may be proposed as part of the Key Staff Personnel under this RFP. Key Staff Personnel currently performing on other CDBG-DR or CDBG-MIT Programs may not be submitted as part of this RFP.

4.2. Key Staff Experience and Qualifications

The Proposers must provide detailed information and demonstrate the minimum requirements of the Key Staff Personnel to be assigned to the Program(s), including degrees, certifications, licenses, and years of relevant experience. The PRDOH promotes opportunities for maximum feasible participation of certified Section 3, Minority, and Women Owned Business Enterprises (**MWBE**). As part of the qualifications, the Proposers

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must include detailed information regarding their financial, administrative capacity, design, and construction experience (in similar projects), personnel, consultants, equipment, software capabilities, document controls, safety record keeping, and quality control procedures.

4.2.1. Senior Project Manager

The Senior Project Manager shall maintain a complete understanding of all Program(s) policies, requirements, and procedures to ensure that all projects are compliant according to the governing regulations, contract, and scope of work; shall possess knowledge of regulatory and statutory compliance requirements for the CDBG-DR and/or CDBG-MIT program, as contracted. As part of the RFP submission, the Proposer shall provide detailed information to demonstrate that its proposed Senior Project Manager meets the following requirements:

- A bachelor's degree from an accredited institution;
- Experience in design-build projects, is preferred;
- At least ten (10) years of experience as project manager on construction projects;
- A résumé which clearly evidence these requirements.

The Senior Project Manager should be fluent in English and Spanish languages. This resource will be the main point of contact between the PRDOH and the Construction Management firm. Will be available on-call and attend Program(s) status, production, and progress meetings. The Senior Project Manager responsibilities include but are not limited to:

- formulating, organizing, and monitoring the overall performance of the logistics and operation;
- defining objectives, strategies and monitoring the overall performance of projects;
- making decisions to accomplish the Program(s) objectives; strategizing to meet Program(s) production goals and requirements; coordinating cross-phases activities to promote and obtain overall efficiencies;
- leading, guiding and evaluating other Key Staff Personnel and their performance;
- monitoring and managing the master schedule of projects;
- developing, pursuing deadlines, production goals, milestone inspections and project completions;
- coordinating components of projects to ensure on-time delivery of overall progress of Task Orders;
- managing and controlling the Construction Managers budget, contract amount, and bonding capacity;
- identifying and allocating resources to the organization according to the Program(s) operational needs and work load;

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- proactively evaluating and identifying trends, patterns to manage and reduce the risk of projects;
- analyzing the performance, quickly adapting, identifying areas of improvement and promoting operational efficiency;
- leading and promoting efficient communication strategies among Key Staff Personnel, design, permitting, construction and all support teams;
- promoting a customer, client service and steward oriented environment;
- preparing and explaining the executive performance reports to the PRDOH and its representatives;
- promoting practical, feasible, cost reasonable design solutions to complete the work of applicant's homes in a time efficient manner;
- promoting ethical behaviors and work ethic within the organization;
- evaluating, implementing, identifying and taking the corresponding actions related to Anti-Fraud Waste, Abuse or Mismanagement (**AFWAM**) within the different teams, support areas, staff, subcontractors providing work, goods and services to the organization;
- assuming responsibility for the organization, teams, support staff and its subcontractors;
- any other function required to support the success of the Program(s).

The Construction Management firms must retain and maintain over the life of the contract or until requested by PRDOH **one (1) Senior Project Manager** to support the Program(s).

4.2.2. Lead Design Manager²

As part of the RFP submission, the Proposer shall provide detailed information to demonstrate that its proposed **Lead Design Manager** meets the following requirements:

- Active registration in the Department of State of Puerto Rico;
- Active membership card of the CAAPPR and/or CIAPR;
- At least ten (10) years of experience in the construction industry;
- At least five (5) years of experience in the design of housing or residential projects;
- A résumé which clearly evidence these requirements.

The Lead Design Manager shall work under the direct supervision of the Senior Project Manager to control the site planning, design, and production of the projects. The Lead Design Manager shall meet regularly with the Senior Project Manager and Construction Manager to communicate trends, patterns and identifying overall strategies, design

² The designer entity is responsible for the corresponding tasks of this section. Therefore, the designer entity assumes the execution of the task observing full responsibility to comply with local and federal regulation requirements.

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efficiencies under common, extraordinary, and unforeseen conditions. The Lead Design Manager 's responsibilities include, but are not limited to:

- promoting and achieving feasible and cost reasonable design solutions and promoting overall quality of service, production and efficiency in a time accelerated environment;
- assisting with the development of the projects schedule and production, particularly to those activities related to the design phase;
- communicating and informing any project schedule deviation and impact to the Senior Project Manager and Lead Construction Manager;
- assigning tasks and managing the design team's personnel;
- identifying and allocating resources for the design phase production;
- owning and pursuing outstanding design issues until resolved;
- promoting inter-team communication and keeping all the design team informed;
- managing the staff and group leaders of the design team and coordinating and communicating with stakeholders and consultants' to ensure on-time delivery of design tasks and deliverables such as, schematic design, design development, construction documents, permitting process, submittals, request for information, supplementary drawings, as-built documents, occupancy permit requirements, applicable codes, regulations and green building standards;
- evaluating and complying with Environmental Review Record;
- providing and complying with the State Historic Preservation Office (**SHPO**), permitting agency(ies), any other regulatory agencies requirements and providing requested information in a timely manner (if requested);
- recommending and advising the Senior Project Manager and Lead Construction Manager as the subject matter expert and design expertise;
- assisting the Senior Project Manager in risk management for the design and/or permitting process, in the evaluation of the design team staff and performance, in controlling the budget for the design phase, and with status reports and presentations;
- promoting best management practices, and high quality standard for the design phase; coordinating the design team site visits and reporting to ensure adherence to the project intent, quality standards and Quality Plan;
- ensuring compliance of the projects requirements related to the Program(s) requirements and contract;
- developing and pursuing deadlines, and production goals; coordinating components of projects to ensure on-time delivery of Task Orders and projects;

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- proactively evaluating, identifying trends and patterns to manage and reduce the risk of projects; analyzing the performance, quickly adapting, identifying areas of improvement and promoting overall efficiency;
- leading and promoting efficient communication strategies among the Senior Project Manager, Lead Construction Manager, design, permitting, construction and support teams;
- assuming responsibility for the product of the design team;
- promoting practical, feasible, cost reasonable design solutions to provide applicants homes in a timely manner;
- promoting ethical behaviors and work ethic within the design team;
- evaluating, implementing, identifying and taking the corresponding actions related to AFWAM within the different team, staff, support areas and subcontractors providing work, goods and services to the organization;
- assuming responsibility for the corresponding staff and subcontractors (when applicable); and
- any other function required to support the success of the Program(s).

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The Lead Design Manager shall maintain a complete understanding of all Program(s) policies, requirements, and procedures to ensure that all projects are compliant according to the governing regulations, contract, and scope of work; they must possess academic, technical proficiency, and practical knowledge in site planning, architectural design, applicable codes, regulations, standards, sustainable design, green building requirements and compliance; shall possess contract, scope of work, budget, production, design and cost reasonableness knowledge and team management skills; must pursue the overall scope and design efficiency of design solutions in a time accelerated environment; and shall possess knowledge of regulatory and statutory compliance requirements for the CDBG-DR and/or CDBG-MIT program as contracted.

The Construction Management Firm's Architect of Record (AOR) is not required to be the Lead Design Manager. The medullar responsibilities of the Lead Design Managers include administering the production of the design, permitting phase and liaison to support construction activities in pursue to complete projects efficiently. The Construction Management firms must retain and maintain over the life of the contract or until requested by PRDOH one (1) Lead Design Manager to support the Program(s).

4.2.3. Lead Construction Manager

As part of the RFP submission, the Proposer shall provide detailed information to demonstrate that its proposed Lead Construction Manager meets the following requirements:

- Active registration in the Department of State of Puerto Rico is preferred;

- Active membership card of the CAAPPR and/or CIAPR is preferred;
- At least ten (10) years of experience in the construction industry;
- At least five (5) years of experience in the construction of housing or residential projects;
- A résumé which clearly evidence these requirements.

The Lead Construction Manager shall work together and under the direct supervision of the Senior Project Manager to control the construction phase of the projects. The Lead Construction Manager shall meet regularly with the Senior Project Manager and Design Manager to communicate trends, patterns, identifying overall construction efficiencies under common, extraordinary, and unforeseen conditions. The Lead Construction Manager's responsibilities include, but are not limited to the following:

- promoting and achieving practical, feasible, cost reasonable construction means and methods and promoting overall quality of service, production and efficiency in a time accelerated environment;
- assisting with the development of the projects' schedule, especially in the construction phase, communicating, informing any project schedule deviation, impact to the Senior Project Manager and Lead Design Manager;
- leading, managing, assigning tasks to the construction team including field superintendents, quality assurance, safety personnel, supervisors, subcontractors, manufacturers, suppliers and others;
- identifying and allocating resources for the efficient progress of construction activities; owning, pursuing outstanding construction issues until resolved;
- promoting inter-team communication and keeping all the construction team informed;
- managing the staff and group leaders of the construction team;
- coordinating and communicating with stakeholders, designers and consultants to ensure on-time delivery of projects;
- leading construction tasks such as labor allocation, materials in place, coordination of trades, adherence to Program(s) approved scope of work, Task Order, construction documents, permitting documents, submittals, and applicable codes, regulations, green building standards and others;
- evaluating and complying with Environmental Review Record, providing and complying with the SHPO, permitting agency(ies) and other regulatory agencies requirements and providing requested information in a timely manner (if requested);
- recommending and advising the Senior Project Manager and Lead Design Manager as the subject matter expert in the construction phase, means and methods, among others;

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- assisting the Senior Project Manager in risk management of the construction and/or permitting process, in the evaluation of the construction team and support staff performance, in controlling the budget for the construction phase and with status reports and presentations;
- promoting best management practices, and high-quality standard of the construction phase;
- coordinating the field superintendents, quality control and safety personnel site visits and reporting to ensure adherence to project intent, quality standards, Quality Plan and Safety Plan;
- ensuring compliance of the projects requirements and design intent as related to the Program(s) requirements, contract and scope of work;
- developing and pursuing deadlines, production goals, milestone inspections and project completions;
- coordinating components of projects to ensure on-time delivery of Task Orders;
- proactively evaluating and identifying trends, patterns to manage and reduce the risks of projects;
- analyzing the performance, quickly adapting, resolving areas of improvement and promoting overall efficiency;
- leading and promoting efficient communication strategies among the Senior Project Manager, Lead Design Manager, design, permitting, construction teams and support areas;
- assuming responsibility of the construction team production;
- promoting practical, feasible, cost reasonable construction solutions to complete applicants homes in a timely manner;
- promoting ethical behaviors and work ethics within the construction team;
- assigning, administering and controlling the abatement, demolition, construction activities; monitoring, administering, enforcing field superintendents and subcontractors performance, best practices, procedures and reporting issues;
- assigning field superintendents according to geographical areas, technical expertise, project complexity;
- determining the amount of field superintendents site visits and intervals to all construction projects; implementing,
- identifying and taking the corresponding actions related to AFWAM within the construction team, support staff, subcontractors and suppliers providing work, goods and services to the organization;
- assuming responsibility for the corresponding staff and subcontractors; and
- any other function required to support the success of the Program(s).

The Lead Construction Managers shall maintain a complete understanding of all Program(s) policies, requirements, and procedures to ensure that all projects are

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compliant according to the governing regulations, contract, and scope of work. The responsibilities include the administration of the construction phase production, quality control and pursue project completions. The Construction Management firms must retain and maintain over the life of the contract or until requested by PRDOH one (1) Lead Construction Manager to support the Program(s).

4.3. Organizational and Staffing Plan

Proposers shall submit to the PRDOH an initial organizational chart detailing the identity of each person (whether employed by the Proposer or a subcontractor), profession, position, rank, and relationship of the personnel performing any Construction Management services or plan to work on the Program(s). The Proposers' organization and staffing plan shall specifically include the roles, and responsibilities of each Key Staff Personnel and support areas to the Program(s), their planned level of effort, anticipated duration of involvement, and on-site availability.

This includes but is not limited to the Principal, Senior Project Manager, Lead Design Manager, Lead Construction Manager, and support personnel that will be performing site visits, initial scope reports, surveys, geotechnical studies, architectural, civil, structural, mechanical, electrical design, permitting, field superintendents, quality control supervision, safety officers, customer service representative and any other staff involved in the logistics and operation of the Construction Management Firm. The organizational and staffing plan must clearly depict hierarchy, relationships and promote overall efficiency to complete applicant homes efficiently, in a timely manner and reducing unnecessary delays.

5. Deliverables and Milestones

The Proposers and those deemed as “**Qualified Proposers**” and contracted by PRDOH are responsible to complete the specific activities and task for the Program(s) as described in this document. These deliverables must be produced in a timely manner and due diligence. The PRDOH or its representatives could modify (reduce or expand) these deliverables, as required by the PRDOH goals, operational needs and/or Program(s) budget. The design deliverables for a rehabilitation (repair) Project Intent will require the deliverables commencing in Section 5 of this document. The design deliverables for a replacement model home will require three phases of design (conceptual design, design development and construction documents), described in the corresponding Sections of this document.

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5.1. Design Deliverables for Replacement Model Homes³

The PRDOH will require three (3) phases of design deliverables for replacement model homes, implemented under the reconstruction venue of the Program(s). The first phase of design deliverable is the Conceptual Design which will be submitted by the Proposers as part of the RFP submission package with the design of a single-story 2-bedroom and a two-story 2-bedroom model home. This RFP submission package design deliverable shall include the narrative, drawings, renderings in the corresponding format and requirements (including Minimum Architectural and Design Standards and minimum area requirements, as described in the following sections of this document. However, as part of the RFP Proposers must submit the proposed cost for all model homes in the corresponding Exhibit #-2, "Replacement Home Cost Form"). Upon contract execution the Construction Managers must submit the remaining model home variations conceptual design with the requirements described in the corresponding section of this document. The second phase of design deliverables is the Design Development which will be provided upon the approval of the conceptual design model home variations by PRDOH.

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The third phase is the Construction Documents upon implementation of the Program(s) and an issued Task Order, (refer to Section 7 of this document). The deliverables of Phase III (Construction Documents) shall be performed by the Construction Managers during the implementation of the Program(s) and prior a Notice to Proceed.

5.1.1. Conceptual Design (Phase I)

Proposers must submit all the necessary information to clearly explain the proposed design intent. Design feasibility, cost reasonableness, ease of construction and time efficiency are highly important concepts in the Program(s). The proposed designs shall comply with the Program(s) Minimum Architectural and Design Standards (**Attachment #5** of this RFP) and the Construction Managers Selected Green Building Standard.

5.1.1.1. Narrative

The Proposers shall submit a technical narrative for the model homes which, additionally to describing the overall design intent, set forth:

1. Innovation in design;
2. Applicable code compliance;
3. Selected Green Building Standard compliance;
4. Sustainable design;
5. Resiliency considerations;
6. Energy efficiency and water conservation considerations;
7. Construction systems, materials, and time efficiency;

³ See Footnote 2.

8. Building envelope compliance (including exterior doors and windows);
9. Quality and durability of proposed materials;
10. Layout efficiency and functionality; and
11. Design strategies to promote cost reasonableness and efficiency.
12. Any necessary strategies to meet the criteria and designated budgets set forth in this Scope of Work.

5.1.1.2. Drawings

The Proposers shall provide the conceptual architectural design drawings for the proposed model homes. The model home design will be illustrated in floor plan, roof plan, four (4) elevations, and two (2) sections drawings (transversal and longitudinal sections). The drawings shall include the following minimum information:

1. Model home type;
2. Model home total square feet and its distribution amongst the different spaces;
3. Name and square feet area of each space (including but not limited to front porch, kitchen, living/dining area, bedrooms and others);
4. General and partial dimensions; and
5. Graphic scale.

A "flat lot" will be used as a hypothetical condition to be used as a basis of design and deliverables. The photovoltaic system with battery storage and water storage systems, walkway, driveway, and carport shall be depicted. The conceptual design drawings shall depict the appearance of the proposed model homes, dimensions and the notes scaled accordingly. These drawings shall be consistent with the narrative, tridimensional color renderings and produced in standard commercial software like AutoCAD® or Revit®.

5.1.1.3. Renderings

The Proposers shall provide tridimensional color renderings and include one (1) aerial perspective view, one (1) perspective of the main façade (including three (3) façade variations), and one (1) interior perspective of the living/dining and kitchen area. The renderings shall be consistent with the narrative and drawing submission and produced in standard commercial software like Revit® or SketchUp®. The materials, textures, finishes and lighting may be produced in the preferred render engine program.

5.1.1.4. Document Format

The conceptual design pamphlet shall be submitted in hardcopy in high resolution and a digital copy shall be provided in PDF format. The pamphlet shall include the narrative, drawings, and renderings in a 11x17 tabloid/landscape format. Digital files must be provided in a flash drive. The pamphlet will have the following order:

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1. Cover page;
2. Design narrative;
3. Architectural drawings; and
4. Tridimensional color renderings.

5.1.1.5. Schedule of Deliverables

Time and efficiency are of the essence for the Program(s). Upon contract execution, the Proposers shall provide the conceptual design deliverables for the model home variations within the following timeline:

- Conceptual Design deliverables for all model home variations (1L-2B, 1L-3B, 1L-4B, 2L-2B, 2L-3B, 2L-4B) To be submitted within **thirty (30) calendar days** from contract execution.
- "ADA" features and details shall be submitted as part of each model home submission.
- Upon the Program Managers and PRDOH approval of the architectural conceptual designs, the Construction Managers design team will continue with the Design Development (Phase II) deliverables.

For design and construction efficiency, the Construction Managers' AOR shall elaborate the design solutions in such a way that model homes are readily adaptable to accommodate "ADA" details and features. These shall comply and graphically depict the applicable 2010 ADA Standards for Accessible Design⁴.

Proposers may submit model homes (1L-2B, 1L-3B, 1L-4B, 2L-2B, 2L-3B, 2L-4B) with the corresponding details and features ("Standard", "ADA", three (3) "façade variations" and "Stylistic Options") in a single set of documents. The corresponding "blow-up" plans, sections, elevations, and details shall be specified, differentiated, and clearly depicted.

In this phase, the Construction Managers should expect frequent communications, request for clarifications, and meetings with Program Managers and/or PRDOH until deemed as "approved".

5.1.2. Design Development (Phase II)⁵

The Construction Managers will submit a detailed, coordinated design development package of all the model homes and include the architectural, structural, mechanical, and electrical disciplines. Construction Managers must submit all the necessary information to clearly explain the proposed design intent. During this phase the

⁴ Refer to the Department of Justice published revised regulations for Titles II and III of the Americans with Disabilities Act of 1990 "ADA" in the *Federal Register* on September 15, 2010. These regulations adopted revised, enforceable accessibility standards called the 2010 ADA Standards for Accessible Design "2010 Standards" or "Standards".

⁵ See Footnote 2.

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Construction Managers will provide a narrative, coordinated set of drawings, technical specifications, submittals, tridimensional color renderings, detailed cost breakdown, and upon approval by the Program Managers and PRDOH each model home shall obtain the "Plano Seguro" approved by the Office of Permit Management (known in Spanish as "Oficina de Gerencia de Permisos". **OGPe**, for its Spanish acronym). The design development package must comply with the applicable codes, regulations, selected Green Building Standard and Program(s) Minimum Architectural and Design Standards.

5.1.2.1. Narrative

The technical narrative shall be provided for each of the model home and shall elaborate on the following topics:

1. Innovation in design;
2. Applicable code compliance;
3. Selected Green Building Standard compliance;
4. Sustainable design;
5. Resiliency considerations;
6. Energy efficiency and water conservation considerations;
7. Construction systems, materials, and time efficiency;
8. Building envelope compliance (including exterior doors and windows);
9. Quality and durability of proposed materials;
10. Layout efficiency and functionality;
11. Design strategies to promote cost reasonableness and efficiency;
12. Design strategies for material use, efficiency and durability;
13. Overall design strategies and construction techniques to complete the site work with practical, feasible and cost reasonable solutions. This description shall include the design and construction of site elements such as shear walls, foundation walls, retaining walls, earthwork, grading, berms, permaculture, elevated structures, and others;
14. Innovation, design strategies, construction, and installation techniques for photovoltaic with battery storage and water storage systems; and
15. Innovation, design strategies, construction, installation techniques for septic systems, including but not limited to alternate septic systems and technologies, when required.

5.1.2.2. Drawings

The Construction Managers shall provide a detailed and coordinated set of drawings for all the model homes. The drawings shall include the following minimum information:

- 1) Title sheet (including index of drawings, architect of record and consultants' information, stamped and sealed in each discipline);

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- 2) Architectural floor plan, roof plan, reflected ceiling plan, exterior elevations (including three (3) façade variations), sections (shall illustrate interior elevations), kitchen, bathroom & laundry (blow-up plans and elevations), doors/window types, hardware, details, assemblies, and schedules. Kitchen, bathroom, laundry, paint, finish, rough-in installation, appliances, equipment schedule and notes. The information requested in Section 5.1.1.2. of this document shall be included (model home type, total square feet, name, and square feet area of each space, general, partial dimensions, and a graphic scale);
- 3) Architectural drawings of the "ADA" details and features must graphically depict the applicable 2010 ADA Standards for Accessible Design. Particular attention shall be provided to accessibility features including but not limited to turning spaces, clear spaces, clear floor, ground space, maneuvering clearance (forward and parallel approach, toe/knee clearance, protruding objects, unobstructed forward/high forward/side reach clear width of doorways and overall accessibility in kitchen, laundry, and bathroom areas, among others.
- 4) Structural foundation plan, roof structural plan, sections, assembly details, and notes;
- 5) Plumbing layout floor plan, roof drainage plan, water and sanitary isometrics, general notes, details, schedules, solar water heater and water storage system installation details, control/gate valve details, cleanout details, clothes washing machine box details, dryer exhaust details, gas tank detail, and water storage systems and notes; and
- 6) Electrical floor plan, reflected ceiling electrical plan, service drop, photovoltaic with battery storage system installation details, one-line diagram(s), electrical panel schedule, luminaire schedule, notes, telephone & data line diagram, smoke and carbon monoxide detectors line diagram.

A "flat lot" will be used as a hypothetical condition for the elaboration of design Phases I, & II. The photovoltaic system with battery storage and water storage systems, walkway, driveway, and carport shall be graphically depicted. The design development drawings shall depict the appearance of the proposed model homes, dimensions and the notes scaled accordingly. Refer to Section 14.8 of this document and the Minimum Architectural and Design Standards for photovoltaic system with battery storage and water storage systems requirements. The design development phase may be submitted with these systems depicted and noted "pending site-specific information".

The design development drawings shall be submitted in 24x36 tabloid/landscape format, (dimensions and the notes scaled accordingly). The hardcopy illustrations must be in high resolution and a digital copy of the drawings will be required in PDF and DWG format.

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These drawings shall be consistent with the narrative, tridimensional color renderings, technical specifications, submittals, detailed cost breakdown and produced in standard commercial software like AutoCAD® or Revit®.

5.1.2.3. Technical specification

The technical specifications of all the model homes are required. These specifications will describe as minimum the general requirements, project coordination, reference standards, materials and equipment, product substitutions, project closeout, project record drawings, site work (place holder upon a Task Order), concrete, unit masonry, metals, woods and plastics, thermal and moisture protection, doors and windows, finishes, specialties, equipment, special construction (if applicable), plumbing, electrical and any other applicable divisions. The technical specifications shall be provided in an 8.5x11 letter format in PDF and Word® .doc file as per MasterSpec® divisions.

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5.1.2.4. Submittals

The project submittal package for materials, products and equipment incorporated into the model homes shall be provided as standard procedure, efficiency, and accuracy of projects. The Lead Design Manager, Lead Construction Manager and the corresponding design professionals shall evaluate and approve the proposed submittals that will become part of the stamped and sealed construction documents. The submittal package shall summarize and streamline the administrative work, provide visibility, and serve as a tool for Program(s) inspections.

The model home submittals shall include the cut sheets that identify the manufacturers, specifications and model number, shop drawings with dimensions of such products (i.e. windows, doors, hardware, tiles, paint, finishes, photovoltaic system, water storage system, solar water heater, appliances, and others). The Construction Managers submittal package will enable an accurate budget, purchase, and lead time for the work and project completion. The project submittals shall be provided in an 8.5x11 letter format in PDF and Word® .doc file.

5.1.2.5. Renderings

The Construction Managers shall provide color tridimensional color renderings and include one (1) aerial perspective view, one (1) perspective of the main façade (including three (3) façade variations), and one (1) interior perspective of the living/dining and one (1) interior perspective of the kitchen area. The renderings shall be consistent with the narrative and drawing submission, provided in 11x17 tabloid/landscape format, and produced in standard commercial software like Revit® or SketchUp®. The materials, textures, finishes and lighting may be produced in the preferred render engine program.

5.1.2.6. Detailed Cost Estimate

The detailed cost estimate shall be submitted for each model home and must be itemized, including all trades, components, and sufficiently detailed for the PRDOH to perform a cost reasonableness analysis. The detailed cost estimate shall include the material, equipment, and labor cost of each component to be incorporated into the work. The detailed cost estimate shall be developed by the Construction Managers and submitted in a Program(s) template, distributed upon contract execution. The document shall be provided in an 8.5x11 letter format both in PDF and XLSX files.

5.1.2.7. Permits and Endorsement

Upon approval of the design development deliverables, the Construction Managers shall submit, pay, secure, and obtain the OGPe "Plano Seguro" approval for all the model homes as per the corresponding agency(ies) requirements. The Construction Managers may file a single permit for each model home which includes all the model home variations.

5.1.2.8. Documents Format

The design development drawings shall be provided in physical copies and digital files as described in Section 5.1.2.2. of this document. The design narrative, technical specifications, list of submittals, tridimensional color renderings, detailed cost breakdown and OGPe approved "Plano Seguro" shall be submitted as indicated in the corresponding Sections of this document. Digital files shall be provided in a flash drive and/or web-based platform as requested by the Program(s).

5.1.2.9. Schedule of Deliverables

Time and efficiency are of the essence for the Program(s). The model home design development deliverables shall include the narrative, drawings, technical specifications, submittal package, tridimensional color renderings, and detailed cost breakdown. The Construction Managers will be responsible for completing the design development deliverables in the following timeline:

- Design Development deliverables for all model homes (single- and two-story) to be submitted within **ninety (90) calendar days** from the "approval" of the Conceptual Design model homes. The order and timeline of submissions will be the following:
 - **First Package:** within **thirty (30) calendar days** of the conceptual design approval: 1 Level & 2 Level - **2 Bedroom** model homes;
 - **Second Package:** within **sixty (60) calendar days** of the conceptual design approval: 1 Level & 2 Level - **3 Bedroom** model homes.

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- o **Third Package:** within **ninety (90) calendar days** of the conceptual design approval: 1 Level & 2 Level - **4 Bedroom** model homes.

- **OGPe "Plano Seguro" permit filing:** to be filed within **fourteen (14) calendar days** from the approval of each model home. The filing evidence shall be submitted to the Program(s) as part of this deliverable.
- **OGPe Approved "Plano Seguro":** The approved permit package shall be submitted to the PRDOH and/or its representatives physically and/or in PDF format.

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In this phase, the Construction Managers should expect frequent communications, request for clarifications, and meetings with Program Managers and/or PRDOH until deemed as "approved". This phase will conclude with the Program(s) approved model homes which may be built during Program(s) implementation, an issued Task Order and subsequently a Notice to Proceed.

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6. Project Existing Conditions

As the Program(s) experts in design, technical evaluations, studies, permitting and construction, the Construction Managers will perform a property assessment (scope site walk) to validate, confirm the Project Intent and develop an initial scope of work (initial scope report) consistent with the Program(s) eligible activities.

6.1. Scope Site Walk and Initial Scope of Work

The Construction Managers will be responsible to conduct a scope site walk in all the properties upon case assignments. The Construction Managers personnel must assess the property accessibility, availability (or lack) of electrical, potable, and sanitary water infrastructure, lot potential, restrictions, limitations, proximity to bodies of water, natural resources, geological formations, or any other relevant information that may limit the proposed activity, including but not limited to evidence of soil erosion, landslide, flood, extreme slopes, and others. In the case that a replacement home is required, the Construction Managers shall confirm and validate if the corresponding model home construction is feasible. In the case of a rehabilitation (either repair or retrofit), the Construction Managers team shall confirm and validate if the proposed activity is practical, feasible and cost reasonable.

The outcome of this activity is to confirm and validate the Initial Project Intent as identified by the Program Managers, develop an initial scope of work for the Program(s) evaluation. The Construction Managers shall be responsible for completing these activities within **ten (10) calendar days** from the date on which a case is assigned. Once the Program Manager and Construction Manager agree to the Initial Project Intent and scope of work, the Program(s) will notify the applicant. Upon applicant acceptance, a Task Order

will be issued to the Construction Manager to continue with the Pre-Construction deliverables.

6.2. Task Order & Pre-Construction Deliverables

Upon an issued Task Order, the Construction Managers will diligently engage its organization to commence and complete the site survey, technical studies, tests, reports, architectural, civil, structural, mechanical, electrical design, and any other activity required for the project design, permitting process and complete these activities with due diligence, efficiently and in a timely manner.

The Construction Managers are responsible for completing the environmental testing of asbestos containing materials, lead-based paint testing and reports:

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6.2.1. Environmental Testing

The Construction Managers will perform an inspection and risk assessment for asbestos, lead-based paint, and materials in accordance with federal and state regulatory standards. The personnel and laboratories that will perform the assessments, tests, reviews, and reports must possess all certifications required by the U.S. Environmental Protection Agency (EPA), Department of Natural and Environmental Resources (DRNA, for its Spanish acronym), HUD, Program(s) policy, federal and Puerto Rico's Environmental Laws and regulations.

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6.2.2. Asbestos Survey, Testing and Report

Exposure to asbestos increases risk of developing lung disease. In general, the greater the exposure to asbestos, the greater the chance of developing harmful health effects. Disease symptoms may take many years to develop following exposure. Because of its fiber strength and heat resistance asbestos has been used in a variety of building construction materials for insulation and as a fire retardant. Asbestos has also been used in a wide range of building materials (roofing shingles, ceiling and floor tiles, paper products, and asbestos cement products), these fibers may be released into the air by the disturbance of such materials in demolition work, building or home maintenance, repair, and others. The Construction Manager is expected to be fully familiar with Puerto Rico's regulations, and federal regulations which include but is not limited to 40 CFR Part 763 (Asbestos Containing Materials in Schools), 40 CFR Part 1926.1101 (Construction) and 40 CFR Part 61 (Subpart M) (Hazardous Air Emissions), as may be applicable. The Construction Managers personnel that will be performing the surveys, testing, reviews, and reports must possess all certifications required by DRNA. Upon a Task Order being issued, the corresponding reports shall be furnished within **twenty-one (21) calendar days**.

6.2.3. Lead-Based Paint Inspection, Risk Assessment Testing and Report

Federally funded programs, such as CDBG-DR and CDBG-MIT, may impact residential structures built before 1978, therefore steps must be taken to address lead hazards. A lead-based paint hazard is any condition that causes exposure to lead form dust-related hazards, soil-lead hazards, or lead-based paint that is deteriorated, or present in chewable surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects. The Program(s) must comply with provisions found at 24 CFR 35 for lead reduction. The Lead Hazard Assessments under the Program(s) will be prepared by the Construction Managers. All the lead-based paint and material testing will be performed by an EPA Certified Lead-Based Paint Activities Firm utilizing an EPA Certified Lead Based Paint Inspector or Risk Assessor in compliance with 24 CFR Part 35. The Construction Managers personnel that will be performing the surveys, testing, reviews, and reports must possess all certifications required by DRNA. Upon a Task Order being issued, the corresponding reports shall be furnished within **twenty-one (21) calendar days**.

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The pre-construction technical reports and information will be used to further define the project design intent and elaborate the Construction Documents as described in the following Sections of this document.

7. Construction Documents (Phase III)⁶

This phase of design will be performed upon a Program(s) issued Task Order. For repair works this is the only design submission required. For construction projects a complete, coordinated set of construction drawings and technical specifications will be required. The construction documents will include all the necessary information for the site-specific design. The construction documents shall provide all the technical information to expedite the permitting, construction process, and reduce unnecessary delays, risks, errors, and omissions.

The construction documents must be consistent with the Program(s) approved scope of work, Task Order, Scope Changes, reasonable accommodation requests, technical specifications, submittals, compliant with the Environmental Review Record, Green Building Initiatives and Checklist (HUD CPD Green Building Retrofit Checklist or Selected Green Building Standards), Minimum Architectural Design Standards, and related regulatory agency requirements, and others. When a replacement home is to be constructed, homeowners will have stylistic options to select during the grant award meeting:

1. Façade variations;

⁶ See Footnote 2.

2. Exterior doors style;
3. Exterior windows style;
4. Exterior paint color scheme;
5. Kitchen cabinets and countertop finish/color scheme;
6. Bathroom vanity countertop finish/color scheme;
7. Floor tile options; and
8. Any other optional component that has no impact on costs.

The homeowners selected stylistic options shall be included in the grant award package, construction documents and the PRDOH Grant Management System of Record.

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7.1. Drawings⁷

The construction drawings developed during this phase of design will become the part of the Construction Documents. A complete and coordinated set of drawings shall include all the information required to perform construction works, while reducing the amount of additional information, supplementary drawings being requested by the construction team. This includes but is not limited to site survey, existing site conditions, demolition plan, proposed site plan, grading and drainage plan (with spot/control elevations and finish floor elevations, existing and proposed site profiles/sections, erosion and sedimentation control plan, site design features such as retaining walls, berms, soil bioengineered walls, infrastructure design such as potable water, wastewater system electrical, details and notes. The construction drawings shall include the OGPe approved "Plano Seguro" and clearly depict and specify the homeowners selected stylistic options.

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These construction drawings shall consider Environmental Review Record, Selected Green Building Standard, Minimum Architectural and Design Standards, regulatory agency(ies) requirements and all the necessary information to perform the site-specific work. These drawings should be produced in standard commercial software like AutoCAD® or Revit® and include all the information required to complete the works, obtain, and secure the construction permit and reduce the quantity of supplementary drawings, sheet revisions and internal request for clarifications.

7.2. Technical specification⁸

The Construction Managers shall edit and complete the technical specifications approved under the Design Development Phase according to the project existing conditions and proposed design. The technical specifications shall be consistent with the Program(s) approved scope of work, Task Order, and construction drawings. These specifications shall consider Environmental Review Record, Selected Green Building

⁷ See Footnote 2.

⁸ See Footnote 2.

Standard, Minimum Architectural and Design Standards, regulatory agency(ies) requirements and all the necessary information to perform the site-specific work. The technical specifications should be produced in standard commercial software like MasterSpec®.

7.3. Document Format⁹

The construction drawings shall be elaborated in 24x36 tabloid/landscape format with the following order: title sheet, key legend and notes, site survey, demolition plan, civil plans, architectural plans, structural, plumbing, mechanical, electrical. These must include all the necessary information as required by the applicable agency(ies). The construction drawings will be presented in a Program(s) drawing template for consistency purposes.

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7.4. Permits and Endorsement¹⁰

The Construction Managers shall elaborate a correct and complete permit package and include all the necessary information to reduce the probability of agency(ies) request of additional information. The Construction Managers are responsible to obtain and secure the construction permits, endorsements as required by the OGPe, Autonomous Municipalities, and regulatory agencies. The Construction Managers will submit all the necessary information, documents and pay all filing fees pursuant to the abatement and construction permits. In those cases that a project might require variances from the permitting agency(ies) for the project to remain as a replacement (reconstruction) project, these may be pursued by the Construction Managers AOR and design team to reduce the number of unnecessary relocations, provide Program(s) applicants with the opportunity to remain in their properties. Variance request to the permitting agency(ies) shall be performed as part of the Construction Managers design, permitting deliverables. The Construction Managers design team shall perform due diligence, fiduciary duty, perform the contracted services in benefit to the Program(s) applicants and according to the applicable agency(ies) processes and requirements.

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For replacement (reconstruction) projects, the Construction Manager shall submit all the Task Order corresponding information of the final scope (includes any necessary change orders), cost, and time impact, (when applicable) prior the completion of a structure pay point, (milestone). Upon the approval of the structure pay point (milestone), the Construction Manager shall commence the process to obtain and secure the Occupancy Permit.

⁹ See Footnote 2.

¹⁰ See Footnote 2.

7.5. Schedule of Deliverables¹¹

Time and efficiency are of the essence for the Program(s), therefore design, construction documents and permitting activities shall be completed in the least amount of time possible, as the "Average Build Time" will be one of the metrics, milestones, and performance, as described in Section 8 of this document.

7.6. Design & Permitting Packages Deliverables for R3 and SFM Programs¹²

The Construction Managers shall provide a correct, complete permitting package to avoid unnecessary delays to obtain a construction permit.

- Once a Task Order is issued, the Construction Manager is responsible to file the construction permit to the corresponding agency(ies) within **forty-five (45) calendar days**.

Exceptions on a case-by-case basis according to the project complexity or permitting process.

7.7. Construction Deliverables for R3 and SFM Programs

7.7.1. Rehabilitation (Repair) Work: All work under a repair project intent, (including a structural retrofit when required) must be completed by Construction Managers within **sixty (60) calendar days**. This period will begin upon the Program(s) issuance of a Notice to Proceed and will be considered as completed on the date at which Contractor submits the request of a Substantial/Finishes Milestone Inspection which later passes the inspection performed by the Program(s). When required, the Construction Managers shall acquire the Occupancy Permit ("Permiso de Uso") prior to the homeowner move-in to the rehabilitated home.

7.7.2. Replacement Home Construction Work (Reconstruction): All work under reconstruction Project Intent must be completed by Construction Managers within **one hundred and eighty (180) calendar days**. This period will begin counting upon the Program(s) issuance of a Notice to Proceed and will be considered as completed on the date at which Contractor submits the request of a Substantial/Finishes Milestone Inspection which later passes the inspection performed by the Program(s). The Construction Managers shall acquire the Occupancy Permit ("Permiso de Uso") prior to homeowner move-in to the replacement home.

¹¹ See Footnote 2.

¹² See Footnote 2.

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8. Metrics, Milestones, and Performance

As a performance-based contract, the Program Managers, PRDOH and/or its representatives will actively evaluate the Construction Managers performance and responsiveness. Repeated failures or "under performance" may result in limited future case assignments, probatory period, corrective plan, stop work, re-assignment of cases and/or projects, when required. Construction Managers will be evaluated during the life of the Contract for:

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- 8.1.1. **Workmanship:** To be quantified by examining the ratio of total failed Milestone Inspections. The Construction Managers with the lowest ration will be assigned a higher weighted factor. The PRDOH's representatives will monitor all "rolling" failed inspections. Performance may trend upward or downward over a given period;
 - 8.1.2. **Average Design & Permitting Time:** Calculated as a measure of the total number of days from a Task Order being issued to the Contractor having filed a request for Construction Permit with OGPe;
 - 8.1.3. **Average Build Time:** Calculated as a measure of the total number of days from a notice to proceed to the date that a Substantial/Finishes Milestone Inspection with a pass result was requested by the Construction Manager. The Construction Manager with the lowest average build time is assigned a higher weighted factor;
 - 8.1.4. **Work in Progress:** A measure of the amount of work the Construction Manager currently has under contract for which a notice to proceed has been issued, but a Final Inspection has not been completed. This value will be compared against initial baseline capacity that is established for the Construction Manager. Less work in progress means a higher capacity to be assigned more projects. The baseline may be adjusted over the life of the project based on actual performance of each Construction Manager;
 - 8.1.5. **Client and Homeowner Satisfaction:** This evaluation will be performed using customers surveys to the homeowner, owners, and its representatives. A self-evaluation survey will be given to the Selected Proposers to be used in an improvement tool for the Program. The survey results will be tabulated and valued to establish a composite score of the customers satisfaction. These results will be share and discussed with the corresponding Construction Manager.

PRDOH, at its sole discretion, may determine, implement, and monitor additional performance indicators for Construction Managers through the life of the Contract and the Program.

9. Compliance of Work with Federal Laws

9.1. Minimum Construction Labor Wage Rates

Construction Manager and subcontractors pay their construction labor force a minimum wage rate of \$15.00 per hour; in alignment with the current R3 Program Construction Managers' contracts.

9.2. Fair Labor Act

All work performed for the Program by the Construction Managers, as well as any of their subcontractors, as part of the Contract must comply with the requirements of the Fair Labor Act.

9.3. Davis-Bacon Act & Related Acts

All work performed for the Program by the Construction Managers, as well as any of their subcontractors, as part of the Contract must comply with the requirements of the Davis-Bacon Act, when applicable¹³.

10. Environmental Review

Environmental Review is the process of reviewing a project and its potential environmental impacts to determine whether it meets federal, state, and local environmental standards and regulations. The Program(s) Environmental Reviews of the at a site-specific level will be prepared by Program Managers retained by the PRDOH. An environmental review process will be required for all awards to be issued under the Program(s) to ensure that the proposed activities do not negatively impact the surrounding environment, mitigate an adverse effect on historical zones, districts, properties, archeological heritage and environmental or health effect on end users.

The Program(s) will have documentation that follows the National Environmental Policy Act (NEPA) and/or HUD requirements for environmental review. Therefore, all projects shall have an Environmental Review Record (ERR). The ERR for the projects will set forth (a) the existence of adverse effect and/or negative impacts on a site, (b) the means to mitigate adverse effect and/or negative impacts, (c) alternatives to the project (if needed), and (d) the rejection of the proposed activities if it becomes the most prudent action to take. The Construction Managers will be responsible for evaluating the ERR information, requirements, and implementing any means to mitigate negative environmental impacts for projects, including historical and archeological adverse effects, and any other action required for environmental compliance.

¹³ While the Davis Bacon Act may not be triggered, contractors are responsible for compliance with the applicable related acts. See form HUD 4010 for more information. <https://www.hud.gov/sites/dfiles/OCHCO/documents/4010.pdf>

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10.1. Asbestos Survey Report and Abatement

An asbestos survey report is used to locate and describe asbestos-containing materials in a structure. The Program(s) will conduct comprehensive building asbestos surveys, testing and results in the assessment of properties. The asbestos survey reports of the Program(s) will be prepared by the Construction Managers' representatives. If any abatement measures are needed, Construction Managers will be responsible to file, obtain the corresponding permits, implement such measures and obtain environmental clearance in accordance with any federal, state, and local requirements for such works. The abatement activities may be performed by the Construction Managers upon a Program(s) Notice to Proceed, (refer to Section 6.2.1, 6.2.2. & 6.2.3. of this document).

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10.2. Lead Hazard Risk Assessments and Abatement

Lead hazard risk assessments are on-site investigations to determine the existence, nature, severity, and location of lead-based paint and material hazards accompanied by a report explaining the results and options for reducing lead-based material hazards (40 CFR 745.227(d)(11)). Lead hazard assessments for the Program(s) will describe the options for controlling lead hazards, if hazards are found, including interim controls and abatement measures. If any abatement measures are needed, Construction Managers will be responsible to file, obtain the corresponding permits, implement such measures and obtain environmental clearance in accordance with any federal, state, and local requirements for such works. The abatement activities may be performed by the Construction Managers upon a Program(s) Notice to Proceed, (refer to Section 6.2.1, 6.2.2. & 6.2.3. of this document).

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11. Program's Unit Pricelist

The Program(s) requires standardization of unit costs, as this may provide and:

- Is set forth to provide the Program(s) a reasonable cost;
- Facilitates communication and provides consistency among the Program Managers, Construction Managers, PRDOH and its representatives;
- Assures applicants are treated equally in the grant award determination process;
- Encourages fair and balanced treatment to applicants;
- Promotes efficiency and production in a high volume and time efficient environment;
- Creates an optimization-based process to reduce administrative burden; and
- Optimizes the development, evaluation and approval of scopes of work, Task Orders and applications for payment for Construction Managers.

The Program(s) will make use of Xactware's Pricing Lists as the main source for pricing of construction works. Xactware is an independent, third-party, company that researches and reports on industry pricing. They use pricing information from general contractors,

subcontractors, insurance carriers, insurance adjusters, industry professionals as they research and report on average market price for price list items. Xactware assures that no one party or industry segment has any undue influence on the pricing data that they research and report on. Xactware's Pricing Lists have been used in other implementations of CDBG Programs in the United States, including Puerto Rico and is accepted by HUD as of source to provide reasonable cost.

Xactware's Pricing Lists ensures that the cost for work performed under the Program(s) maintains itself within reasonable cost levels for the duration of the Program(s). Initially, the Program(s) will make use of the Xactware Pricing List **PRSJ_JUN23** for Puerto Rico and for the month of June 2023 with a Carrier Profile. Xactware's Pricing List to be used by the Program(s) will be updated by semester, at the beginning of the calendar year and at the beginning of each State Fiscal Year to the most recent up to pricing list published by Xactware. This allows for pricing within the Program(s) to become fixed for **six (6) months** terms to facilitate Program(s) administration and allows for adjustments to the pricing due to conditions outside of the PRDOH's and the Construction Managers control. The frequency for updates to the Program(s) Price List herein stated may be adjusted by the PRDOH if such a change is beneficial to Program(s) implementation.

Xactware's Pricing Lists are published through Xactimate Software. Therefore, Construction Managers are required to acquire, maintain, and pay for Xactimate Licenses while under an engagement with the PRDOH for Construction Management Services. As Xactware's Pricing Lists may not hold every item of work required by the Program(s), the PRDOH reserves the right to include additional items of work and their reasonable cost as part of Program(s) issued documents. Construction Managers must perform work specified under additional line items published by the PRDOH, at the pricing established by the PRDOH, when works that include such additional line items are assigned. PRDOH will only establish pricing at reasonable costs. Additional Line-Item Lists, and their updates, will be published by the PRDOH as part of Program(s) issued documents whenever necessary. Xactware's Pricing Lists in combination with any Additional Line-Item List published by PRDOH are the **Program Unit Price List**. All work performed under the Program Unit Price List must conform to all design and construction requirements for Puerto Rico, as well as the HUD CPD Green Building Retrofit Checklist, Selected Green Building Standards and the Minimum Architectural and Design Standards included as **Attachment # 5** of the RFP.

11.1. Overhead

Overhead for Program Unit Price List items will also be standardized under the Program(s). Overhead percentage to be paid for all construction-related activities is equal to twenty percent (20%). Overhead is inclusive of any direct expenses (job overhead) such as:

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- Cost for space and structures including temporary office structures such as trailers, architect quarters, and leased office space;
- Project-specific salaries including wages, payroll taxes, benefits and any reimbursable expenses for foremen, schedulers, engineers, and field superintendents, quality inspectors, among other employed on-site staff;
- Equipment, tools, scaffolding, personal protective equipment;
- Temporary facilities such as on-site offices, and other temporary structures like tool sheds, on-site container storage, bathroom portable pods, temporary barricades, soil and erosion control plan & execution, temporary railing, ramps, walls, and protection;
- Cost and payment of temporary utilities such as hydrant meters, temporary water, heat, electricity, generators, and fuel, including connection and disconnection fees;
- Cost for drinking water for on-site staff and workers including cups and maintenance;
- Project photographs and signage;
- Surveying and project staking;
- Site cleanup, both daily and final;
- Testing, inspection required including pumping, soil testing, and material testing.

Overhead is also inclusive of indirect expenses (general overhead) such as:

- Salaries, benefits of employees and personnel like, principal, key staff personnel, executives, administrative personnel, purchasing staff, estimators, bookkeepers, and anyone else working on the central offices and not directly employed on a specific project;
- Any central office cost including rent, utilities, supplies, phones, internet services, insurance, office equipment, furniture, and taxes;
- Any physical property including vehicles and associated cost;
- Costs of marketing, advertising, travel costs, and fees for professional services such as legal fees and audit services, among others; and
- Depreciation expenses for any office equipment or any other company owned construction equipment that would have a percentage written off as part of a general overhead expense and the cost of doing business.

11.2. Profit

Profit for Program Unit Price List Items will also be standardized under the Program(s). Profit percentage to be paid for all construction-related activities is equal to ten percent (10%).

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12. Payment Terms and Method of Payments

Payments shall be issued for services provided under the Construction Manager contract as stated in this Section. Invoices must be submitted with all supporting documents, as required by HUD and PRDOH. The supporting documents may include, but not limited to following:

- Invoice;
- Documents checklists;
- Breakdown for Payment;
- Photographical evidence;
- Expense plans or projections;
- Payroll statement of compliance;
- Work projections or project schedules;
- Monthly status or quality control reports;
- Insurance and bonds evidence, including renewals;
- Approved change orders or contract modifications;
- Certification of compliance with update of record drawing;
- Certification of compliance with updated of record specification;
- Certifications required by federal, state, or local governments; and
- Any other documents that support the service provided and billed.

The official list of supporting documents for invoices will be established in the Program(s) procedures. PRDOH reserves the right to review the correctness of invoices and perform audits. The Construction Managers must consider that one or more of the documents presented in the payment request will required signatures, notarization, or official certifications from one or more entities within the Construction Managers organization.

The Construction Managers shall submit invoices for services performed and approved by the Program(s) or its representatives. Invoices must be detailed, specified, and itemized accompanied by a description of the services provided as previously approved by the PRDOH. Construction Managers will be able to invoice once or twice per month; according to the PRDOH's established procedures.

Each assigned home will have pay points dependent on the type of work assigned to the Construction Managers. General pay points for work are as follows:

- **Repair Works:** Only a single pay point will be allowed for repair works under the Program(s). Invoices for repair works will be submitted by the Construction Managers once all repair work is completed and accepted by the Program(s). Retainage of 10% will be applied to the repair award invoices in cases where the Construction Manager is unable to obtain a No-Debt Certification on Taxes from

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the applicable Municipality. Such amount will be retained until such time when a No-Debt Certification on Taxes is provided to PRDOH for each specific Application.

Reconstruction Work: Four (4) pay points have been currently identified for construction or replacement homes. These pay points are (1) upon completion of the replacement home foundation (includes the demolition of the substantially damaged homes for reconstruction awards) (up to 25% of the total Task Order amount less 10% retainage), (2) upon completion of the replacement home structure (up to 60% of the total Task Order amount less 10% retainage), (3) upon completion of the replacement home finishes (up to 100% of the total Task Order amount less 10% retainage), and (4) upon final acceptance of the work (includes the demolition of the substantially damaged homes for relocation awards) (100% of the total Task Order amount).

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The PRDOH reserves the right to include additional pay points for work performed by Construction Managers if it is deemed to be in the best interest of the Program(s). The Construction Managers will provide the invoice package to the Program Managers and PRDOH's representatives for evaluation. Invoices must be correct, complete, and certified by the Construction Managers authorized representatives. Upon receipt of an invoice recommended for payment, the designated office within PRDOH will process it for certification, in accordance with the Accounting Act Law, following the standards and regulations established by enforcement agencies of the Government of Puerto Rico. Construction Managers will be paid on a Task Order basis. No payments will be issued by the PRDOH for the development of the model home Conceptual Design and Design Development Phases. The PRDOH will pay for design as it applies to an issued Task Order Construction Documents deliverables.

12.1. Payment when an Applicant Withdraws after a Task Order is Issued

If the Contractor is issued a Task Order to begin design and permitting work on an application and, thereafter, the Applicant decides to withdraw from the Program before construction begins, the Contractor will be compensated by PRDOH in an amount that represents the work completed up to the withdrawal date of the Applicant. The procedure to determine the amounts to be disbursed to Contractor under these scenarios will be set forth by PRDOH in the Program(s) policies and procedures.

13. Code Compliance ¹⁴

The current International Building Code® (IBC Codes) establishes minimum requirements for building systems using prescriptive and performance-related provisions. The IBC Codes are fully compatible with all the International Codes® (I-Codes) published by the International Code Council (ICC). This regulation arises from the adoption of ten (10) of

¹⁴ See Footnote 2.

the ICC family with its amendments to conform to the requirements of Laws and Regulations of construction and occupancies in Puerto Rico. This edition of the Puerto Rico Codes, like the other Codes published by the ICC, is arranged and organized to follow sequential steps that generally occur during a plan review or inspection and must be used with the corresponding code of the I-Codes family as follows:

1. *Puerto Rico Building Code (PRBC)*, as amended from the IBC Code;
2. *Puerto Rico Residential Code (PRRC)*, as amended from the International Residential Code® (IRC);
3. *Puerto Rico Mechanical Code (PRMC)*, as amended from the International Mechanical Code® (IMC);
4. *Puerto Rico Plumbing Code (PRPC)*, as amended from the International Plumbing Code® (IPC);
5. *Puerto Rico Fire Code (PRFC)*, as amended from the International Fire Code (IFC);
6. *Puerto Rico Fuel Gas Code (PRFGC)*, as amended from the International Fuel Gas Code® (IFGC);
7. *Puerto Rico Energy Conservation Code (PRECC)*, as amended from the International Energy Conservation Code® (IECC);
8. *Puerto Rico Existing Building Code (PREBC)*, as amended from the International Existing Building Code® (IEBC); and
9. *Puerto Rico Private Sewage Disposal Code (PRPSDC)*, as amended from the International Private Sewage Disposal Code® (IPSD)

All work performed by Construction Managers must also comply with most current federal, state, and local, codes, laws, regulations, and standards including, but not necessarily limited to:

1. *Joint Regulation for Project Evaluation and Permitting, regarding Land Development and Use, and Business Operations ("Reglamento conjunto para la evaluación y expedición de permisos relacionados al desarrollo, uso de terrenos y operación de negocios")*, or its equivalent regulation in place;
2. *Local planning and zoning requirements*;
3. *Planning and Capacity Building (Section 105(a)(12) of the HCDA)*;
4. *Energy Development Goals (Section 105(a)(16) of the HCDA)*;
5. *Puerto Rico Firefighters Code*; most current approved version;
6. *Applicable Environmental Regulations*;
7. *Applicable HUD Terms and Conditions*;
8. *Fair Housing Act*, as amendment;
9. *American with Disabilities Act (ADA) Standards for Accessible Design (when required)*

14. Tasks

The Program(s) require a highly organized, strategical operation, control of scattered project sites for the successful and timely completion of projects. The cases may be grouped and assigned in the corresponding regions to assist applicants in all the

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municipalities of Puerto Rico. The following are the tasks the PRDOH expects Construction Managers to perform with due diligence, fiduciary duty, professionalism, and adhering to the highest standards.

14.1. Task 01: Construction Management/Administration

The Construction Managers organization must have the technical knowledge, expertise, and resources to perform as an integrated design-build Construction Management firm with the capacity to complete high volume of work in a timely manner.

14.1.1. Duties and Responsibilities

- Ensuring compliance with local and federal regulations, including codes, permit and environmental laws;
- Complying with Environmental Review Record;
- Complying with green building initiatives/checklists;
- Standardizing the design processes, while reducing the administrative burden to the Program(s) and its representatives;
- Providing practical, feasible, and cost reasonable design solutions to common, unforeseen conditions and reduce contract modifications;
- Providing a coordinated, complete set of construction documents to complete the construction activity in a timely manner and reduce unnecessary delays;
- Reducing the amount of Scope Changes and time extensions to complete projects diligently;
- Performing project completions in a timely manner, within budget;
- Organizing, administering, and controlling the Construction Managers team, personnel, support staff, subcontractors, and field activity;
- Administering, monitoring, and controlling the production of scoping site walks, scope development, technical studies, reports, construction documents, permitting process, abatement, demolition, and construction activities while reducing the amount of Scope Changes.
- Identifying areas of opportunity to increase the production of work and reduce the time of project completions;
- Standardizing document controls to improve the quality of documentation, construction;
- Implementing and promoting overall efficiency; and
- Standardizing and expediting the close-out process of the projects.

14.1.2. Document Control and Information Technology

The Construction Managers shall engage in the use of software, programs, and web-based technologies for document control as an ancillary requirement to operate and interact with the Program(s). No additional compensation for the implementation,

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maintenance, or licenses of these technologies will be provided. The Selected Proposers must expect the use of the following commercial technologies, but not limited to:

- Word processor software, like MS Word or Google Docs;
- Spread sheet software, like MS Excel or Google Sheets;
- Web browser software, like MS Edge or Google Chrome;
- Presentation software like MS PowerPoint or Google Slides;
- File Transfer services, like MS SharePoint or Dropbox;
- Project Scheduling software, like MS Project or Primavera;
- Web based collaboration and work management platform, like Smartsheet;
- Computer Aid Design (CAD) software, like AutoCAD, MicroStation or Revit;
- Geographic Information Systems (GIS), like Geosoft or ArcGIS;
- Scanners for drawings and documents with Optical Character Recognition (OCR) capacity;
- Estimating database and software, like Gordian RSMeans and Xactimate; and
- PRDOH Grant Management System of Record software, (to be provided).

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14.1.3. Occupational Safety and Health

The Construction Managers must comply with federal, state, or local labor laws and those related to the occupational safety, health and wellbeing of the employees, subcontractors, and stakeholders of the Construction Managers organization. Construction Managers will prepare, update, from time to time, implement and administer the Construction Managers Safety Plan. The Construction Managers will have the qualified safety personnel to train, ensure and reduce the risk of accidents, injury, or incidents. The Construction Managers will be responsible to provide the Personal Protection Equipment (PPE) to all employees and visitors, including, but limited to, the PRDOH or its representatives during site visits or meetings at the projects.

The Safety Plan will be evaluated by the Program Managers and may serve as one of the guiding documents of field work and the Designated Inspectors inspections. The Quality Plan shall be provided to the Program(s) within **thirty (30) calendar days** of contract execution.

14.1.4. Quality Control and Quality Assurance

The Construction Managers must comply with the highest quality standards and tolerances for the residential construction industry. These quality standards will be included in the Construction Managers Quality Plan and will serve as guidance for the implementation, completion, and supervision of work.

The Quality Plan will be evaluated by the Program Managers and may serve as one of the guiding documents of field work and the Designated Inspectors inspections. The

Quality Plan shall be provided to the Program(s) within **thirty (30) calendar days** of contract execution.

A quality control, assurance procedure, testing, and reporting will be developed by the Construction Managers design team as part of the Technical Specifications of each project, (refer to Section 7.2 of this document).

14.1.5. Solid Waste Management Plan

The Program(s) sponsored demolition and construction activities shall comply with the requirements set forth in the Scope of Work, applicable laws and regulations for solid waste management of nonhazardous materials. The Construction Managers must comply with the DRNA requirements to segregate, classify, store and transport demolition, construction and organic materials to reuse, recycle, reduce solid waste and landfill disposal. The DRNA Reuse, Reduce and Recycle Plan for Construction Projects, Quarterly Report and closing documents shall be performed as required by the agency and/or Program(s) requirements.

The Construction Managers shall implement feasible and environmentally conscious strategies that result in quantifiable solid waste reduction and a minimum diversion rate of fifty percent (50%) for Program(s) sponsored activities. A Solid Waste Management Plan with specific strategies to reuse, reduce, recycle solid waste shall delineate a detailed plan to reduce landfill disposal. The detailed plan must describe the applicable activities, material type, diversion percentages, monitoring process and reporting of this goal.

The Solid Waste Management Plan shall be provided to the Program(s) within **thirty (30) calendar days** of contract execution.

14.1.6. Resilience Standard¹⁵

The Construction Managers shall incorporate resilient design techniques and material performance into repair and reconstruction projects to increase a structure's ability to withstand adverse weather and changing climate conditions. To achieve this standard, the use of tighter building envelopes, waterproofing, water-resistant, stronger, and durable materials may be specified. The resilience standard may be achieved by providing photovoltaic with battery storage and water storage systems which may reduce and mitigate the loss of life and property.

¹⁵ See Footnote 2.

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14.1.7. Green Building Standard¹⁶

The Program(s) construction activities must comply with the Green Building Standards as described in Federal Registers 83 FR 5844, 84 FR 4836, and as per Program(s) requirements. All repair and reconstruction homes shall be designed to incorporate resiliency, sustainability principles, efficient use of energy, water, and green building standards.

14.1.7.1. Green Standards for Repairs Work¹⁷

The Construction Managers must apply the following principles or requirements to the extent applicable to the repair activities undertaken:

- HUD Guidelines on the Community Planning and Development Green Building Retrofit Checklist;
- HUD CPD Green Building Retrofit Checklist;
- Use of mold resistant products when replacing surfaces;
- Use of Energy-Star labeled products or appliances;
- Use of WaterSense labeled products or appliances; or
- Use of Federal Energy Management Program (FEMP) designated products or appliances.

14.1.7.2. Green Standards for Replacement Home Construction (Reconstructions)¹⁸

The Construction Managers shall identify which Green Building Standard(s), they will use for the replacement home construction and must comply with at least one of the standards set forth:

- ENERGY STAR Certified Homes (version 3, latest revision, program requirements-Tropics);
- Enterprise Green Communities;
- LEED BD+C (Building Design and Construction);
- LEED Homes;
- LEED O+M (Building Operations and Maintenance);
- LEED ND (Neighborhood Development);
- ICC-700 National Green Building Standard;
- EPA Indoor AirPlus (ENERGY STAR a prerequisite);
- The "Permiso Verde" from the "Oficina de Gerencia de Permisos"; or
- Any other equivalent comprehensive green building program acceptable to HUD.

A certification under one of these Green Building Standard is a program requirement as part of project closeout and final payment. Due to the above, the PRDOH encourages

¹⁶ See Footnote 2.

¹⁷ See Footnote 2.

¹⁸ See Footnote 2.

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to make use of a Green Building Standard that ensures completed homes can be certified at the time construction is completed. At any time during the contract, with the evaluation of the Program Managers and consent of the PRDOH, Construction Manager may change the Green Building Standard to be used for homes on which a Task Order has not been issued.

14.1.8. Public Relations

The Construction Managers are expected to cooperate with Program's public relation efforts and facilitate dissemination of information, upon request. To achieve these goals, the Construction Managers will provide data and information related to the Program(s) production, performance and completed projects. The Construction Managers will direct any communication requests through the PRDOH and its representatives. The Proposers are not authorized to distribute any of the Program(s) documents, data, confidential materials, or sensitive information, unless a written authorization is provided by PRDOH.

It is recommended that Construction Managers document the completed work in good quality and resolution which may be used by the PRDOH for communication purposes, Program(s) achievements and accomplishments. These shall be readily available and be provided to the Program(s), when requested.

14.1.9. Program Coordination

The Construction Managers will be responsible to collaborate in harmony with the other entities and in the Program(s) best interest. Other Program(s) entities and stakeholders include but is not limited to:

- **PRDOH:** The Puerto Rico Department of Housing is the recipient and grantee of the Community Development Block Grant for Disaster Recovery (**DR**) and the Community Development Block Grant for Mitigation (**MIT**) funds. This public entity is called the "Owner" of the Program(s);
- **Program Managers:** responsible for management of the tasks performed by the PRDOH's other contractors and consultants. This entity will provide services to the PRDOH that include, but is not limited to, program administration, project, and case management, operational support, construction compliance, statutory compliance; document control, accounting and reporting for the PRDOH. This entity will provide services to the PRDOH in support of the Program(s) compliance, efficiency, production, and success; and
- **Cost Estimators:** responsible for estimating services construction and non-construction activities under the CDBG-DR and CDBG-MIT Programs. This entity will provide services to the PRDOH, that could include but not be limited to, cost

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estimating, bid evaluation, special cost reports, cost-benefit analysis, claims analysis, price analysis, and cost reasonable analysis.

Construction Managers may have to engage and collaborate with additional stakeholders through the life of the Program(s).

14.2. Task 02: Architectural and Engineering Design¹⁹

The Construction Managers will be responsible for all aspects relating to the design of single-family homes. These designs will be performed and certified by individuals who are licensed to practice the professions of architecture or engineering in Puerto Rico. Services provided by Construction Managers, its subcontractors, agents, and employees, shall comply with all applicable federal and local laws and regulations, including but not limited to those that regulate the practice of licensed professions and those that could affect the Construction Managers ability to carry out the scope of work under the contract. Also, Construction Managers must possess all necessary permits, endorsements, and approvals necessary to perform the work, which are to be valid and updated for the duration of the contract. Construction Managers, and each of their employees, agents, subcontractors, and subconsultants must have all licenses, permits, authorizations, consents, and approvals necessary for the performance of the Scope of Work under the contract. These licenses, permits, authorizations, consents, and approvals are to be valid, in full force and effect from the date of submission of a Proposal and for the duration of the contract. Construction Managers will ensure that architectural and engineering design is performed by qualified professionals with the education, training, knowledge, experience, technical expertise, and valid license to provide these services as required by the applicable laws.

14.2.1. Objectives

- Sustainable design;
- Energy efficiency and water conservation;
- Resilience housing;
- Mitigate risk of loss of life and property;
- Universal design concepts;
- Safer conditions for homeowners and household;
- Healthier residents and communities; and
- Reasonable Accommodations, when applicable.

14.2.2. General Design Requirements:

For consistency purposes, all written means of communications, (electronic or otherwise), emails, request for information, questions, responses, construction documents, submittals,

¹⁹ See Footnote 2.

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and others shall be in English. Meetings may be carried out in Spanish or English (depending on the participants). All design and construction work under the contract must comply with the Minimum Architectural and Design Standards set forth in **Attachment # 5** to the RFP.

14.2.3. Specific Requirements:

All necessary engineer or architectural technical studies, surveys, research, data, analysis, and model home design adaptations required for the completion of the designs will be included in the costs of the soft costs. These ancillary costs may include but limited to site surveys, soil geotechnical studies, percolation tests, tree inventory, hydrology & hydraulic study, and others;

- The maximum construction / hard cost for a 2-bedroom single-story home (standard) shall not exceed \$165,000.00;
- The maximum construction / hard cost for a 2-bedroom two-story home (standard) shall not exceed \$185,000.00;
- The maximum construction / hard cost for a 3-bedroom single-story home (standard) shall not exceed \$195,000.00;
- The maximum construction / hard cost for a 3-bedroom two-story home (standard) shall not exceed \$210,000.00;
- The maximum construction / hard cost for a 4-bedroom single-story home (standard) shall not exceed \$210,000.00;
- The maximum construction / hard cost for a 4-bedroom two-story home (standard) shall not exceed \$235,000.00;
- The maximum construction / hard cost for a 2-bedroom single-story home ("Compact" and "Narrow" lot versions) shall not exceed \$140,000.00; and
- The maximum combined cost of the photovoltaic systems with battery storage and water storage systems shall not exceed \$35,000.00.

The Maximum Hard Costs include the construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work, Selected Green Building Standard, Minimum Design and Architectural Standards, and applicable codes including costs associated to the structure, its components, finishes, and the cost of one (1) foot depth excavation and soil remediation, underneath the home's footprint and structural foundation. The Replacement Home Maximum Hard Costs include the construction of the following site improvements and infrastructure:

- Construction of 200 square feet carport pad (no roof);
- Construction of 180 square feet driveway to the home's carport pad;
- Construction of 50 square feet of walkway to the balcony/main entrance;
- 75 feet connection length for power to existing utilities;

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- 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location;
- 25 feet connection length for sanitary sewer measured from the Replacement Home's front edge to existing clean out ("registro"); and
- Softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) as specified in Table 1, Item 21 of the Minimum Architectural and Design Standards.

The operational costs, overhead costs, profit associated to the construction of the Replacement Home and cost of other related activities are included in the model homes Maximum Hard Costs and exclude any earthwork (cut, fill, and other related activities) additional to the (1) foot depth excavation and soil remediation, underneath the home's footprint and structural foundation. Additional earthwork as per the project geotechnical report will be compensated to the Construction Managers using the Program Unit Price List. This includes but is not limited to utilities extension, driveway, walkway and softscape.

When abatement and/or demolition work is required in the existing property to perform repair or replacement home construction work, the reasonable cost will be compensated to the Construction Managers using the Program Unit Price List.

Homes to be built on a historic zones or districts, listed in the National Park Service (**NPS**) National Register of Historical Places, or deemed as with potential historical value shall provide, conform, and secure the endorsement or approval of the federal and local cultural and preservation offices (**ICP** for its Spanish acronym). When required, the design of model homes may require reasonable adaptations to accommodate SHPO or ICP requirements. The Secretary of the Interior's Standards for Rehabilitation may be applied in a reasonable manner, taking into consideration technical feasibility and reasonable cost.

14.2.4. Repair Work

The Construction Managers will design the repair work (including retrofit, when applicable) of existing non-substantially damaged homes. Designers are expected to provide practical, feasible design and cost reasonable solutions. When needed, reasonable accommodations and modifications may be provided upon Program(s) validation of such request and as per Program(s) policy. The repair work design will be evaluated by the Program Managers prior to its execution.

14.2.5. Reconstruction

Reconstructed homes aim to make its use at little to no extra operational cost to homeowners. The Construction Managers must aim to build durable, resilient, and

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efficient housing units that maintain livable conditions in the event of extended loss of power or water. When needed, due to applicant reasonable accommodation requirements, the "ADA" version may be provided upon Program(s) validation of such request. The reconstruction work design will be evaluated by the Program Managers prior to its execution.

14.2.6. Minimum Area Requirements

As first option the Program(s) will provide a one (1) level model home. In those cases that a property lot area, dimensions, or restrictions require a model home with a reduced area, a two (2) level model home may be provided. Table - 1 depicts the minimum space and total area of two (2), three (3) and four (4) bedroom model homes.

Table - 1 Minimum Area Requirements - (1 Level & 2 Level)

Space	2-Bedrooms	3-Bedrooms	4-Bedrooms
Front Porch	60.00 sq. ft.	60.00 sq. ft.	60.00 sq. ft.
Kitchen	90.00 sq. ft.	90.00 sq. ft.	90.00 sq. ft.
Living / Dining Area	240.00 sq. ft.	240.00 sq. ft.	240.00 sq. ft.
Bedrooms (w/ Closet)	120.00 sq. ft. (at least one) 110.00 sq. ft. (others)	130.00 sq. ft. (at least one) 110.00 sq. ft. (others)	130.00 sq. ft. (at least one) 110.00 sq. ft. (others)
Total Min. Area	800.00 sq. ft.	1,000.00 sq. ft.	1,200.00 sq. ft.

14.2.7. Minimum Area Requirements ("Compact Lot" and "Narrow Lot" Versions)

In those cases that a one (1) level or two (2) level model homes are not feasible to be built a "Compact Lot" or "Narrow Lot" version may be provided. Table - 2 depicts the minimum space and total area of "Compact Lot" and "Narrow Lot" homes. In general terms, the overall design solutions of these model homes will differ in proportions and will provide the Program(s) with additional options for properties with limited area, atypical proportions, irregularities, site restrictions and others. When needed, due to applicant reasonable accommodation requirements, "ADA" features, details, and specifications may be provided upon Program(s) validation of such request. These shall be elaborated by the Construction Managers AOR & design team upon request of the Program(s) and the design must be consistent with previously approved model homes, including finishes, materials, equipment, and any other work item that is part of the model home's construction.

Table - 2 Compact Lot & Narrow Lot - Minimum Area Requirements

Space	2-Bedrooms
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Front Porch	40.00 sq. ft.
Kitchen	80.00 sq. ft.
Living / Dining Area	200.00 sq. ft.
Bedrooms (w/ Closet)	120.00 sq. ft. (at least one) 110.00 sq. ft. (others)
Total Min. Area	675.00 sq. ft.

14.2.8. Single-Story Detached houses

Replacement home construction in urban, suburban, or rural lots shall be constructed in accordance with Puerto Rico Planning Board (PRPB) zoning regulations, requirements resolutions and/or request of variances, when requested by Construction Managers AOR. The design of replacement homes shall comply with the applicable Puerto Rico Civil Code (PRCC Act 55-2020), Act 55-2020 effective on November 28, 2020, or as amended.

14.2.9. Party-Wall houses

In urban and rural areas where property lots may be compact, irregular or have other constraints, existing homes may have been built near, adjacent, or up to a "zero lot line". When designing and building a replacement home under these conditions the designers may require incorporating creative solutions to provide natural light, ventilation and comply with PRCC Act 55-2020, PRPB, SHPO or ICP regulations and requirements.

14.3. Task 03: Permits and Endorsements²⁰

The Construction Managers shall file, pay, obtain, and secure all permits, consultations, endorsements, variances, or certifications required to execute the work as required by the corresponding agency(ies). These shall be filed in a timely manner not to adversely affect the progress and the critical path of projects, (refer to Section 7.4. & 7.5. of this document). Construction Permits must be acquired in the name of the PRDOH and the Occupancy Permit in the name of the applicant's or homeowners' (exceptions may apply). The list of typical permits or endorsements shown below is a general list and shall not be interpreted as an exclusive list of documents, other permits, consultations, variances, or certifications maybe required.

14.3.1. List of Office, Permits, Consultation or Endorsements

- State Historic Preservation Office endorsement;
- Institute of Culture endorsement;
- Planning Board endorsement;
- PREPA/LUMA endorsement;

²⁰ See Footnote 2.

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- PRASA endorsement;
- Department of Transportation endorsement;
- Roadwork construction or modification permit;
- Solid Waste Authority endorsement;
- Department of Agriculture endorsement;
- Public Service Commission permit;
- General Consolidated permit;
- Propane Gas permit;
- Fire Department endorsement;
- United States Army Corp of Engineers endorsement;
- Emergency Generator permit (installation);
- Emergency Generator permit (operation);
- Department of Natural and Environmental Resources permit, endorsement and/or notification;
- Lead and Asbestos Abatement permit;
- Demolition Permit;
- Municipality endorsement;
- Construction permit;
- Occupancy permit ("Permiso de Uso"); and
- others.

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The filing cost associated to the construction permits, endorsements, consultations including CAAPPR, CIAPR stamps, Workmen Compensation Insurance (**CFSE**, for its Spanish acronym), and others is included in the soft cost and overhead respectively. The cost of Municipal Patents, Construction Taxes ("Arbitrios") and cost will be included in the Task Order without overhead and profit for reimbursement to the Construction Manager.

14.4. Task 04: R3 and SFM Program Lead & Asbestos Abatement

The Construction Managers shall file, pay, and secure all abatements permits, mitigation work, testing, and certifications required to execute demolition and/or construction activities. This task must be completed in a timely, secure, and safe manner to ensure the compliance with the applicable environmental laws and regulations.

14.4.1. Objectives

- Mitigating or removing the hazardous material from the property;
- Mitigating or removing the hazardous material from the structure;
- Preparing the structure for general demolition;
- Preparing the structure for selective demolition;
- Improving the standard of living and wellness for the vulnerable households; and

- Ensure obtaining environmental clearance once all abatement work is completed.

14.4.2. General Requirements

- All written means of communications, (electronic or otherwise), emails, request for information, questions, responses design descriptions, text in drawings, reports and others must be in English;
- Project or coordination meetings may be carried out in Spanish or English (depending on the participants);
- Providing a copy of the asbestos survey reports, prepared by the Construction Managers authorized personnel;
- Providing a copy of the lead hazard assessment reports, prepared by the Construction Managers authorized personnel;
- Providing homeowners with the Lead and Asbestos Pamphlet;
- The Construction Managers may start the mitigation or abatement work upon the Program(s) Notice to Proceed;
- The Construction Managers will be responsible for the design, permits and expenses related to this task;
- All LBP contractor activities must be implemented in accordance with the EPA's 2008 Renovation, Repair, and Painting (RRP) Rule.

14.4.3. Specific Requirements

- Providing a secure perimeter, enclosure and signage for the abatement activities, while safeguarding public health;
- Performing the abatement design and procedures consistent with the materials surveys and assessments;
- Performing the abatement in the property, as required by the project activities;
- Performing inspections, storage, transportation, and disposal as required by the environmental laws and regulations;
- Performing testing and certifications required for the abatement activities;
- Closing the abatement permits;
- Providing evidence of the closing abatement permits; and
- Documenting and reporting abatement activities according to the applicable environmental laws and regulations.

14.4.4. Notice of Completion

The abatement work for each project under this task will be considered completed by the Program(s), when the following conditions are met:

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- All scope change requests have been closed, either eliminate or executed by the Program(s);
- All hazardous materials were adequately mitigated and disposed from the project;
- The Submission of the test results have been provided to Program(s), PRDOH or its representatives;
- The Submission of the Final Inspection reports with certification have been provided to Program(s), PRDOH or its representatives;
- The Lead Abatement permit have been closed with the corresponding government agencies;
- The Asbestos Abatement permit have been closed with the corresponding government agencies; and
- The Program(s), PRDOH or its representative have provided a written confirmation that this task has been completed.

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14.5. Task 05: General Demolition

The Construction Managers will provide the general demolition services for the Program(s). The demolition activities will be assigned to the Construction Managers by the Program(s), PRDOH, or its representatives via Task Orders. If required, the lead and asbestos abatement will be performed by the Construction Managers under the Task 04 and before the General Demolition starts. The Construction Managers may not perform any work outside of the projects approved Task Order without prior Program(s) authorization. The demolition's work plan will be designed by the Construction Managers.

14.5.1. Notice of Completion

The general demolition for each project under this task will be consider completed, when the following conditions are met:

- All the scope change requests have been closed by the Program(s);
- The demolition resulting materials are disposed as required by the demolition design, permits, and regulations;
- The property has been cleaned of all debris, trash or unsuitable materials;
- The property has been prepared to a level that permits the start of the authorized works, when applicable;
- The grading for the structure and site has been performed according to the required spot, when applicable; and
- The Program(s), PRDOH or its representative have provided a written confirmation that this task has been completed to the satisfaction of the Task Order.

14.6. Task 06: Repair Works

Homes not located in the floodplain with an estimated cost of repair less than \$60,000, will be rehabilitated in place. Homes located in the floodplain with an estimated cost of repair less than \$60,000 or 50% of the current assessed value of the home, whichever is less, will also qualify to be rehabilitated in place. The estimated cost of repair will be determined by the Program(s) approved scope of work via a Task Order.

Under the CDBG-DR R3 Program the storm damaged properties deemed as a repair will require to provide a decent, safe, and sanitary housing through the provision of activities designed to resolve unmet housing needs from hurricanes Irma and/or Maria impacts. These activities shall conform to the PRPB, regulatory agency(ies) requirements and regulations applicable sections. The Damage Assessment Report developed by the Program Managers which includes the Initial Project Intent will be provided to the Construction Managers. The Construction Managers are responsible and must evaluate all the Damage Assessment (**DA**) documents and information to confirm and validate the Initial Project Intent and develop the Initial Scope Report (scope of work).

Under the CDBG-MIT Single Family Housing Program(s) the properties affected by recent disasters, deemed as a repair/retrofit will require to reduce and mitigate the loss of life and properties and provide a resilient housing through the provision of activities designed to resolve risk-based mitigation unmet needs. These activities shall conform to the PRPB, regulatory agency(ies) requirements and regulations applicable sections. The Property Risk Assessment Report (**PRA**), developed by the Program Managers which includes the Initial Project Intent will be provided to the Construction Managers. The Construction Managers are responsible and must evaluate all the PRA documents and information to confirm and validate the Initial Project Intent and develop the Initial Scope Report (scope of work).

14.6.1. General Requirements

- All written means of communications, (electronic or otherwise), emails, request for information, questions, responses design descriptions, text in drawings and others must be in English;
- The Construction Managers will conduct regular scope site walks, initial scope reports, technical evaluations, pre-construction/construction, coordination, progress, and production meetings in coordination with Program(s) representatives. The frequency of these meetings will depend on the phase and volume of assigned Task Orders or upon Program(s) operational needs. These meetings may be carried out in Spanish or English depending on the participants;

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- Obtaining all necessary federal, state, or municipal permits, certificates, or endorsements to close-out the rehabilitation work is included in Task 03 of this RFP.
- Lead and Asbestos Abatement of known or suspected environmental contamination, including project-specific environmental assessment costs will be executed under Task 04 of this RFP;
- General demolition will be executed in Task 05 of this RFP;
- Selective demolition will be executed and paid under this task;
- Any obsolete products or appliances replaced as part of repair works must promote energy efficiency and replaced with EnergyStar, WaterSense, or FEMP designated products or appliances, as per 83 FR 5844;
- Cost of labor, materials, supplies, tools, equipment, and any other expenses ancillary or required for the repairs of the property are included in the Construction Managers cost proposal under the Program Unit Pricelist;
- Repair works of a home in similar manner as the original condition, subject to practical, technical or legal limitations (deviations are permitted for reasons of safety or of otherwise impractical);
- Specialty construction elements associated with historical properties, including coordination with the Puerto Rico Institute of Culture and the State Historic Preservation Office (SHPO), are included under this task.

14.6.2. Specific Requirements

The Construction Managers will be required to perform repair work ranging from interior and exterior repairs to a structural retrofit. The activities for each project will be based in the Program(s) via an approved Task Order. This may include, but not limited to, the following:

- Evaluating the Program(s) approved Initial Assessment (DA & PRA) documents before and in preparation of the scope site walk;
- Confirming, validating or requesting to re-evaluate the Initial Project Intent;
- Propagating an Initial Scope Report, which includes photographs, notes, and any other information required to document the existing condition and proposed work;
- Preparing a work plan and schedule for each project according to the Program(s) approved scope of work and Task Order;
- Providing architectural and engineering technical evaluation, reports and consultation services including initial site walks, technical site walks and periodic project site visits;
- Providing architectural and engineering construction documents, submittals, supplementary drawings for the repair works;
- Preserving or restoring properties of historic significance;

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- Selective demolition of site improvements, exterior or interior elements in the property;
- Removing and disposing demolition materials or debris;
- Foundation remediation, leveling or repairs;
- Structural damage repairs or seismic retrofit;
- Site clearance and improvements;
- Utility connection from residential structure to electrical distribution system;
- Utility connection from residential structure to water distribution system, local sewer collection lines, or installing septic systems;
- Building envelope repair including: roof, walls, exterior doors, windows;
- Surface preparation and finishes rehabilitation, including water impermeabilization and painting;
- Removing materials and architectural barriers that restrict the mobility and accessibility of elderly and disabled persons to the dwelling unit;
- Works required to improve the quality of life of elderly and persons with disabilities;
- Mechanical, electrical, plumbing equipment repair or replacement;
- Installing smoke detectors, dead-bolt locks, and other devices for security purposes;
- Equipment and systems to increase the efficient use of energy and water;
- Flooring repairs or replacement;
- Replacing kitchen and bathroom vanities, equipment and components;
- Replacing of essential appliances;
- Repairing or replacing landscape materials, sidewalks, and driveways when incidental to other rehabilitation of the property;
- Installing photovoltaic with battery storage and water storage systems (in SFM Program), when feasible.
- Filing, obtaining and securing all necessary federal, state or municipal permits or endorsements to commence the repair work;
- Preparing of Pre-Inspection Packages to confirm that work is ready for a Program(s) inspection.
- Correcting punch list items to correct work deficiencies in a timely manner;
- Preparing and keeping relevant documents, including record drawings and technical specifications (stamped and sealed by the architect in record); and
- Verifying the information given by the Owner's or Owner's representative, to diligently notifying any discrepancy or inconsistencies which may have an effect on the project;

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14.6.3. Notice of Completion

The repair projects under this task will be consider completed when the following conditions are met:

- All the scope change requests have been closed by the Program(s);
- All the Program(s) approved scope of work items of a Task Order have been completed;
- All the punch lists items have been corrected;
- All the non-conformance reports have been signed-off by the Owner or the Owner's Representative;
- The project passed its Final Inspection, as evidenced by a Program(s) inspection report from the Program Managers Designated Inspector and evidencing such fact;
- Submission of the Final Inspection report and certification of work completion;
- Waivers of Mechanic's Lien for the work completed to the date of the substantial completion and lawfully entitled to subcontractor, consultants, supplier, etc. This waiver should list any pending payments, even if not due but duly submitted to the Construction Manager.

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14.7. Task 07: Single-Family Replacement Home Construction (Reconstruction)²¹

Homes not located in the 100-year floodplain, or other high-risk areas, become eligible for a reconstruction award when the estimated cost of repair is greater than or equal to \$60,000, as confirmed through Program inspection, or if a feasibility analysis determines that reconstruction is required as result of design or construction impracticality. reasonable cost will be determined by the Program(s) approved scope of work via a Task Order.

14.7.1. General Requirements²²

- All written means of communications, (electronic or otherwise), emails, request for information, questions, responses design descriptions, text in drawings and others must be in English;
- The Construction Managers will conduct regular scope site walks, initial scope reports, technical evaluations, pre-construction/construction, coordination, progress, and production meetings in coordination with Program(s) representatives. The frequency of these meetings will depend on the phase and volume of assigned Task Orders or upon Program(s) operational needs. These meetings may be carried out in Spanish or English depending on the participants;

²¹ See Footnote 2.

²² See Footnote 2.

- Lead and Asbestos Abatement of known or suspected environmental contamination, including project-specific environmental assessment costs will be executed under Task 04 of this RFP;
- General demolition will be executed in Task 05 of this RFP;
- Any products or appliances provided in the reconstruction model home must be replaced with Energy Star, Water Sense, or FEMP designated, as per 83 FR 5844;
- The replacement model home may provide a single-family dwelling unit of 2, 3, or 4 bedrooms, depending on the applicant's household composition;
- The replacement model home will be a single-story as first option. A two-story model home may be provided according to property lot area, geometry, restraints, or requirements.
- Cost of labor, materials, supplies, tools, equipment, and any other expenses ancillary or required, are included in the Construction Managers cost proposal under the Program Unit Pricelist;
- Specialty construction elements associated with historical properties, including coordination with the Puerto Rico Cultural Institute and State Historic Preservation Office (SHPO), are included under this task;
- Obtaining all necessary federal, state, or municipal permits, certificates, or endorsements to close-out the reconstruction work is included in Task 03 of this RFP; and
- The stylistic options for the reconstruction model homes will be presented to the applicants in a Construction Managers developed pamphlet and included in the PRDOH Grant Management System of Record.

14.7.2. Specific Requirements²³

The Construction Managers will be required to provide a single-family replacement home construction. The activities for each project will depend on the applicants' household composition, existing conditions, proposed feasible and cost reasonable design solution. The scope of work to perform such activities require a Program(s) approved Task Order. This may include, but is not limited to the following:

- Evaluating the Program(s) approved Initial Assessment (DA & PRA) documents before and in preparation of the scope site walk;
- Validating, confirming or requesting to re-evaluate the Initial Project Intent;
- Preparing an Initial Scope Report, which includes photographs, notes, and any other information required to document the existing condition and proposed work;
- Confirm the proposed design, construction solution is feasible and cost reasonable according to Program policy;

²³ See Footnote 2.

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- Preparing a work plan and schedule for each project according to the Program approved scope of work and Task Order;
- Providing architectural and engineering technical evaluation, reports and consultation services including periodic project site visits;
- Providing architectural and engineering construction documents, submittals, supplementary drawings for the reconstruction works;
- Preserving or restoring properties of historic significance;
- Providing architectural and engineering evaluation and consultation services including periodic project site visits;
- Geotechnical engineering services, including, but limited to site explorations, borings, slope stabilization analysis, laboratories, certification, and technical reports;
- Providing architectural and engineering existing condition drawings, site surveys, construction documents, submittals, supplementary drawings for the replacement home construction work;
- Providing architectural and engineering proposed condition, construction documents, submittals, supplementary drawings for the replacement home construction work;
- Providing a model home design adaptation when needed to comply with agency(ies) requirements and as a result facilitate the construction;
- Providing a model home design adaptation when requested by the State Historic Preservation Officer (SHPO);
- Providing a model home design adaptation to enable the replacement (reconstruction) of a model home on the applicants property. This may include but is not limited to adaptation in layout, width, length and area to allow an applicant to be recipient of a replacement (reconstruction) project and remain in their property. This may apply to request a permitting agency(ies) variances for a project to remain as a rehabilitation (reconstruction) project.
- Filing, obtaining, and securing all necessary federal, state or municipal permits or endorsements to commence the replacement home construction work;
- Completing abatement and mitigation work required for the demolition and construction work activities (consistent with the corresponding assessment and reports);
- General demolition of structure and site improvements to perform the Program(s) approved Task Order;
- Removing and disposing demolition materials or debris;
- Clearing, grading and site improvements;
- Site work for the replacement home construction including but not limited to excavation, cut and fill, grading, foundations, structural work, utility trenching,

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carport, driveway, walkway slabs, electrical, potable, sanitary water system and, soil and erosion control, softscape and others;

- Construction or replacement of landscape materials, sidewalks, and driveways when incidental to other work of the property;
- Utility connection to electrical distribution system;
- Utility connection to water distribution system, local sewer collection lines, or installing septic system;
- Work required for the building envelope including, but not limited to concrete, concrete masonry units, concrete forms, exterior plastering, exterior doors, windows, shutters, water impermeabilization, paint, flooring, and others;
- Interior work including, but limited to bearing, non-bearing walls, interior plaster, paint, flooring, wall base tiles, interior doors, window bug screens, kitchen, bathroom cabinets, equipment appliances, finishes, and others;
- Mechanical, electrical and plumbing work including but not limited to domestic water system, water heater, kitchen and bathroom fixtures, control valves, sanitary system, ventilation system, roof & storm drainage system, fire protection, electrical panel (circuits identified), distribution system, outlets, ground fault circuits, switches, lighting fixtures, ceiling fans, smoke and carbon monoxide alarm/detectors;
- Installing materials, equipment for energy efficiency, water efficiency, and potentially reduce operating costs;
- Accessibility features to comply with Reasonable Accommodations when validated by the Program(s);
- Installing water storage systems (as per SFM Program), when feasible;
- Installing photovoltaic systems with battery storage (as per SFM Program), when feasible.
- Administration, management, and control of concurrent and scattered projects, work and subcontractors;
- Quality assurance and control as per the Construction Managers Quality Plan;
- Laboratory testing, certification and reporting for quality and assurance or commissioning work;
- Preparing Pre-Inspection Packages to confirm that work is ready for a Program(s) inspection.
- Correcting punch list items to correct work deficiencies in a timely manner;
- Preparing and keeping relevant documents, including record drawings and technical specifications (stamped and sealed by the AOR);
- Filing, obtaining and securing the Occupancy Permit in a timely manner to facilitate the Applicants' connection of utilities;
- Submission of the Occupancy Permit as part of homeowner move-in.

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- Verifying the information given by the Owner's or Owner's representative, to diligently notifying any discrepancy or inconsistencies which may have an effect on the project;

14.7.3. Notice of Completion

The activities under this task will be consider completed when the following conditions are met:

- All the scope change requests have been closed by the Program(s);
- All the Program(s) approved scope of work items of a Task Order have been completed;
- All the punch lists items have been corrected;
- All the non-conformance reports have been signed-off by the Owner or the Owner's Representative;
- The project passed its Final Inspection, as evidenced by a Program(s) inspection report from the Program Managers Designated Inspector and evidencing such fact;
- Submission of the Final Inspection report and certification of work completion;
- Waivers of Mechanic's Lien for the work completed to the date of the substantial completion and lawfully entitled to subcontractor, consultants, supplier, etc. This waiver should list any pending payments, even if not due but duly submitted to the Construction Manager; and
- The Construction Managers provide the applicant, co-applicant, or authorized designee the Closeout Binder (as specified in Task 09).

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14.8. Task 08: Photovoltaic and Water Storage Systems

To promote resilient housing, reduce and mitigate the loss of life and property, the SFM Program, under the CDBG-MIT funds will promote the installation of Photovoltaic System (**PV Systems**) with battery storage for critical loads and Water Storage System (**WSS**) on homes that have been repaired/retrofitted or reconstructed under the Program. The design criteria, design, equipment, and installation costs will be standardized, with minimal deviation to promote consistency, cost reasonableness. The PRDOH at its sole discretion may request Construction Managers to provide these services, products, and installations for the R3 Program applications corresponding to this Scope of Work and Contract.

14.8.1. General Requirements²⁴

The design of such systems shall be performed upon a Task Order being issued and the installation be performed upon a Notice to Proceed.

²⁴ See Footnote 2.

- Design of PVSs must be performed by a licensed engineer, who is also a member of the Puerto Rico College of Engineers and Land Surveyors, in accordance with Act 173 of August 12, 1976. Design of PVSs must be consistent with existing site conditions and in accordance with the requirements set forth in Regulations No. 7796 and No. 9049; as well as any other applicable laws, regulations, and codes. In addition, the PV system designer must be Certified Installer in accordance with Article 17 of Regulation No. 7796. The designer must have at least five (5) years of experience performing PV System design.
- Installations must be performed by a Certified Installer in accordance with Article 17 of Regulation No. 7796, or its subsequent equivalent regulation. The PV System installers and/or subcontractors must have a minimum of five (5) years of experience installing "equal or similar to" PV Systems in the renewable energy sector.
- Installations must be completed in strict compliance with the drawings and specification requirements set forth in the PVS design documents.
- As part of the Construction Managers design team, the AOR, Structural Engineer and/or Mechanical Engineer (**Designers**) shall evaluate the existing and proposed conditions, when this is required.
- Price of equipment and installation shall include all expenses including but not limited to site assessments, technical evaluation, load analysis, design, drawings, technical specifications, permitting (if required), delivery, installation, commissioning, overhead, profit, fringe benefits, incidentals, and any other administrative fees.
- All supplied equipment, components and materials must be new not used, refurbished, repaired, nor reconditioned.
- The Construction Managers shall not provide equipment that is close to the end of production (phase-out) or may become unsupported by the manufacturer during the warranty period.
- The Construction Managers are responsible for the coordination of works, including the compatibility of the PV System and WSS with the existing condition where the systems will be installed. In the case of a repair/retrofit Project Intent, the installation must consider the structural integrity of the existing structure, wind exposure, strain/stress to existing components and other applicable design considerations. The installation of the PVS and/or WSS shall not compromise the structure's roof impermeabilization system.
- Warranties shall be provided as described in Section 14.10 of this document.
- All equipment, materials, tools, labor, and services shall be provided and included in the cost proposal.

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- The PRDOH, or Program will not incur in any incidental, damages to property or additional cost and will not be responsible for reimbursement or expense related to per-diem, tolls, parts, or labors for equipment under warranty service.

14.8.2. Code Compliance²⁵

All PVSs and BSSs must comply the current applicable laws, regulations, and codes, which include, but are not limited to:

- Regulation No. 7796 of January 19, 2010, known in Spanish as "Reglamento para la Certificación de Sistemas de Energía Renovable", of the Puerto Rico Electric Power Authority, or its equivalent regulation in place at the time of installation.
- Regulation No. 7951 of November 30, 2010, known in Spanish as "Reglamento Conjunto de Permisos Relacionados para Obras de Construcción y Uso de Terrenos", of the Puerto Rico Planning Board, or the equivalent regulation in place at the time of installation.
- Regulation No. 9049 of November 15, 2018, known as Puerto Rico Codes 2018, of the Office of Permit Management (**OGPe** for its Spanish acronym), or its equivalent regulation in place at the time of installation.

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14.8.3. Permits

The Construction Managers shall file, obtain and secure all required permits, endorsement, licenses and responsible for any certification and/or notification to the applicable state agencies, including interconnection certifications and fees in accordance with the Act 17 of April 11 of 2019 ("Ley de Política Pública Energética de Puerto Rico"). All fees associated with the permits, notifications, and licenses are the responsibility of the Construction Managers.

14.8.4. PV System Requirements

The Construction Managers' PV system designer must design a standard photovoltaic system with battery storage for a single-family dwelling. The PV System shall be capable of running critical loads, some household appliances (refrigerators, water pump, etc.), life support devices, and permit the occupants to shelter-in-place during electrical grid outages. The PV Systems shall be installed, commissioned by the Construction Managers, and must comply with the following installation general requirements:

- A licensed professional structural engineer must evaluate that the existing roofs are structurally sound for the installation of the PV System. If the structural integrity of the structure is not capable to withstand the load of the system, then, the PV System installation requirement may be deemed as unfeasible.
- PV Systems layout shall meet local fire department, code, and ordinance requirements for roof access.

²⁵ See Footnote 2.

- PV Systems shall be installed according to best practices as per the National Renewable Energy Laboratory (**NREL**) industry best practice standards and the United States Department of Energy Guidance;
 - Solar Photovoltaic in Severe Weather: Cost Consideration for Storm Hardening PV Systems for resiliency;
 - Solar Photovoltaic Systems in Hurricanes and Other Severe Weather; and
 - Among others.
- PV Systems shall be installed in cases where the proposed array location supports a solar resource potential of more than seventy five percent (75%) of the same site's optimal solar resource potential as documented by a shading analysis to be performed by the Construction Manager.
- PV System shall be securely attached to the roof.
- Roof mounting structure (including anchoring system) must be corrosion resistant and meet applicable local building code requirements concerning rain, wind, earthquake factors, and others.
- All penetrations and structural connections associated with supports and conduit shall be kept to a minimum and shall be waterproofed as per the AOR, Designer and/or manufacturer's recommendation.
- All penetrations to the structure shall be designed, specified, coordinated, and performed in collaboration with the AOR, roofing impermeabilization professional or manufacturer responsible for the impermeabilization membrane warranty on the project.
- All roof penetration and connections shall be warranted for weather tightness from the installer, including parts and labor (refer to Section 14.10 for warranty details).
- All roof installations and weatherproofing of penetrations shall not compromise the roof warranty, or if the roof has no warranty, accepted best practice.
- PV System inverters and batteries shall be installed in a shaded location and shall not be exposed to direct sun light. Installation in a weather protected area location is preferable.
- Correction of deficiencies shall be corrected at the Construction Managers expense and will not be compensated by the PRDOH and Program.
- All equipment, materials, tools, labor, and services shall be provided and will be included in the PVS cost proposal. This includes any item, material and components required for the optimum performance of such system. The Construction Managers are responsible to procure, store and provide the necessary equipment, materials and all necessary to perform the work.

14.8.5. PV System Commissioning

Once the systems are installed the Construction Managers shall perform commissioning and inspections to correct underperformance, findings, or deficiencies. These may apply

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to system location, shading, quality of installation, anchoring, securing, performance as per the design intent, and others.

- Commissioning and inspection shall follow the International Electrotechnical Commission (IEC) standard IEC 62446, any local or state regulation, and/or Program requirements.
- The commissioning shall confirm the system's performance is per the design intent. Performance tests shall be conducted as part of the commissioning process. A digital copy of the commissioning report must be uploaded into the PRDOH Grant Management System of Record and included in the Closeout Binder.

14.8.6. PV System Standard Package

PV Systems shall be capable of running critical electrical loads, some household appliances and equipment (refrigerators, lighting, water pump, etc.), life support or medical devices, and allow shelter-in-place during electrical grid outages. In the event of a power outage, circuits and loads connected to the PV and battery system shall continue to work without disruptions. Standard packages must have the capacity of supplying electricity to an itemized list of devices, appliances and lighting fixtures identified as critical loads. The system will supply electricity to the critical loads independently as a stand-alone system, with grid interconnecting capacity.

The program will offer the following standard package for PV Systems and battery storage:

- **3 kW DC** PV modules **48V** voltage lithium-ion battery bank with a minimum output of **9 kWh** and an **autonomy of 20 hours**. Loads shall consider one (1) medical life support device. The PV System shall provide and install an automatic transfer switch to allow for system operation in standalone mode.

Refer to the Minimum Architectural and Design Standards, Section 5, Table-2 for minimum PV System standards and not allowed criteria.

14.8.7. WSS System Requirements

The WSS shall provide domestic water to the dwelling from the water storage tank using an electric water pump, controls, and a diaphragm type pressurized tank to provide back-up water supply with adequate pressure and without damaging water fixtures. The system pressure pump shall be connected to the PV System to continue operating during electrical service interruption.

- The water storage tank shall be located on the rooftop of the home, when feasible. If the structural integrity of the house does not support the load of any of the applicable water tank size options, installation in a reinforced concrete pad may be provided at ground level.

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- If the roof structure allows, the water storage tank shall store a maximum capacity of 500 gallons per household, with all its necessary equipment and accessories for functionality of water storage and distribution.
- The water storage tank shall be connected to the utility's main water line with a water level control valve and backflow preventer. The water storage tank shall have instrumentation to monitor, control pressure and water level.
- The water storage tank shall be constructed of ultraviolet (**UV**) and corrosion resistant material, approved for potable water and food-grade applications, and have the Food and Drug Administration (**FDA**) and the National Safety Foundation (**NSF**) approval. Manufacturer documentation shall be provided and installed as per the instructions and/or recommendations.
- Water storage tank design and installation should consider the area, height, material, and other specifications according to location where such system will be installed. Under no means, the water storage tank should shade the PV System modules.
- Water storage tanks must be vented to allow water level changes. The vent opening installed in downward position shall include protective screen for pest control.
- The water storage tank and pressure tank must be cleaned and disinfected before the final fill with potable water.
- Disinfection of the water storage tank and pressure tank after installation must follow the manufacturer's recommendations.
- WSS must be installed per the design intent and following the manufacturers' specific instructions and/or recommendations.
- The Construction Managers are responsible to furnish all the necessary components, equipment, materials, tools, for the WSS optimum performance as required by the Program and design intent.
- WSS Systems shall be installed according to the best residential industry quality standards and best practices.
- The WSS shall include pressure and water leak testing, in addition to operational testing.
- WSS without the required pressure or with water leaks will not be accepted by the Program.
- All equipment, materials, tools, labor, and services shall be provided and will be included in the WSS cost proposal. This includes any item, material and components required for the optimum performance of such system. The Construction Managers are responsible to procure, store and provide the necessary equipment, materials and all necessary to perform the work.
- Correction of deficiencies shall be corrected at the Construction Managers expense and will not be compensated by the PRDOH and Program.

Refer to the Minimum Architectural and Design Standards, Section 5, Table-2 for minimum WSS standards and not allowed criteria.

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14.9. Task 09: Projects Closeout

The Construction Managers will be responsible to provide all the information required by the Program(s) in the Closeout Binders, part of the Project Closeout requirements. These shall be elaborated and provided according to the necessary information for the PRDOH Closeout Binder and the Homeowner Closeout Binder. These must be uploaded into the PRDOH Grant Management System of Record and evaluated by the Program Managers, PRDOH and/or its representatives.

14.9.1. Duties and Responsibilities:

- PRDOH Closeout Binder: one (1) digital copy (PDF format);
- Homeowner Closeout Binder: one (1) hardcopy and one (1) digital copy (PDF format);
- Maintaining and preserving the projects records for the period prescribed in the contract;
- Maintaining and preserving the projects records for the period required by the federal and state laws and regulations; and
- Assist with any audits perform by the Office of Inspector General (OIG), U.S. Department of Housing and Urban Development (HUD), Puerto Rico Department of Housing (PRDOH), (HUD), or its representatives.

14.9.2. Closeout Binder Required Content

The Closeout Binder for each project shall include, but not limited to following:

- Binder cover, dividers, index of context and checklist, (include the following information):
 - Program name
 - Case number
 - Applicant name
 - Project address
 - Construction Managers entity name
 - Warranty department phone and email
 - Company physical address
 - Program Managers entity name
 - Warranty department phone and email
 - Company physical address
- Table of contents
- Warranty start date
 - Repairs – Final Completion
 - Reconstructions – Certificate of Occupancy

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- Warranty Documents (Including but not limited to: waterproofing system, appliances, PVS, WSS, finishes, major components, MEP and architectural/civil work, among others);
- Warranty Claim instructions and contact information
- Waterproofing system bonds;
- Transfer of all warranties and equipment ownership;
- Operations and maintenance manuals;
- List of vendors, suppliers and/or manufacturer;
- Record drawings and specifications, signed and sealed;
- Certifications (Master Plumber and Professional Electrician);
- Commissioning Report for PVS and WSS, as applicable
- Submittal log;
- Digital copies of submittals in PDF format;
- Construction and Occupancy permits;
- Copy of closing government permits;
- Green Building Certification;
- Any other documents required by the Program.

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The Closeout Binder checklist must list all items included and consistent with the Table of Contents.

14.10. Task 10: Warranty Period

All work performed by the Construction Managers will be guaranteed as follows:

- Roof waterproofing works will be guaranteed for a minimum of ten (10) years;
- Solar water heaters will be guaranteed for a minimum of five (5) years;
- Equipment and appliances installed will be guaranteed for a minimum of one (1) year or as provided for by the manufacturer (whichever is greater);
- Solar Photovoltaic (PV) System Panels installed will be guaranteed for a minimum of ten (10) years;
- Solar PV modules will be guaranteed for a minimum of twenty-five (25) years of linear performance;
- Solar PV Battery Bank and Inverter will be guaranteed for a minimum of ten (10) years;
- Water Storage Systems (WSS) will be guaranteed for a minimum of five (5) years. and;
- All other work will be guaranteed for a period of one (1) year.

For the warranty periods established above the assisted homeowner may require the Construction Managers to correct defects or problems arising from the Task Order work

under the contract. The Program Managers and Construction Managers will have designated case managers to receive and process warranty and construction complaints. All warranty and construction complaint issues shall be administered until resolved, closed by the Program Managers, and logged into the PRDOH Grant Management System of Record. A reasonable amount of time will be given to correct the valid warranty claim; however, in no case will such time exceed two (2) weeks to resolve. Should the Construction Managers fail to correct the problem the assisted homeowner may contact the Program(s) representatives to take any necessary legal resources as prescribed in the Construction Managers contract.

14.11. Task 11: Temporary Relocation

CDBG-DR and MIT funds may be used for temporary relocation assistance and payments to persons displaced by a Program(s) sponsored activity. This may include assistance, payment for temporary relocation, storage, and move-out expense assistance as per Program(s) Optional Relocation Assistance (ORA) policy. Applicants who are not residing in the property for any reason other than program-sponsored construction may not be eligible for temporary relocation assistance.

The Program will compensate the applicant as per Program(s) policy using HUD fair-market rent rate²⁶ for an adequate dwelling. Most up to date rates published by HUD for Fiscal Year 2023. Rates to be paid by the Program(s) will be updated based on HUD-issued guidance, updates, and rental market conditions. Temporary relocation will be estimated for the duration of the project and additional time to enable the applicant to move out from the property and move back upon a Program(s) approved Final Inspection and/or an occupancy permit is obtained, when applicable. Temporary relocation assistance may be prorated for partial months, as needed. Upon Program Managers evaluation and approval or temporary relocation assistance, Construction Managers are required to issue ORA payments to Program(s) applicants under contract in a timely and diligent manner to avoid unnecessary distress to the applicants. The Construction Managers responsibilities is to provide applicants an excellent customer service, this is medullar for the Program(s) success and the PRDOH. The PRDOH will reimburse Construction Managers for ORA assistance payments issued to Applicants as approved by the Program(s). Reimbursements for ORA assistance payments will not include any additional costs (administrative, overhead, profit, or otherwise).

END OF SCOPE OF WORK

²⁶ https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2018_code/2018state_summary.odn

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**COMPENSATION SCHEDULE
FRCG-MIT, LLC
Construction Management Services
Request for Proposals No. CDBG-DRMIT-RFP-2023-06**

The following document contains cost information that considers the costs to be paid to the Construction Management Services firms through their Price Form in compliance with the Request for Proposals CDBG-DRMIT-RFP-2023-06.

The Procurement Division recommends to award to FRCG-MIT, LLC a not to exceed contract in the amount of **\$25,000,000.00** for a 3-year term with the option of up to two additional one-year extensions for Level 2 Construction Management Services.¹

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Please, refer to the attached Exhibit G-1 (Program Unit Price List) submitted as part of the proposal and to the G-2 (Replacement Home Cost Form) submitted in the BAFO, and to the G-3 (Photovoltaic and Water Storage Systems Alternate Cost Form) and G-4 (Demolition of Existing Structures Cost Form) submitted in the negotiations #1. In case of discrepancy between the Price Form and the Compensation Schedule, the Price Form will prevail.

Attachments

- Exhibit G-1 (Program Unit Price List) Proposal
- Exhibit G-2 (Replacement Home Cost Form) BAFO
- Exhibit G-3 (Photovoltaic and Water Storage Systems Alternate Cost Form) Negotiations #1
- Exhibit G-4 (Demolition of Existing Structures Cost Form) Negotiations #1

END OF COMPENSATION SCHEDULE.

¹ This is a not to exceed contract. The quantity of work will be assigned according to PRDOH's needs. The amount to be paid to the contractor will be the stated in the proposal for the Exhibit G-1 (Program Unit Price List), in the BAFO for G-2 (Replacement Home Cost Form), and in the Negotiations #1 for G-3 (Photovoltaic and Water Storage Systems Alternate Cost Form) and G-4 (Demolition of Existing Structures Cost Form). The contractor will be obliged to provide the services for the prices in the aforementioned exhibits.



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

EXHIBIT G-1 PROGRAM UNIT PRICE LIST

Home Repair, Reconstruction, or Relocation Program
Single-Family Mitigation Program
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06

OVERVIEW

The Homeowner Repair, Reconstruction, or Relocation Program (R3 Program) and Single-Family Housing Mitigation Program (SF-MIT Program) under the Community Development Block Grant for Disaster Recovery (CDBG-DR) and the Community Development Block Grant for Mitigation (CDBG-MIT) grants. These Programs will standardize line item pricing to (i) provide the Program(s) a reasonable cost; (ii) facilitate communication and provide consistency among the Program Managers, Construction Managers, PRDOH and its representatives; (iii) assure applicants are treated equally in the grant award determination process; (iv) encourage fair and balanced treatment to applicants; promote efficiency and production in a high volume and time efficient environment; (v) promote efficiency and production in a high volume and time efficient environment; (vi) create an optimization-based process to reduce administrative burden; and (vii) optimize the development, evaluation and approval of scopes of work, Task Orders and applications for payment for Construction Managers.

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XACTWARE'S PRICING LIST

The Program(s) will make use of Xactware's Pricing Lists as the main source for pricing of construction works to be performed. Xactware is an independent, third-party, company that researches and reports on industry pricing. They use information from general contractors, subcontractors, insurance carriers, insurance adjusters, and a host of other industry professionals as they research and report on average market price for each price list item. Xactware assures that no one party or industry segment has any undue influence on the pricing data that they research and report on.

ADDITIONAL LINE ITEMS TO XACTWARE'S PRICING LIST

As Xactware's Pricing Lists may not hold every item of work required by the Program, the PRDOH reserves the right to include additional items of work and their reasonable pricing/cost as part of Program issued documents. Construction Managers must perform work specified under additional line items published by the PRDOH, at the pricing established by the PRDOH, when works that include such additional line items are assigned. PRDOH will only establish pricing at reasonable costs. Additional line item lists, and their updates, will be published by the PRDOH as part of program issued documents whenever necessary. Additional line item pricing for the Program is included in the following pages.

The combination of line items within Xactware's Price Lists and those additional line items set forth in this document will be the R3 Program's Unit Price List.

OVERHEAD AND PROFIT

To items, as applicable, Construction Managers will add Overhead and Profit as follows:

- Overhead..... **Twenty Percent (20%)**
- Profit **Ten Percent (10%)**

The fixed fee amount calculated by taking a specific line item's Unit Cost and multiplying it by the Overhead and Profit percentages set forth above, as applicable, will be the Construction Manager's entitlement for work completed in compliance with Program requirements. Profit will be calculated on a cumulative basis with overhead.

MUNICIPAL TAXES

Based on the municipality at which Construction Managers will be performing work the cost of Municipal Patents (typically 0.05%) and Construction Taxes ("Arbitrios") (typically ranging from 5% to 10%) will be added to determine the total cost of work, as applicable.

ADDITIONAL LINE ITEMS LIST

Design and Permitting Costs for Repair¹ Awards (Soft Cost)

The following are the fixed fees to be paid by PRDOH to Construction Managers for the design and permitting of repair awards in the Program. These costs include overhead and profit. Therefore, no additional costs (administrative or otherwise) may be added to these line items when determining the total cost of work to be performed.

No.	Item Description	Units	Unit Cost	Notes
1	Soft Cost: Design and Permitting for Repair Awards from \$0 to \$10,000	LS	\$3,180	Includes design and permitting costs for any and all repair works (including repair and any abatement required) in awards not exceeding \$10,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
2	Soft Cost: Design and Permitting for Repair Awards from \$10,001 to \$20,000	LS	\$5,250	Includes design and permitting costs for any and all repair works (including repair and any abatement required) in awards not exceeding \$20,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
3	Soft Cost: Design and Permitting for Repair Awards from \$20,001 to \$30,000	LS	\$7,330	Includes design and permitting costs for any and all repair works (including repair and any abatement required) in awards not exceeding \$30,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.

¹ Applicable to Repair/Retrolit type of awards under the Single-Family Housing and Milligallon Program.

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No.	Item Description	Units	Unit Cost	Notes
4	Soft Cost: Design and Permitting for Repair Awards from \$30,001 to \$40,000	LS	\$9,428	Includes design and permitting costs for any and all repair works (including repair and any abatement required) in awards not exceeding \$40,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
5	Soft Cost: Design and Permitting for Repair Awards from \$40,001 to \$50,000	LS	\$11,510	Includes design and permitting costs for any and all repair works (including repair and any abatement required) in awards not exceeding \$50,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
6	Soft Cost: Design and Permitting for Repair Awards from \$50,001 to \$60,000	LS	\$13,580	Includes design and permitting costs for any and all repair works (including repair and any abatement required) in awards not exceeding \$60,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
7	Soft Cost: Design and Permitting for Historical Property Awards from \$00,001 to \$25,000	LS	\$7,289.94	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$25,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
8	Soft Cost: Design and Permitting for Historical Property Awards from \$25,001 to \$50,000	LS	\$12,911.48	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$50,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
9	Soft Cost: Design and Permitting for Historical Property Awards from \$50,001 to \$75,000	LS	\$18,533.00	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$75,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.

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No.	Item Description	Units	Unit Cost	Notes
10	Soft Cost: Design and Permitting for Historical Property Awards from \$75,001 to \$100,000	LS	\$24,154.52	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$100,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
11	Soft Cost: Design and Permitting for Historical Property Awards from \$100,001 to \$125,000	LS	\$25,415.84	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$125,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
12	Soft Cost: Design and Permitting for Historical Property Awards from \$125,001 to \$150,000	LS	\$28,887.70	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$150,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
13	Soft Cost: Design and Permitting for Historical Property Awards from \$150,001 to \$175,000	LS	\$32,809.08	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$175,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
14	Soft Cost: Design and Permitting for Historical Property Awards from \$175,001 to \$200,000	LS	\$35,986.86	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$200,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
15	Soft Cost: Design and Permitting for Historical Property Awards from \$200,001 to \$225,000	LS	\$39,698.68	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$225,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.

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No.	Item Description	Units	Unit Cost	Notes
16	Soft Cost: Design and Permitting for Historical Property Awards from \$225,001 to \$250,000	LS	\$43,890.48	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$250,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
17	Soft Cost: Design and Permitting for Historical Property Awards from \$250,001 to \$275,000	LS	\$46,513.94	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$275,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
18	Soft Cost: Design and Permitting for Historical Property Awards from \$275,001 to \$300,000	LS	\$49,982.40	Includes design and permitting costs for any and all historical property works (including any type of required work and any abatement required) in awards not exceeding \$300,000 in hard / construction costs. Also includes CIAPR/CAAPPR stamps cost as required for the expected max. hard / construction cost, as well as services during construction (construction supervision). Abatement permitting is not included in this line item.
19	Soft Cost: Asbestos Abatement Permitting	LS	\$935.00	Includes costs for the acquisition of asbestos removal permits for the implementation of any abatement works required at the storm-damaged home.
20	Soft Cost: Lead-Based Paint Abatement Permits	LS	\$935.00	Includes costs for the acquisition of lead-based paint removal permits for the implementation of any abatement works required at the storm-damaged home.

Construction Works (Hard Costs)

The following are the fixed fees to be paid by PRDOH to Construction Managers for additional line items of construction works not found in Xactware's Pricing List. These costs exclude overhead and profit. Therefore, overhead and profit percentages as established by the PRDOH for the Program must be added when these items are used.

ID	Item Description	Units	Unit Cost	Notes
1	Lead & Asbestos: Mobilization and Preparation for Lead and/or Asbestos Abatement	LS	\$1,300.00	Applicable to all abatement and encapsulation works requested. Only a single instance of the line item may be included per property.
2	Lead Encapsulation: Interior, brushwork, trim	LF	\$5.74	Cost Reasonableness Basis: RSMeans 02 83 19.23 0020, 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
3	Lead Encapsulation: Balustrades	LF	\$5.15	Cost Reasonableness Basis: RSMeans 02 83 19.23 0040, 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
4	Lead Encapsulation: Pipe, to 4" diameter	LF	\$3.15	Cost Reasonableness Basis: RSMeans 02 83 19.23 0050, 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
5	Lead Encapsulation: Pipe, to 8" diameter	LF	\$3.78	Cost Reasonableness Basis: RSMeans 02 83 19.23 0060, 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.

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ID	Item Description	Units	Unit Cost	Notes
6	Lead Encapsulation: Pipe, to 12" diameter	LF	\$5.71	Cost Reasonableness Basis: RSMeans 02 83 19.23 0070. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
7	Lead Encapsulation: Pipe, to 16" diameter	LF	\$8.44	Cost Reasonableness Basis: RSMeans 02 83 19.23 0080. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
8	Lead Encapsulation: Cabinets	SF	\$7.92	Cost Reasonableness Basis: RSMeans 02 83 19.23 0090. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
9	Lead Encapsulation: Flush doors, both sides, frame and trim	EA	\$143.80	Cost Reasonableness Basis: RSMeans 02 83 19.23 0120. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
10	Lead Encapsulation: French doors, both sides, frame and trim	EA	\$235.25	Cost Reasonableness Basis: RSMeans 02 83 19.23 0130. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
11	Lead Encapsulation: Panel doors, both sides, frame and trim	EA	\$205.40	Cost Reasonableness Basis: RSMeans 02 83 19.23 0140. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
12	Lead Encapsulation: Louver doors, both sides, frame and trim	EA	\$281.70	Cost Reasonableness Basis: RSMeans 02 83 19.23 0150. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
13	Lead Encapsulation: Window	EA	\$114.80	Cost Reasonableness Basis: RSMeans 02 83 19.23 0180. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
14	Lead Encapsulation: Grilles, vents	SF	\$5.15	Cost Reasonableness Basis: RSMeans 02 83 19.23 0210. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
15	Lead Encapsulation: Walls, roller, drywall or plaster	SF	\$1.60	Cost Reasonableness Basis: RSMeans 02 83 19.23 0220. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
16	Lead Encapsulation: Ceilings roller, drywall, or plaster	SF	\$1.94	Cost Reasonableness Basis: RSMeans 02 83 19.23 0250. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
17	Lead Encapsulation: Exterior, brushwork, gutters and downspouts	LF	\$5.06	Cost Reasonableness Basis: RSMeans 02 83 19.23 0270. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
18	Lead Encapsulation: Exterior columns	SF	\$3.46	Cost Reasonableness Basis: RSMeans 02 83 19.23 0280. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
19	Lead Encapsulation: Spray, siding	SF	\$2.59	Cost Reasonableness Basis: RSMeans 02 83 19.23 0290. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
20	Lead Encapsulation: Electrical conduit, brushwork, to 2" diameter	LF	\$3.15	Cost Reasonableness Basis: RSMeans 02 83 19.23 0310. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
21	Lead Encapsulation: Brick, bloc, or concrete, spray	SF	\$3.24	Cost Reasonableness Basis: RSMeans 02 83 19.23 0320. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
22	Lead Encapsulation: Steel, flat surfaces and tanks to 12"	SF	\$3.64	Cost Reasonableness Basis: RSMeans 02 83 19.23 0330. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
23	Lead Encapsulation: Beams, brushwork	SF	\$3.46	Cost Reasonableness Basis: RSMeans 02 83 19.23 0340. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
24	Lead Encapsulation: Trusses	SF	\$11.65	Cost Reasonableness Basis: RSMeans 02 83 19.23 0350. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
25	Lead Removal: Baseboards	LF	\$26.06	Cost Reasonableness Basis: RSMeans 02 83 19.26 0050. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
26	Lead Removal: Balustrades, one side	SF	\$26.06	Cost Reasonableness Basis: RSMeans 02 83 19.26 0200. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.

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ID	Item Description	Units	Unit Cost	Notes
27	Lead Removal: Cabinets	SF	\$22.92	Cost Reasonableness Basis: RSMeans 02 83 19.26 1400. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
28	Lead Removal: Cornice	SF	\$13.00	Cost Reasonableness Basis: RSMeans 02 83 19.26 1600. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
29	Lead Removal: Doors, one side, flush	SF	\$9.77	Cost Reasonableness Basis: RSMeans 02 83 19.26 2800. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
30	Lead Removal: Door trim, one side	LF	\$11.61	Cost Reasonableness Basis: RSMeans 02 83 19.26 2880. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
31	Lead Removal: Fence, picket, one side	SF	\$24.32	Cost Reasonableness Basis: RSMeans 02 83 19.26 3000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
32	Lead Removal: Grilles, one side	SF	\$24.32	Cost Reasonableness Basis: RSMeans 02 83 19.26 3200. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
33	Lead Removal: Handrails	LF	\$9.02	Cost Reasonableness Basis: RSMeans 02 83 19.26 3240. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
34	Lead Removal: Pipes, to 4" diameter	LF	\$9.23	Cost Reasonableness Basis: RSMeans 02 83 19.26 4400. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
35	Lead Removal: Pipes, to 8" diameter	LF	\$16.93	Cost Reasonableness Basis: RSMeans 02 83 19.26 4420. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
36	Lead Removal: Pipes, to 12" diameter	LF	\$23.82	Cost Reasonableness Basis: RSMeans 02 83 19.26 4440. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
37	Lead Removal: Pipes, to 16" diameter	LF	\$40.68	Cost Reasonableness Basis: RSMeans 02 83 19.26 4460. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
38	Lead Removal: Pipe hangers	EA	\$19.71	Cost Reasonableness Basis: RSMeans 02 83 19.26 4500. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
39	Lead Removal: Siding	SF	\$9.02	Cost Reasonableness Basis: RSMeans 02 83 19.26 4800. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
40	Lead Removal: Trusses	SF	\$14.62	Cost Reasonableness Basis: RSMeans 02 83 19.26 5000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
41	Lead Removal: Windows, one side, 24"x48", includes frame and trim items	EA	\$199.40	Cost Reasonableness Basis: RSMeans 02 83 19.26 6200. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
42	Lead Removal: Windows, one side, 30"x60", includes frame and trim items	EA	\$263.10	Cost Reasonableness Basis: RSMeans 02 83 19.26 6220. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
43	Lead Removal: Windows, one side, 36"x72", includes frame and trim items	EA	\$314.90	Cost Reasonableness Basis: RSMeans 02 83 19.26 6240. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
44	Lead Removal: Windows, one side, 40"x80", includes frame and trim items	EA	\$395.80	Cost Reasonableness Basis: RSMeans 02 83 19.26 6280. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
45	Lead Removal: Hand scraping and HEPA vacuum	SF	\$87.60	Cost Reasonableness Basis: RSMeans 02 83 19.26 7000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
46	Lead Removal: Collect and bag bulk material	CF	\$24.15	Cost Reasonableness Basis: RSMeans 02 83 19.26 8000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
47	Asbestos Removal: Metal Beams	LF	\$53.64	Cost Reasonableness Basis: RSMeans 02 82 13.43 0140. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.

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ID	Item Description	Units	Unit Cost	Notes
48	Asbestos Removal: Duct or AHU Insulation	SF	\$8.49	Cost Reasonableness Basis: RSMeans 02 82 13.43 0400. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
49	Asbestos Removal: Pipe Insulation, air cell type, up to 4" diameter pipe	LF	\$8.30	Cost Reasonableness Basis: RSMeans 02 82 13.43 0600. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
50	Asbestos Removal: Pipe Insulation, air cell type, 4" to 8" diameter pipe	LF	\$9.34	Cost Reasonableness Basis: RSMeans 02 82 13.43 0610. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
51	Asbestos Removal: Pipe Insulation, air cell type, 10" to 12" diameter pipe	LF	\$10.64	Cost Reasonableness Basis: RSMeans 02 82 13.43 0620. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
52	Asbestos Removal: Pipe Insulation, air cell type, 14" to 16" diameter pipe	LF	\$13.60	Cost Reasonableness Basis: RSMeans 02 82 13.43 0630. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
53	Asbestos Removal: Pipe Insulation, air cell type, over 16" diameter pipe	SF	\$11.47	Cost Reasonableness Basis: RSMeans 02 82 13.43 0650. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
54	Asbestos Removal: Pipe fitting Insulation up to 4" diameter pipe	EA	\$23.31	Cost Reasonableness Basis: RSMeans 02 82 13.43 1000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
55	Asbestos Removal: Pipe fitting Insulation, 6" to 8" diameter pipe	EA	\$24.60	Cost Reasonableness Basis: RSMeans 02 82 13.43 1100. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
56	Asbestos Removal: Pipe fitting Insulation, 10" to 12" diameter pipe	EA	\$38.85	Cost Reasonableness Basis: RSMeans 02 82 13.43 1110. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
57	Asbestos Removal: Pipe fitting Insulation, 14" to 16" diameter pipe	EA	\$58.28	Cost Reasonableness Basis: RSMeans 02 82 13.43 1120. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
58	Asbestos Removal: Pipe fitting Insulation, over 16" diameter pipe	SF	\$42.55	Cost Reasonableness Basis: RSMeans 02 82 13.43 1130. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
59	Asbestos Removal: Scrape foam fireproofing from flat surface	SF	\$3.10	Cost Reasonableness Basis: RSMeans 02 82 13.43 2000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
60	Asbestos Removal: Scrape foam fireproofing from irregular surface	SF	\$6.24	Cost Reasonableness Basis: RSMeans 02 82 13.43 2100. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
61	Asbestos Removal: Remove cementitious materials from flat surface	SF	\$4.14	Cost Reasonableness Basis: RSMeans 02 82 13.43 3000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
62	Asbestos Removal: Remove cementitious materials from irregular surface	SF	\$7.41	Cost Reasonableness Basis: RSMeans 02 82 13.43 3100. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
63	Asbestos Removal: Scrape acoustical coating/fireproofing, from ceiling	SF	\$2.33	Cost Reasonableness Basis: RSMeans 02 82 13.43 4000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
64	Asbestos Removal: Remove VAT and mastic from floor by hand, one layer	SF	\$3.10	Cost Reasonableness Basis: RSMeans 02 82 13.43 5000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
65	Asbestos Removal: Remove VAT and mastic from floor by machine, one layer	SF	\$1.56	Cost Reasonableness Basis: RSMeans 02 82 13.43 5100. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
66	Asbestos Removal: Remove VAT and mastic from floor by hand, two layer	SF	\$4.66	Cost Reasonableness Basis: RSMeans 02 82 13.43 5150. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
67	Asbestos Removal: Remove VAT and mastic from floor by machine, two layer	SF	\$2.34	Cost Reasonableness Basis: RSMeans 02 82 13.43 5150. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
68	Asbestos Removal: Remove contaminated soil from crawl space	CF	\$18.69	Cost Reasonableness Basis: RSMeans 02 82 13.43 6000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.

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ID	Item Description	Units	Unit Cost	Notes
69	Asbestos Removal: Cement-asbestos transite board and cement wall board	SF	\$2.03	Cost Reasonableness Basis: RSMeans 02 82 13.43 8000. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
70	Asbestos Removal: Shingle roofing	SF	\$1.92	Cost Reasonableness Basis: RSMeans 02 82 13.43 8200. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
71	Asbestos Removal: Single roofing, built-up, no gravel, non-flable	SF	\$2.46	Cost Reasonableness Basis: RSMeans 02 82 13.43 8250. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
72	Asbestos Removal: Bituminous flashing	SF	\$2.48	Cost Reasonableness Basis: RSMeans 02 82 13.43 8260. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
73	Asbestos Removal: Asbestos millboard, flat board, and VAT contaminated plywood	SF	\$1.91	Cost Reasonableness Basis: RSMeans 02 82 13.43 8300. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
74	Roof: Waterproofing, built-up membrane, asphaltic, 10-year warranty, 4 plies # 15 asphalt felt.	SF	\$4.29	Cost Reasonableness Basis: RSMeans 07 51 13.20 0500. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
75	Roof: Waterproofing, built-up membrane, coal tar, 10-year warranty, 4 plies # 15 organic felt.	SF	\$4.99	Cost Reasonableness Basis: RSMeans 07 51 13.20 4600. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
76	Roof: Waterproofing, elastomeric membrane, 10-year warranty, 45 mil fully adhered with adhesive.	SF	\$2.65	Cost Reasonableness Basis: RSMeans 07 53 23.20 3800. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
77	Roof: Waterproofing, fluid-applied membrane, 10-year warranty, Acrylic, 2 coats.	SF	\$2.07	Cost Reasonableness Basis: RSMeans 07 56 10.10 0035. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
78	Roof: Waterproofing, modified bituminous membrane, 10-year warranty. Mod. bit. ring., SBS mod, gran surf. cap sheet, poly. reinf. 120 to 160 mils thick.	SF	\$4.15	Cost Reasonableness Basis: RSMeans 07 52 16.10 0650. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
79	Roof: Waterproofing, thermoplastic membrane, 10-year warranty, Heat welded seams, reinforced, 48 mils, fully adhered with adhesive.	SF	\$3.18	Cost Reasonableness Basis: RSMeans 07 54 19.10 8850. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
80	Soil Treatment: Termite Chemical Control	GL	\$158.10	Reasonable Cost Basis: RSMeans 2019 31 31 16.13 0400. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.
81	Soil Treatment: Termite Control Barrier	SF	\$1.05	Reasonable Cost Basis: RSMeans 2019 31 31 16.13 0020. 1.8 Factor applied to labor cost for minimum wage rate of \$15/hr consideration.

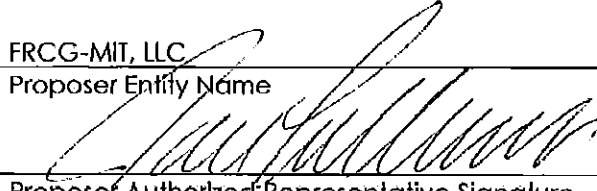
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I hereby acknowledge and accept the terms of the Program Unit Price List if awarded a contract for Construction Management Services.

FRCG-MIT, LLC
Proposer Entity Name




Proposer Authorized Representative Signature

October 20, 2023
Date

José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer Authorized Representative Printed Name

- END OF PROGRAM(S) UNIT PRICE LIST -



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

EXHIBIT G-2
REPLACEMENT HOME COST FORM

Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06
For March 2024 Negotiations

Name of Proposer: FRCG-MIT, LLC

1. Model Home Proposed:

- ☐ Single-Story 2-Bedroom ☐ Single-Story 3-Bedroom ☐ Single-Story 4-Bedroom
☐ Two-Story 2-Bedroom ☐ Two-Story 3-Bedroom ☐ Two-Story 4-Bedroom
☒ One-Story 2-Bedroom (Compact/Narrow)

2. Model Home Proposed Maximum Budget:

ID	Cost Category	Proposed Cost ⁽¹⁾
Soft Costs (Not Subject to Max. Construction / Hard Costs Budget) ⁽²⁾⁽³⁾		
SC-01	Design and Permitting for Replacement Home Construction	\$3,525.00
SC-02	Design and Permitting for Applicant's Home Demolition and Abatement	\$14,500.00
SC-03	Services During Construction (Design Supervision)	\$14,200.00
SC-04	Insurance Cost (applicable to soft and hard cost of Standard Model Home)	\$3,100.00
SC-05	Overhead Cost (applicable to all soft costs)	\$3,225.00
SC-06	Profit Cost (applicable to all soft costs)	\$3,450.00
Sub-Total Soft Costs ⁽³⁾		\$42,000.00
Hard Costs (Subject to Max. Construction / Hard Costs Caps) (Standard Model Home) ⁽⁴⁾⁽⁵⁾⁽⁶⁾		
HC-01	Replacement Home Construction Cost	\$104,626.00
HC-02	Overhead Cost (applicable to Standard Model Home's hard costs)	\$22,100.00
HC-03	Profit Cost (applicable to Standard Model Home's hard costs)	\$13,260.00
Sub-Total Hard Costs ⁽⁴⁾		\$139,986.00
ADA Compliance Delta (Not Subject to Max. Construction / Hard Costs Budget)		
ADA-01	Replacement Home ADA Compliance Delta Hard Cost	\$6,415.00
ADA-02	Insurance Cost (applicable to ADA Compliance Delta hard costs)	\$225.00
ADA-03	Overhead Cost (applicable to ADA Compliance Delta hard costs)	\$1,328.00
ADA-04	Profit Cost (applicable to ADA Compliance Delta hard costs)	\$797.00
Sub-Total ADA Compliance Delta Costs		\$8,765.00
Vieques & Culebra Construction Delta (Not Subject to Max. Construction / Hard Costs Budget)		
Replacement Home in Vieques/Culebra Delta Hard Cost		\$82,797.00
Insurance Cost (applicable to Delta hard costs)		\$2,268.00
Overhead Cost (applicable to Delta hard costs)		\$15,955.00
Profit Cost (applicable to Delta hard costs)		\$ 8,975.00
Sub-Total Vieques/Culebra Delta Costs		\$ 109,995.00

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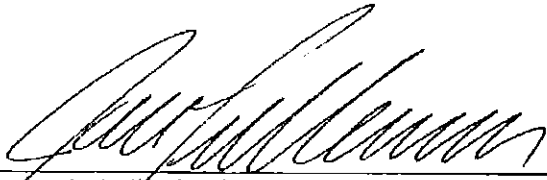
Total Proposed Cost (Soft + Hard) for Standard Model Home ⁽⁷⁾⁽⁹⁾	\$181,986.00
Total Proposed Cost (Soft + Hard + ADA) for ADA Compliant Home ⁽⁸⁾⁽⁹⁾	\$190,751.00

Notes on Cost Form:

- (1) Refers to the maximum cost that will be paid by the PRDOH to the Proposer, if awarded, for the implementation of the design, permitting, and construction works necessary to build the Model Home proposed.
- (2) Refers to the soft costs for the development of the Model Home not subject to the maximum construction / hard costs caps.
- (3) Soft Costs include (i) the design and permitting for the Replacement Home considering any work necessary to adapt the model home to assigned lots, including incorporation of any historical property requirements; (ii) the design and permitting for the demolition and abatement of the storm-damaged home; (iii) the cost of any insurance related to the works; and (iv) the operational costs related to the design and permitting work; (v) overhead cost associated to the design and permitting work; (vi) profit cost associated to the design and permitting work; and (vii) cost of other activities related to the design and permitting work of the demolition and abatement of the Storm-Damaged Home and the construction of the Replacement Home.
- (4) Refers to the costs for the development of the Model Home which is subject to the maximum construction / hard costs caps. Construction / hard costs are capped as follows: \$165,000 for single-story 2-bedroom Replacement Homes; \$185,000 for two-story 2-bedroom Replacement Homes; \$195,000 for single-story 3-bedroom Replacement Homes; \$210,000 for two-story 3-bedroom Replacement Homes; \$210,000 for single-story 4-bedroom Replacement Homes; \$235,000 for two-story 4-bedroom Replacement Homes; and \$140,000 for single-story 2-bedroom Compact Lot & Narrow Lot Version.
- (5) Hard Costs include: (i) construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work and the Minimum Design and Architectural Standards, including costs associated to the structure, its components, and finishes, including the cost of 12 inches of excavation and soil preparation for foundations underneath the home's footprint (including foundations); (ii) construction of a minimum 200 square feet carport pad (no roof) for the Replacement Home; (iii) construction of 180 square feet of driveway to the home's carport pad (considering minimum setbacks for a typical R-1 Lot); (iv) construction of 50 square feet of walkway to the home (considering minimum setbacks for a typical R-1 Lot); (v) a 75 feet connection length for power to existing utilities; (vi) a 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location; (vii) a 25 feet connection length for sanitary sewer measured for the Replacement Home's front edge to existing clean out ("registor"); (viii) softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) for the square footages specified in the Minimum Architectural and Design Standards; (ix) operational costs associated to the construction of the Replacement Home; (x) overhead costs associated to the construction of the Replacement Home; (xi) profit costs associated to the construction of the Replacement Home; and (xii) cost of other related activities not excluded from the hard / construction caps.
- (6) Hard Costs exclude: (i) any earthwork (cut, fill, and other related activities) additional to the 12 inches depth excavation and soil remediation underneath the Replacement Home's footprint and structural foundation (Additional earthwork requirements will be compensated to the Construction Managers using the Program Unit Price List); (ii) any sitework (sidewalks, driveways, landscaping, etc.) In addition to the driveway, walkway, and softscape requirements by the cap (Additional sitework requirements will be compensated to the Construction Managers using the Program Unit Price List); (iii) demolition work required at the Applicant's existing home (This cost will be compensated to the Construction Managers using the Program Unit Price List); (iv) any abatement work required at the Applicant's existing home (If any abatement is required at the storm-damaged home, it will be compensated to the Construction Managers using the Program Unit Price List); (v) cost of Municipal Patents and Construction Taxes ("Arbitrios") applicable to the construction of the Replacement Home and any demolition and abatement work required at the Applicant's existing property (These costs will be added to the Construction Managers total cost of the work based on the applicable percentages of the Municipality where work is to be performed); and (vi) cost of insurance related to the work.
- (7) Refers to the total development cost for the Standard Model Home (i.e. not ADA compliant) proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to Selected Proposers for construction of the Standard Model Home Proposed.
- (8) Refers to the total development cost for the ADA Compliant Variant of the Model Home proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to the Selected Proposers for construction of the ADA Compliant variant of the Model Home.
- (9) To the Total Proposed Costs (for both Standard and ADA Compliant Model Homes) once a site is assigned to the Selected Proposers, the cost of any additional earthwork, sitework, demolition work, or abatement work, as well as the cost of Municipal Patents and Construction Taxes ("Arbitrios"), required as part of a project will be added using the Program Unit Price List (Refer to Exhibit O-1 of the RFP) and any applicable percentages.
- (10) Proposer must provide the reasonable cost of each model homes and attach to this Replacement Home Cost Form a detailed cost breakdown setting forth the items of work included in each Cost Category. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

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Proposer's Authorized Representative Signature
José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

March 21, 2024
Date

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Replacement Home Detailed Cost Breakdown
Narrow Home ADA
Date: March 21, 2024

8

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Main Site Project					
1.01	Site General Cleaning/Dumpster	1.00	LS	\$ 900.00	\$ 900.00	
1.02	Site Work Preparation	1.00	LS	\$ 575.00	\$ 575.00	
1.03	Temporary Fence Maintenance	4.00	MO	\$ 62.50	\$ 250.00	
1.04	Sanitary Sewer System	25.00	LF	\$ 15.00	\$ 375.00	
1.05	Potable Water Distribution System	25.00	LF	\$ 11.00	\$ 275.00	
1.06	Electrical Distribution System	75.00	LF	\$ 29.50	\$ 2,212.50	
1.07	Electric Meter Base/Bank	1.00	LS	\$ 550.00	\$ 550.00	
1.08	Subgrade Preparation	1.00	LS	\$ 500.00	\$ 500.00	
1.09	Grass	1,915.00	SF	\$ 0.60	\$ 1,149.00	
	Subtotal					\$ 6,786.50
2.00	HOUSING UNIT					
2.01	Concrete Work	52.00	CY	\$ 750.00	\$ 39,000.00	
2.02	Concrete Blocks 4"	84.00	SF	\$ 6.60	\$ 546.00	
2.03	Concrete Blocks 6"	435.00	SF	\$ 8.00	\$ 3,480.00	
2.04	Window & Door Sills	115.00	LF	\$ 6.50	\$ 747.50	
2.05	Plaster Interior Walls	1,785.00	SF	\$ 2.85	\$ 5,087.25	
2.06	Plaster Exterior Walls	1,152.00	SF	\$ 2.85	\$ 3,283.20	
2.07	Edges	882.00	LF	\$ 3.75	\$ 3,307.50	
2.08	Roof Waterproofing System	985.00	SF	\$ 6.25	\$ 6,156.25	
2.09	Floor Tiles	866.00	SF	\$ 5.75	\$ 4,979.50	
2.10	Wall Base Tiles	195.00	LF	\$ 3.25	\$ 633.75	
2.11	Wall Ceramic Tiles	92.00	SF	\$ 6.50	\$ 598.00	
2.12	Wood Doors & Frames	5.00	EA	\$ 275.00	\$ 1,375.00	
2.13	Aluminum Doors & Frames	2.00	EA	\$ 450.00	\$ 900.00	
2.14	Aluminum Windows	1.00	LS	\$ 3,950.00	\$ 3,950.00	
2.15	Closet Shelving	2.00	EA	\$ 260.00	\$ 520.00	
2.16	Hardware	1.00	LS	\$ 797.00	\$ 797.00	
2.17	Bathroom Accessories	1.00	LS	\$ 215.00	\$ 215.00	
2.18	Painting	1.00	LS	\$ 3,850.00	\$ 3,850.00	
2.19	Kitchen & Bathroom Cabinets	1.00	LS	\$ 2,500.00	\$ 2,500.00	
2.20	Kitchen Equipment	1.00	LS	\$ 2,795.00	\$ 2,795.00	
2.21	Plumbing System	1.00	LS	\$ 7,268.55	\$ 7,268.55	
2.22	Electrical System	1.00	LS	\$ 5,850.00	\$ 5,850.00	
	Subtotal					\$ 97,839.50
3.00	ADA COST					
3.01	Accessible Kitchen Cabinets	1.00	EA	\$ 2,888.16	\$ 2,888.16	
3.02	Accessible Bathroom Vanity	1.00	EA	\$ 1,249.68	\$ 1,249.68	
3.03	Accessible Toilet	1.00	EA	\$ 432.63	\$ 432.63	
3.04	Toilet Safety Bars/Support Rails	3.00	EA	\$ 206.90	\$ 620.70	
3.05	Wall Mount Shower (Seat or Bench)	1.00	EA	\$ 902.88	\$ 902.88	
3.06	Shower Safety Bars/Support Rails	3.00	EA	\$ 376.19	\$ 1,128.57	
3.07	Handheld Shower Head, Hose and Glide Bar	1.00	EA	\$ 338.57	\$ 338.57	
3.08	Tilted/Angled Mirror	1.00	EA	\$ 395.01	\$ 395.01	
3.09	Smoke Detectors with Visual Aid	2.00	EA	\$ 282.14	\$ 564.28	
3.10	Carbon Monoxide Detector with Visual Aid	1.00	EA	\$ 244.52	\$ 244.52	
	Subtotal					\$ 8,765.00
3.00	OVERHEAD & PROFIT					
3.01	Overhead	1.00	LS	\$ 22,100.00	\$ 22,100.00	
3.02	Profit	1.00	LS	\$ 13,260.00	\$ 13,260.00	
	Subtotal					\$ 35,360.00
4.00	Project Total					\$ 140,751.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

EXHIBIT G-2 REPLACEMENT HOME COST FORM

Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06
For March 2024 Negotiations

Name of Proposer: FRCG-MIT, LLC

1. Model Home Proposed:

- ☒ Single-Story 2-Bedroom ☐ Single-Story 3-Bedroom ☐ Single-Story 4-Bedroom
☐ Two-Story 2-Bedroom ☐ Two-Story 3-Bedroom ☐ Two-Story 4-Bedroom
☐ One-Story 2-Bedroom (Compact/Narrow)

2. Model Home Proposed Maximum Budget:

ID	Cost Category	Proposed Cost ⁽¹⁾
Soft Costs (Not Subject to Max. Construction / Hard Costs Budget) ⁽²⁾⁽³⁾		
SC-01	Design and Permitting for Replacement Home Construction	\$3,525.00
SC-02	Design and Permitting for Applicant's Home Demolition and Abatement	\$15,250.00
SC-03	Services During Construction (Design Supervision)	\$14,400.00
SC-04	Insurance Cost (applicable to soft and hard cost of Standard Model Home)	\$3,668.00
SC-05	Overhead Cost (applicable to all soft costs)	\$3,255.00
SC-06	Profit Cost (applicable to all soft costs)	\$3,902.00
Sub-Total Soft Costs ⁽³⁾		\$44,000.00
Hard Costs (Subject to Max. Construction / Hard Costs Caps) (Standard Model Home) ⁽⁴⁾⁽⁵⁾⁽⁶⁾		
HC-01	Replacement Home Construction Cost	\$124,802.00
HC-02	Overhead Cost (applicable to Standard Model Home's hard costs)	\$25,000.00
HC-03	Profit Cost (applicable to Standard Model Home's hard costs)	\$15,000.00
Sub-Total Hard Costs ⁽⁴⁾		\$164,802.00
ADA Compliance Delta (Not Subject to Max. Construction / Hard Costs Budget)		
ADA-01	Replacement Home ADA Compliance Delta Hard Cost	\$6,415.00
ADA-02	Insurance Cost (applicable to ADA Compliance Delta hard costs)	\$225.00
ADA-03	Overhead Cost (applicable to ADA Compliance Delta hard costs)	\$1,328.00
ADA-04	Profit Cost (applicable to ADA Compliance Delta hard costs)	\$797.00
Sub-Total ADA Compliance Delta Costs		\$8,765.00
Vieques & Culebra Construction Delta (Not Subject to Max. Construction / Hard Costs Budget)		
Replacement Home In Vieques/Culebra Delta Hard Cost		\$82,797.00
Insurance Cost (applicable to Delta hard costs)		\$2,268.00
Overhead Cost (applicable to Delta hard costs)		\$15,955.00
Profit Cost (applicable to Delta hard costs)		\$8,975.00
Sub-Total Vieques/Culebra Delta Costs		\$109,995.00

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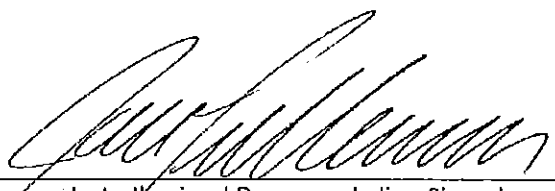
Total Proposed Cost (Soft + Hard) for Standard Model Home ⁽⁷⁾⁽⁹⁾	\$208,802.00
Total Proposed Cost (Soft + Hard + ADA) for ADA Compliant Home ⁽⁸⁾⁽⁹⁾	\$217,567.00

Notes on Cost Form:

- (1) Refers to the maximum cost that will be paid by the PRDOH to the Proposer, if awarded, for the implementation of the design, permitting, and construction works necessary to build the Model Home proposed.
- (2) Refers to the soft costs for the development of the Model Home not subject to the maximum construction / hard costs caps.
- (3) Soft Costs include (i) the design and permitting for the Replacement Home considering any work necessary to adapt the model home to assigned lots, including incorporation of any historical property requirements; (ii) the design and permitting for the demolition and abatement of the storm-damaged home; (iii) the cost of any insurance related to the works; and (iv) the operational costs related to the design and permitting work; (v) overhead cost associated to the design and permitting work; (vi) profit cost associated to the design and permitting work; and (vii) cost of other activities related to the design and permitting work of the demolition and abatement of the Storm-Damaged Home and the construction of the Replacement Home.
- (4) Refers to the costs for the development of the Model Home which is subject to the maximum construction / hard costs caps. Construction / hard costs are capped as follows: \$165,000 for single-story 2-bedroom Replacement Homes; \$185,000 for two-story 2-bedroom Replacement Homes; \$195,000 for single-story 3-bedroom Replacement Homes; \$210,000 for two-story 3-bedroom Replacement Homes; \$210,000 for single-story 4-bedroom Replacement Homes; \$235,000 for two-story 4-bedroom Replacement Homes; and \$140,000 for single-story 2-bedroom Compact Lot & Narrow Lot Version.
- (5) Hard Costs include: (i) construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work and the Minimum Design and Architectural Standards, including costs associated to the structure, its components, and finishes, including the cost of 12 inches of excavation and soil preparation for foundations underneath the home's footprint (including foundations); (ii) construction of a minimum 200 square feet carport pad (no roof) for the Replacement Home; (iii) construction of 180 square feet of driveway to the home's carport pad (considering minimum setbacks for a typical R-1 Lot); (iv) construction of 50 square feet of walkway to the home (considering minimum setbacks for a typical R-1 Lot); (v) a 75 feet connection length for power to existing utilities; (vi) a 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location; (vii) a 25 feet connection length for sanitary sewer measured for the Replacement Home's front edge to existing clean out ("registro"); (viii) softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) for the square footages specified in the Minimum Architectural and Design Standards; (ix) operational costs associated to the construction of the Replacement Home; (x) overhead costs associated to the construction of the Replacement Home; (xi) profit costs associated to the construction of the Replacement Home; and (xii) cost of other related activities not excluded from the hard / construction caps.
- (6) Hard Costs exclude: (i) any earthwork (cut, fill, and other related activities) additional to the 12 inches depth excavation and soil remediation underneath the Replacement Home's footprint and structural foundation (Additional earthwork requirements will be compensated to the Construction Managers using the Program Unit Price List); (ii) any sitework (sidewalks, driveways, landscaping, etc.) in addition to the driveway, walkway, and softscape requirements by the cap (Additional sitework requirements will be compensated to the Construction Managers using the Program Unit Price List); (iii) demolition work required at the Applicant's existing home (This cost will be compensated to the Construction Managers using the Program Unit Price List); (iv) any abatement work required at the Applicant's existing home (If any abatement is required at the storm-damaged home, it will be compensated to the Construction Managers using the Program Unit Price List); (v) cost of Municipal Patents and Construction Taxes ("Arbitrios") applicable to the construction of the Replacement Home and any demolition and abatement work required at the Applicant's existing property (These costs will be added to the Construction Managers total cost of the work based on the applicable percentages of the Municipality where work is to be performed); and (vi) cost of insurance related to the work.
- (7) Refers to the total development cost for the Standard Model Home (i.e. not ADA compliant) proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to Selected Proposers for construction of the Standard Model Home Proposed.
- (8) Refers to the total development cost for the ADA Compliant Variant of the Model Home proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to the Selected Proposers for construction of the ADA Compliant variant of the Model Home.
- (9) To the Total Proposed Costs (for both Standard and ADA Compliant Model Homes) once a site is assigned to the Selected Proposers, the cost of any additional earthwork, sitework, demolition work, or abatement work, as well as the cost of Municipal Patents and Construction Taxes ("Arbitrios"), required as part of a project will be added using the Program Unit Price List (Refer to Exhibit O-1 of the RFP) and any applicable percentages.
- (10) Proposer must provide the reasonable cost of each model homes and attach to this Replacement Home Cost Form a detailed cost breakdown setting forth the items of work included in each Cost Category. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

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Proposer's Authorized Representative Signature

José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

March 21, 2024
Date

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Replacement Home Detailed Cost Breakdown
Single-Story 2-Bedroom Home ADA
Date: March 21, 2024

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Main Site Project					
1.01	Site General Cleaning/Dumpster	1.00	LS	\$ 1,325.00	\$ 1,325.00	
1.02	Site Work Preparation	1.00	LS	\$ 575.00	\$ 575.00	
1.03	Temporary Fence Maintenance	4.00	MO	\$ 62.50	\$ 250.00	
1.04	Sanitary Sewer System	25.00	LF	\$ 15.00	\$ 375.00	
1.05	Potable Water Distribution System	25.00	LF	\$ 11.00	\$ 275.00	
1.06	Electrical Distribution System	75.00	LF	\$ 29.50	\$ 2,212.50	
1.07	Electric Meter Base/Bank	1.00	LS	\$ 550.00	\$ 550.00	
1.08	Subgrade Preparation	1.00	LS	\$ 500.00	\$ 500.00	
1.09	Grass	1,915.00	SF	\$ 0.60	\$ 1,149.00	
	Subtotal					\$ 7,211.50
2.00	HOUSING UNIT					
2.01	Concrete Work	68.00	CY	\$ 750.00	\$ 51,000.00	
2.02	Concrete Blocks 4"	84.00	SF	\$ 6.50	\$ 546.00	
2.03	Concrete Blocks 6"	448.00	SF	\$ 8.00	\$ 3,584.00	
2.04	Window & Door Sills	115.00	LF	\$ 6.50	\$ 747.50	
2.05	Plaster Interior Walls	2,004.00	SF	\$ 2.85	\$ 5,711.40	
2.06	Plaster Exterior Walls	1,452.00	SF	\$ 2.85	\$ 4,138.20	
2.07	Edges	882.00	LF	\$ 3.75	\$ 3,307.50	
2.08	Roof Waterproofing System	985.00	SF	\$ 6.25	\$ 6,156.25	
2.09	Floor Tiles	886.00	SF	\$ 5.75	\$ 4,979.50	
2.10	Wall Base Tiles	195.00	LF	\$ 3.25	\$ 633.75	
2.11	Wall Ceramic Tiles	92.00	SF	\$ 6.50	\$ 598.00	
2.12	Wood Doors & Frames	5.00	EA	\$ 275.00	\$ 1,375.00	
2.13	Aluminum Doors & Frames	2.00	EA	\$ 450.00	\$ 900.00	
2.14	Aluminum Windows	1.00	LS	\$ 4,850.00	\$ 4,850.00	
2.15	Closet Shelving	2.00	EA	\$ 260.00	\$ 520.00	
2.16	Hardware	1.00	LS	\$ 797.00	\$ 797.00	
2.17	Bathroom Accessories	1.00	LS	\$ 215.00	\$ 215.00	
2.18	Painting	1.00	LS	\$ 4,350.00	\$ 4,350.00	
2.19	Kitchen & Bathroom Cabinets	1.00	LS	\$ 2,500.00	\$ 2,500.00	
2.20	Kitchen Equipment	1.00	LS	\$ 2,795.00	\$ 2,795.00	
2.21	Plumbing System	1.00	LS	\$ 9,552.00	\$ 9,552.00	
2.22	Electrical System	1.00	LS	\$ 8,334.40	\$ 8,334.40	
	Subtotal					\$ 117,590.50
3.00	ADA COST					
3.01	Accessible Kitchen Cabinets	1.00	EA	\$ 2,888.16	\$ 2,888.16	
3.02	Accessible Bathroom Vanity	1.00	EA	\$ 1,249.68	\$ 1,249.68	
3.03	Accessible Toilet	1.00	EA	\$ 432.63	\$ 432.63	
3.04	Toilet Safety Bars/Support Rails	3.00	EA	\$ 206.90	\$ 620.70	
3.05	Wall Mount Shower (Seat or Bench)	1.00	EA	\$ 902.88	\$ 902.88	
3.06	Shower Safety Bars/Support Rails	3.00	EA	\$ 376.19	\$ 1,128.57	
3.07	Handheld Shower Head, Hose and Glide Bar	1.00	EA	\$ 338.57	\$ 338.57	
3.08	Tilted/Angled Mirror	1.00	EA	\$ 395.01	\$ 395.01	
3.09	Smoke Detectors with Visual Aid	2.00	EA	\$ 282.14	\$ 564.28	
3.10	Carbon Monoxide Detector with Visual Aid	1.00	EA	\$ 244.52	\$ 244.52	
	Subtotal					\$ 8,765.00
4.00	OVERHEAD & PROFIT					
4.01	Overhead	1.00	LS	\$ 25,000.00	\$ 25,000.00	
4.02	Profit	1.00	LS	\$ 15,000.00	\$ 15,000.00	
	Subtotal					\$ 40,000.00
5.00	Project Total					\$ 173,567.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

**EXHIBIT G-2
REPLACEMENT HOME COST FORM**

Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06
For March 2024 Negotiations

Name of Proposer: FRCG-MIT, LLC

1. Model Home Proposed:

- ☐ Single-Story 2-Bedroom ☒ Single-Story 3-Bedroom ☐ Single-Story 4-Bedroom
☐ Two-Story 2-Bedroom ☐ Two-Story 3-Bedroom ☐ Two-Story 4-Bedroom
☐ One-Story 2-Bedroom (Compact/Narrow)

2. Model Home Proposed Maximum Budget:

ID	Cost Category	Proposed Cost (1)
Soft Costs (Not Subject to Max. Construction / Hard Costs Budget) (2)(3)		
SC-01	Design and Permitting for Replacement Home Construction	\$3,525.00
SC-02	Design and Permitting for Applicant's Home Demolition and Abatement	\$15,250.00
SC-03	Services During Construction (Design Supervision)	\$15,250.00
SC-04	Insurance Cost (applicable to soft and hard cost of Standard Model Home)	\$4,223.00
SC-05	Overhead Cost (applicable to all soft costs)	\$3,625.00
SC-06	Profit Cost (applicable to all soft costs)	\$4,127.00
Sub-Total Soft Costs (3)		\$46,000.00
Hard Costs (Subject to Max. Construction / Hard Costs Caps) (Standard Model Home) (4)(5)(6)		
HC-01	Replacement Home Construction Cost	\$147,485.00
HC-02	Overhead Cost (applicable to Standard Model Home's hard costs)	\$29,540.00
HC-03	Profit Cost (applicable to Standard Model Home's hard costs)	\$17,760.00
Sub-Total Hard Costs (4)		\$194,785.00
ADA Compliance Delta (Not Subject to Max. Construction / Hard Costs Budget)		
ADA-01	Replacement Home ADA Compliance Delta Hard Cost	\$6,415.00
ADA-02	Insurance Cost (applicable to ADA Compliance Delta hard costs)	\$225.00
ADA-03	Overhead Cost (applicable to ADA Compliance Delta hard costs)	\$1,328.00
ADA-04	Profit Cost (applicable to ADA Compliance Delta hard costs)	\$797.00
Sub-Total ADA Compliance Delta Costs		\$8,765.00
Vieques & Culebra Construction Delta (Not Subject to Max. Construction / Hard Costs Budget)		
Replacement Home in Vieques/Culebra Delta Hard Cost		\$82,797.00
Insurance Cost (applicable to Delta hard costs)		\$2,268.00
Overhead Cost (applicable to Delta hard costs)		\$15,955.00
Profit Cost (applicable to Delta hard costs)		\$8,975.00
Sub-Total Vieques/Culebra Delta Costs		\$109,995.00

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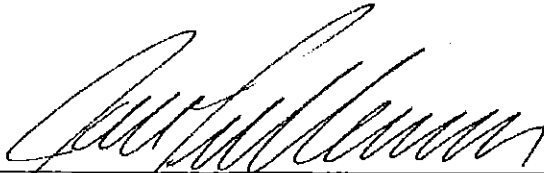
Total Proposed Cost (Soft + Hard) for Standard Model Home ⁽⁷⁾⁽⁹⁾	\$240,785.00
Total Proposed Cost (Soft + Hard + ADA) for ADA Compliant Home ⁽⁸⁾⁽⁹⁾	\$249,550.00

Notes on Cost Form:

- (1) Refers to the maximum cost that will be paid by the PRDOH to the Proposer, if awarded, for the implementation of the design, permitting, and construction works necessary to build the Model Home proposed.
- (2) Refers to the soft costs for the development of the Model Home not subject to the maximum construction / hard costs caps.
- (3) Soft Costs include (i) the design and permitting for the Replacement Home considering any work necessary to adapt the model home to assigned lots; including incorporation of any historical property requirements; (ii) the design and permitting for the demolition and abatement of the storm-damaged home; (iii) the cost of any insurance related to the works; and (iv) the operational costs related to the design and permitting work; (v) overhead cost associated to the design and permitting work; (vi) profit cost associated to the design and permitting work; and (vii) cost of other activities related to the design and permitting work of the demolition and abatement of the Storm-Damaged Home and the construction of the Replacement Home.
- (4) Refers to the costs for the development of the Model Home which is subject to the maximum construction / hard costs caps. Construction / hard costs are capped as follows: \$165,000 for single-story 2-bedroom Replacement Homes; \$185,000 for two-story 2-bedroom Replacement Homes; \$195,000 for single-story 3-bedroom Replacement Homes; \$210,000 for two-story 3-bedroom Replacement Homes; \$210,000 for single-story 4-bedroom Replacement Homes; \$235,000 for two-story 4-bedroom Replacement Homes; and \$140,000 for single-story 2-bedroom Compact Lot & Narrow Lot Version.
- (5) Hard Costs include: (i) construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work and the Minimum Design and Architectural Standards, including costs associated to the structure, its components, and finishes, including the cost of 12 inches of excavation and soil preparation for foundations underneath the home's footprint (including foundations); (ii) construction of a minimum 200 square feet carport pad (no roof) for the Replacement Home; (iii) construction of 180 square feet of driveway to the home's carport pad (considering minimum setbacks for a typical R-1 Lot); (iv) construction of 50 square feet of walkway to the home (considering minimum setbacks for a typical R-1 Lot); (v) a 75 feet connection length for power to existing utilities; (vi) a 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location; (vii) a 25 feet connection length for sanitary sewer measured for the Replacement Home's front edge to existing clean out ("registro"); (viii) softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) for the square footages specified in the Minimum Architectural and Design Standards; (ix) operational costs associated to the construction of the Replacement Home; (x) overhead costs associated to the construction of the Replacement Home; (xi) profit costs associated to the construction of the Replacement Home; and (xii) cost of other related activities not excluded from the hard / construction caps.
- (6) Hard Costs exclude: (i) any earthwork (cut, fill, and other related activities) additional to the 12 inches depth excavation and soil remediation underneath the Replacement Home's footprint and structural foundation (Additional earthwork requirements will be compensated to the Construction Managers using the Program Unit Price List); (ii) any sitework (sidewalks, driveways, landscaping, etc.) in addition to the driveway, walkway, and softscape requirements by the cap (Additional sitework requirements will be compensated to the Construction Managers using the Program Unit Price List); (iii) demolition work required at the Applicant's existing home (this cost will be compensated to the Construction Managers using the Program Unit Price List); (iv) any abatement work required at the Applicant's existing home (if any abatement is required at the storm-damaged home, it will be compensated to the Construction Managers using the Program Unit Price List); (v) cost of Municipal Patents and Construction Taxes ("Arbitrios") applicable to the construction of the Replacement Home and any demolition and abatement work required at the Applicant's existing property (These costs will be added to the Construction Managers total cost of the work based on the applicable percentages of the Municipality where work is to be performed); and (vi) cost of insurance related to the work.
- (7) Refers to the total development cost for the Standard Model Home (i.e. not ADA compliant) proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to Selected Proposers for construction of the Standard Model Home Proposed.
- (8) Refers to the total development cost for the ADA Compliant Variant of the Model Home proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to the Selected Proposers for construction of the ADA Compliant variant of the Model Home.
- (9) To the Total Proposed Costs (for both Standard and ADA Compliant Model Homes) once a site is assigned to the Selected Proposers, the cost of any additional earthwork, sitework, demolition work, or abatement work, as well as the cost of Municipal Patents and Construction Taxes ("Arbitrios"), required as part of a project will be added using the Program Unit Price List (Refer to Exhibit O-1 of the RFP) and any applicable percentages.
- (10) Proposer must provide the reasonable cost of each model homes and attach to this Replacement Home Cost Form a detailed cost breakdown setting forth the items of work included in each Cost Category. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

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Proposer's Authorized Representative Signature

José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

March 21, 2024
Date

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Replacement Home Detailed Cost Breakdown
Single-Story 3-Bedroom Home ADA
Date: March 21, 2024

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Main Site Project					
1.01	Site General Cleaning/Dumpster	1.00	LS	\$ 1,600.00	\$ 1,600.00	
1.02	Site Work Preparation	1.00	LS	\$ 675.00	\$ 675.00	
1.03	Temporary Fence Maintenance	4.00	MO	\$ 62.50	\$ 250.00	
1.04	Sanitary Sewer System	25.00	LF	\$ 15.00	\$ 375.00	
1.05	Potable Water Distribution System	25.00	LF	\$ 11.00	\$ 275.00	
1.06	Electrical Distribution System	75.00	LF	\$ 29.50	\$ 2,212.50	
1.07	Electric Meter Base/Bank	1.00	LS	\$ 550.00	\$ 550.00	
1.08	Subgrade Preparation	1.00	LS	\$ 500.00	\$ 500.00	
1.09	Grass	1,710.00	SF	\$ 0.60	\$ 1,026.00	
	Subtotal					\$ 7,463.50
2.00	HOUSING UNIT					
2.01	Concrete Work	76.50	CY	\$ 750.00	\$ 57,375.00	
2.02	Concrete Blocks 4"	125.00	SF	\$ 6.50	\$ 812.50	
2.03	Concrete Blocks 6"	664.00	SF	\$ 8.00	\$ 5,312.00	
2.04	Window & Door Sills	135.00	LF	\$ 6.50	\$ 877.50	
2.05	Plaster Interior Walls	2,365.00	SF	\$ 2.85	\$ 6,740.25	
2.06	Plaster Exterior Walls	1,713.00	SF	\$ 2.85	\$ 4,882.05	
2.07	Edges	1,040.00	LF	\$ 3.75	\$ 3,900.00	
2.08	Roof Waterproofing System	1,120.00	SF	\$ 6.25	\$ 7,000.00	
2.09	Floor Tiles	984.00	SF	\$ 5.75	\$ 5,658.00	
2.10	Wall Base Tiles	311.00	LF	\$ 3.25	\$ 1,010.75	
2.11	Wall Ceramic Tiles	172.00	SF	\$ 6.50	\$ 1,118.00	
2.12	Wood Doors & Frames	7.00	EA	\$ 275.00	\$ 1,925.00	
2.13	Aluminum Doors & Frames	2.00	EA	\$ 450.00	\$ 900.00	
2.14	Aluminum Windows	1.00	LS	\$ 5,830.00	\$ 5,830.00	
2.15	Closet Shelving	3.00	EA	\$ 260.00	\$ 780.00	
2.16	Hardware	1.00	LS	\$ 1,259.00	\$ 1,259.00	
2.17	Bathroom Accessories	2.00	LS	\$ 215.00	\$ 430.00	
2.18	Painting	1.00	LS	\$ 5,000.00	\$ 5,000.00	
2.19	Kitchen & Bathroom Cabinets	1.00	LS	\$ 2,500.00	\$ 2,500.00	
2.20	Kitchen Equipment	1.00	LS	\$ 2,795.00	\$ 2,795.00	
2.21	Plumbing System	1.00	LS	\$ 12,535.00	\$ 12,535.00	
2.22	Electrical System	1.00	LS	\$ 11,381.45	\$ 11,381.45	
	Subtotal					\$ 140,021.50
3.00	ADA COST					
3.01	Accessible Kitchen Cabinets	1.00	EA	\$ 2,888.16	\$ 2,888.16	
3.02	Accessible Bathroom Vanity	1.00	EA	\$ 1,249.68	\$ 1,249.68	
3.03	Accessible Toilet	1.00	EA	\$ 432.63	\$ 432.63	
3.04	Toilet Safety Bars/Support Rails	3.00	EA	\$ 206.90	\$ 620.70	
3.05	Wall Mount Shower (Seat or Bench)	1.00	EA	\$ 902.88	\$ 902.88	
3.06	Shower Safety Bars/Support Rails	3.00	EA	\$ 376.19	\$ 1,128.57	
3.07	Handheld Shower Head, Hose and Glide Bar	1.00	EA	\$ 338.57	\$ 338.57	
3.08	Tilted/Angled Mirror	1.00	EA	\$ 395.01	\$ 395.01	
3.09	Smoke Detectors with Visual Aid	2.00	EA	\$ 282.14	\$ 564.28	
3.10	Carbon Monoxide Detector with Visual Aid	1.00	EA	\$ 244.52	\$ 244.52	
	Subtotal					\$ 8,765.00
4.00	OVERHEAD & PROFIT					
4.01	Overhead	1.00	LS	\$ 29,540.00	\$ 29,540.00	
4.02	Profit	1.00	LS	\$ 17,760.00	\$ 17,760.00	
	Subtotal					\$ 47,300.00
5.00	Project Total					\$ 203,550.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

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**EXHIBIT G-2
REPLACEMENT HOME COST FORM**

Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06
For March 2024 Negotiations

Name of Proposer: FRCG-MIT, LLC

1. Model Home Proposed:

- ☐ Single-Story 2-Bedroom ☐ Single-Story 3-Bedroom ☒ Single-Story 4-Bedroom
☐ Two-Story 2-Bedroom ☐ Two-Story 3-Bedroom ☐ Two-Story 4-Bedroom
☐ One-Story 2-Bedroom (Compact/Narrow)

2. Model Home Proposed Maximum Budget:

ID	Cost Category	Proposed Cost ⁽¹⁾
Soft Costs (Not Subject to Max. Construction / Hard Costs Budget) ⁽²⁾⁽³⁾		
SC-01	Design and Permitting for Replacement Home Construction	\$3,525.00
SC-02	Design and Permitting for Applicant's Home Demolition and Abatement	\$15,250.00
SC-03	Services During Construction (Design Supervision)	\$15,750.00
SC-04	Insurance Cost (applicable to soft and hard cost of Standard Model Home)	\$ 4,502.00
SC-05	Overhead Cost (applicable to all soft costs)	\$3,800.00
SC-06	Profit Cost (applicable to all soft costs)	\$ 4,173.00
Sub-Total Soft Costs ⁽³⁾		\$47,000.00
Hard Costs (Subject to Max. Construction / Hard Costs Caps) (Standard Model Home) ⁽⁴⁾⁽⁵⁾⁽⁶⁾		
HC-01	Replacement Home Construction Cost	\$159,446.00
HC-02	Overhead Cost (applicable to Standard Model Home's hard costs)	\$31,500.00
HC-03	Profit Cost (applicable to Standard Model Home's hard costs)	\$19,000.00
Sub-Total Hard Costs ⁽⁴⁾		\$209,946.00
ADA Compliance Delta (Not Subject to Max. Construction / Hard Costs Budget)		
ADA-01	Replacement Home ADA Compliance Delta Hard Cost	\$ 6,415.00
ADA-02	Insurance Cost (applicable to ADA Compliance Delta hard costs)	\$225.00
ADA-03	Overhead Cost (applicable to ADA Compliance Delta hard costs)	\$1,328.00
ADA-04	Profit Cost (applicable to ADA Compliance Delta hard costs)	\$797.00
Sub-Total ADA Compliance Delta Costs		\$8,765.00
Vieques & Culebra Construction Delta (Not Subject to Max. Construction / Hard Costs Budget)		
Replacement Home in Vieques/Culebra Delta Hard Cost		\$ 82,797.00
Insurance Cost (applicable to Delta hard costs)		\$ 2,268.00
Overhead Cost (applicable to Delta hard costs)		\$ 15,955.00
Profit Cost (applicable to Delta hard costs)		\$ 8,975.00
Sub-Total Vieques/Culebra Delta Costs		\$ 109,995.00

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Total Proposed Cost (Soft + Hard) for Standard Model Home ⁽⁷⁾⁽⁹⁾	\$256,946.00
Total Proposed Cost (Soft + Hard + ADA) for ADA Compliant Home ⁽⁸⁾⁽⁹⁾	\$265,711.00

Notes on Cost Form:

- (1) Refers to the maximum cost that will be paid by the PRDOH to the Proposer, if awarded, for the implementation of the design, permitting, and construction works necessary to build the Model Home proposed.
- (2) Refers to the soft costs for the development of the Model Home not subject to the maximum construction / hard costs caps.
- (3) Soft Costs include (i) the design and permitting for the Replacement Home considering any work necessary to adapt the model home to assigned lots, including incorporation of any historical property requirements; (ii) the design and permitting for the demolition and abatement of the storm-damaged home; (iii) the cost of any insurance related to the works; and (iv) the operational costs related to the design and permitting work; (v) overhead cost associated to the design and permitting work; (vi) profit cost associated to the design and permitting work; and (vii) cost of other activities related to the design and permitting work of the demolition and abatement of the Storm-Damaged Home and the construction of the Replacement Home.
- (4) Refers to the costs for the development of the Model Home which is subject to the maximum construction / hard costs caps. Construction / hard costs are capped as follows: \$165,000 for single-story 2-bedroom Replacement Homes; \$185,000 for two-story 2-bedroom Replacement Homes; \$195,000 for single-story 3-bedroom Replacement Homes; \$210,000 for two-story 3-bedroom Replacement Homes; \$210,000 for single-story 4-bedroom Replacement Homes; \$235,000 for two-story 4-bedroom Replacement Homes; and \$140,000 for single-story 2-bedroom Compact Lot & Narrow Lot Version.
- (5) Hard Costs include: (i) construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work and the Minimum Design and Architectural Standards, including costs associated to the structure, its components, and finishes, including the cost of 12 inches of excavation and soil preparation for foundations underneath the home's footprint (including foundations); (ii) construction of a minimum 200 square feet carport pad (no roof) for the Replacement Home; (iii) construction of 180 square feet of driveway to the home's carport pad (considering minimum setbacks for a typical R-1 Lot); (iv) construction of 50 square feet of walkway to the home (considering minimum setbacks for a typical R-1 Lot); (v) a 75 feet connection length for power to existing utilities; (vi) a 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location; (vii) a 25 feet connection length for sanitary sewer measured for the Replacement Home's front edge to existing clean out ("registro"); (viii) softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) for the square footages specified in the Minimum Architectural and Design Standards; (ix) operational costs associated to the construction of the Replacement Home; (x) overhead costs associated to the construction of the Replacement Home; (xi) profit costs associated to the construction of the Replacement Home; and (xii) cost of other related activities not excluded from the hard / construction caps.
- (6) Hard Costs exclude: (i) any earthwork (cut, fill, and other related activities) additional to the 12 inches depth excavation and soil remediation underneath the Replacement Home's footprint and structural foundation (Additional earthwork requirements will be compensated to the Construction Managers using the Program Unit Price List); (ii) any sitework (sidewalks, driveways, landscaping, etc.) in addition to the driveway, walkway, and softscape requirements by the cap (Additional sitework requirements will be compensated to the Construction Managers using the Program Unit Price List); (iii) demolition work required at the Applicant's existing home (This cost will be compensated to the Construction Managers using the Program Unit Price List); (iv) any abatement work required at the Applicant's existing home (if any abatement is required at the storm-damaged home, it will be compensated to the Construction Managers using the Program Unit Price List); (v) cost of Municipal Permits and Construction Taxes ("Arbitrios") applicable to the construction of the Replacement Home and any demolition and abatement work required at the Applicant's existing property (These costs will be added to the Construction Managers total cost of the work based on the applicable percentages of the Municipality where work is to be performed); and (vi) cost of insurance related to the work.
- (7) Refers to the total development cost for the Standard Model Home (i.e. not ADA compliant) proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to Selected Proposers for construction of the Standard Model Home Proposed.
- (8) Refers to the total development cost for the ADA Compliant Variant of the Model Home proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to the Selected Proposers for construction of the ADA Compliant variant of the Model Home.
- (9) To the Total Proposed Costs (for both Standard and ADA Compliant Model Homes) once a site is assigned to the Selected Proposers, the cost of any additional earthwork, sitework, demolition work, or abatement work, as well as the cost of Municipal Permits and Construction Taxes ("Arbitrios"), required as part of a project will be added using the Program Unit Price List (Refer to Exhibit O-1 of the RFP) and any applicable percentages.
- (10) Proposer must provide the reasonable cost of each model homes and attach to this Replacement Home Cost Form a detailed cost breakdown setting forth the items of work included in each Cost Category. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

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Proposer's Authorized Representative Signature
José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

March 21, 2024

Date

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Replacement Home Detailed Cost Breakdown
Single-Story 4-Bedroom Home ADA
Date: March 21, 2024

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Main Site Project					
1.01	Site General Cleaning/Dumpster	1.00	LS	\$ 1,800.00	\$ 1,800.00	
1.02	Site Work Preparation	1.00	LS	\$ 750.00	\$ 750.00	
1.03	Temporary Fence Maintenance	4.00	MO	\$ 62.50	\$ 250.00	
1.04	Sanitary Sewer System	25.00	LF	\$ 15.00	\$ 375.00	
1.05	Potable Water Distribution System	25.00	LF	\$ 11.00	\$ 275.00	
1.06	Electrical Distribution System	75.00	LF	\$ 29.50	\$ 2,212.50	
1.07	Electric Meter Base/Bank	1.00	LS	\$ 550.00	\$ 550.00	
1.08	Subgrade Preparation	1.00	LS	\$ 500.00	\$ 500.00	
1.09	Grass	1,510.00	SF	\$ 0.60	\$ 906.00	
	Subtotal					\$ 7,618.50
2.00	HOUSING UNIT					
2.01	Concrete Work	84.00	CY	\$ 750.00	\$ 63,000.00	
2.02	Concrete Blocks 4"	136.00	SF	\$ 6.50	\$ 884.00	
2.03	Concrete Blocks 6"	724.00	SF	\$ 8.00	\$ 5,792.00	
2.04	Window & Door Sills	147.00	LF	\$ 6.50	\$ 955.50	
2.05	Plaster Interior Walls	2,578.00	SF	\$ 2.85	\$ 7,347.30	
2.06	Plaster Exterior Walls	1,867.00	SF	\$ 2.85	\$ 5,320.95	
2.07	Edges	1,133.00	LF	\$ 3.75	\$ 4,248.75	
2.08	Roof Waterproofing System	1,220.00	SF	\$ 6.25	\$ 7,625.00	
2.09	Floor Tiles	1,072.00	SF	\$ 5.75	\$ 6,164.00	
2.10	Wall Base Tiles	339.00	LF	\$ 3.25	\$ 1,101.75	
2.11	Wall Ceramic Tiles	172.00	SF	\$ 6.50	\$ 1,118.00	
2.12	Wood Doors & Frames	8.00	EA	\$ 275.00	\$ 2,200.00	
2.13	Aluminum Doors & Frames	2.00	EA	\$ 450.00	\$ 900.00	
2.14	Aluminum Windows	1.00	LS	\$ 6,250.00	\$ 6,250.00	
2.15	Closet Shelving	4.00	EA	\$ 260.00	\$ 1,040.00	
2.16	Hardware	1.00	LS	\$ 1,559.00	\$ 1,559.00	
2.17	Bathroom Accessories	2.00	LS	\$ 215.00	\$ 430.00	
2.18	Painting	1.00	LS	\$ 5,500.00	\$ 5,500.00	
2.19	Kitchen & Bathroom Cabinets	1.00	LS	\$ 2,500.00	\$ 2,500.00	
2.20	Kitchen Equipment	1.00	LS	\$ 2,795.00	\$ 2,795.00	
2.21	Plumbing System	1.00	LS	\$ 13,696.00	\$ 13,696.00	
2.22	Electrical System	1.00	LS	\$ 11,400.25	\$ 11,400.25	
	Subtotal					\$ 151,827.50
3.00	ADA COST					
3.01	Accessible Kitchen Cabinets	1.00	EA	\$ 2,888.16	\$ 2,888.16	
3.02	Accessible Bathroom Vanity	1.00	EA	\$ 1,249.68	\$ 1,249.68	
3.03	Accessible Toilet	1.00	EA	\$ 432.63	\$ 432.63	
3.04	Toilet Safety Bars/Support Rails	3.00	EA	\$ 206.90	\$ 620.70	
3.05	Wall Mount Shower (Seat or Bench)	1.00	EA	\$ 902.88	\$ 902.88	
3.06	Shower Safety Bars/Support Rails	3.00	EA	\$ 376.19	\$ 1,128.57	
3.07	Handheld Shower Head, Hose and Glide Bar	1.00	EA	\$ 338.57	\$ 338.57	
3.08	Tilted/Angled Mirror	1.00	EA	\$ 395.01	\$ 395.01	
3.09	Smoke Detectors with Visual Aid	2.00	EA	\$ 282.14	\$ 564.28	
3.10	Carbon Monoxide Detector with Visual Aid	1.00	EA	\$ 244.52	\$ 244.52	
	Subtotal					\$ 8,765.00
4.00	OVERHEAD & PROFIT					
4.01	Overhead	1.00	LS	\$ 31,500.00	\$ 31,500.00	
4.02	Profit	1.00	LS	\$ 19,000.00	\$ 19,000.00	
	Subtotal					\$ 50,500.00
5.00	Project Total					\$ 218,711.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

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**EXHIBIT G-2
REPLACEMENT HOME COST FORM**

Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06
For March 2024 Negotiations

Name of Proposer: FRCG-MIT, LLC

1. Model Home Proposed:

- ☐ Single-Story 2-Bedroom ☐ Single-Story 3-Bedroom ☐ Single-Story 4-Bedroom
☒ Two-Story 2-Bedroom ☐ Two-Story 3-Bedroom ☐ Two-Story 4-Bedroom
☐ One-Story 2-Bedroom (Compact/Narrow)

2. Model Home Proposed Maximum Budget:

ID	Cost Category	Proposed Cost (1)
Soft Costs (Not Subject to Max. Construction / Hard Costs Budget) (2)(3)		
SC-01	Design and Permitting for Replacement Home Construction	\$3,525.00
SC-02	Design and Permitting for Applicant's Home Demolition and Abatement	\$15,250.00
SC-03	Services During Construction (Design Supervision)	\$15,000.00
SC-04	Insurance Cost (applicable to soft and hard cost of Standard Model Home)	\$4,040.00
SC-05	Overhead Cost (applicable to all soft costs)	\$3,375.00
SC-06	Profit Cost (applicable to all soft costs)	\$3,810.00
Sub-Total Soft Costs (3)		\$45,000.00
Hard Costs (Subject to Max. Construction / Hard Costs Caps) (Standard Model Home) (4)(5)(6)		
HC-01	Replacement Home Construction Cost	\$140,094.00
HC-02	Overhead Cost (applicable to Standard Model Home's hard costs)	\$28,000.00
HC-03	Profit Cost (applicable to Standard Model Home's hard costs)	\$16,800.00
Sub-Total Hard Costs (4)		\$184,894.00
ADA Compliance Delta (Not Subject to Max. Construction / Hard Costs Budget)		
ADA-01	Replacement Home ADA Compliance Delta Hard Cost	\$7,915.00
ADA-02	Insurance Cost (applicable to ADA Compliance Delta hard costs)	\$265.00
ADA-03	Overhead Cost (applicable to ADA Compliance Delta hard costs)	\$1,636.00
ADA-04	Profit Cost (applicable to ADA Compliance Delta hard costs)	\$982.00
Sub-Total ADA Compliance Delta Costs		\$10,798.00
Vieques & Culebra Construction Delta (Not Subject to Max. Construction / Hard Costs Budget)		
Replacement Home in Vieques/Culebra Delta Hard Cost		\$82,797.00
Insurance Cost (applicable to Delta hard costs)		\$2,268.00
Overhead Cost (applicable to Delta hard costs)		\$15,955.00
Profit Cost (applicable to Delta hard costs)		\$8,975.00
Sub-Total Vieques/Culebra Delta Costs		\$109,995.00

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Total Proposed Cost (Soft + Hard) for Standard Model Home ⁽⁷⁾⁽⁹⁾	\$229,894.00
Total Proposed Cost (Soft + Hard + ADA) for ADA Compliant Home ⁽⁸⁾⁽⁹⁾	\$240,692.00

Notes on Cost Form:

- (1) Refers to the maximum cost that will be paid by the PRDOH to the Proposer, if awarded, for the implementation of the design, permitting, and construction works necessary to build the Model Home proposed.
- (2) Refers to the to the soft costs for the development of the Model Home not subject to the maximum construction / hard costs caps.
- (3) Soft Costs include (i) the design and permitting for the Replacement Home considering any work necessary to adapt the model home to assigned lots, including incorporation of any historical property requirements; (ii) the design and permitting for the demolition and abatement of the storm-damaged home; (iii) the cost of any insurance related to the works; and (iv) the operational costs related to the design and permitting work; (v) overhead cost associated to the design and permitting work; (vi) profit cost associated to the design and permitting work; and (vii) cost of other activities related to the design and permitting work of the demolition and abatement of the Storm-Damaged Home and the construction of the Replacement Home.
- (4) Refers to the costs for the development of the Model Home which is subject to the maximum construction / hard costs caps. Construction / hard costs are capped as follows: \$165,000 for single-story 2-bedroom Replacement Homes; \$185,000 for two-story 2-bedroom Replacement Homes; \$195,000 for single-story 3-bedroom Replacement Homes; \$210,000 for two-story 3-bedroom Replacement Homes; \$210,000 for single-story 4-bedroom Replacement Homes; \$235,000 for two-story 4-bedroom Replacement Homes; and \$140,000 for single-story 2-bedroom Compact Lot & Narrow Lot Version.
- (5) Hard Costs include: (i) construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work and the Minimum Design and Architectural Standards, including costs associated to the structure, its components, and finishes, including the cost of 12 inches of excavation and soil preparation for foundations underneath the home's footprint (including foundations); (ii) construction of a minimum 200 square feet carport pad (no roof) for the Replacement Home; (iii) construction of 180 square feet of driveway to the home's carport pad (considering minimum setbacks for a typical R-1 Lot); (iv) construction of 50 square feet of walkway to the home (considering minimum setbacks for a typical R-1 Lot); (v) a 75 feet connection length for power to existing utilities; (vi) a 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location; (vii) a 25 feet connection length for sanitary sewer measured for the Replacement Home's front edge to existing clean out ("registro"); (viii) softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) for the square footages specified in the Minimum Architectural and Design Standards; (ix) operational costs associated to the construction of the Replacement Home; (x) overhead costs associated to the construction of the Replacement Home; (xi) profit costs associated to the construction of the Replacement Home; and (xii) cost of other related activities not excluded from the hard / construction caps.
- (6) Hard Costs exclude: (i) any earthwork (cut, fill, and other related activities) additional to the 12 inches depth excavation and soil remediation underneath the Replacement Home's footprint and structural foundation (Additional earthwork requirements will be compensated to the Construction Managers using the Program Unit Price List); (ii) any sitework (sidewalks, driveways, landscaping, etc.) in addition to the driveway, walkway, and softscape requirements by the cap (Additional sitework requirements will be compensated to the Construction Managers using the Program Unit Price List); (iii) demolition work required at the Applicant's existing home (This cost will be compensated to the Construction Managers using the Program Unit Price List); (iv) any abatement work required at the Applicant's existing home (If any abatement is required at the storm-damaged home, it will be compensated to the Construction Managers using the Program Unit Price List); (v) cost of Municipal Permits and Construction Taxes ("Arbitrios") applicable to the construction of the Replacement Home and any demolition and abatement work required at the Applicant's existing property (These costs will be added to the Construction Managers total cost of the work based on the applicable percentages of the Municipality where work is to be performed); and (vi) cost of insurance related to the work.
- (7) Refers to the total development cost for the Standard Model Home (i.e. not ADA compliant) proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to Selected Proposers for construction of the Standard Model Home Proposed.
- (8) Refers to the total development cost for the ADA Compliant Variant of the Model Home proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to the Selected Proposers for construction of the ADA Compliant variant of the Model Home.
- (9) To the Total Proposed Costs (for both Standard and ADA Compliant Model Homes) once a site is assigned to the Selected Proposers, the cost of any additional earthwork, sitework, demolition work, or abatement work, as well as the cost of Municipal Permits and Construction Taxes ("Arbitrios"), required as part of a project will be added using the Program Unit Price List (Refer to Exhibit O-1 of the RFP) and any applicable percentages.
- (10) Proposer must provide the reasonable cost of each model homes and attach to this Replacement Home Cost Form a detailed cost breakdown setting forth the items of work included in each Cost Category. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

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Proposer's Authorized Representative Signature
José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

March 21, 2024

Date

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Replacement Home Detailed Cost Breakdown
Two-Story 2-Bedroom Home ADA
Date: March 21, 2024

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Main Site Project					
1.01	Site General Cleaning/Dumpster	1.00	LS	\$ 1,325.00	\$ 1,325.00	
1.02	Site Work Preparation	1.00	LS	\$ 575.00	\$ 575.00	
1.03	Temporary Fence Maintenance	4.00	MO	\$ 62.50	\$ 250.00	
1.04	Sanitary Sewer System	25.00	LF	\$ 15.00	\$ 375.00	
1.05	Potable Water Distribution System	25.00	LF	\$ 11.00	\$ 275.00	
1.06	Electrical Distribution System	75.00	LF	\$ 29.50	\$ 2,212.50	
1.07	Electric Meter Base/Bank	1.00	LS	\$ 550.00	\$ 550.00	
1.08	Subgrade Preparation	1.00	LS	\$ 500.00	\$ 500.00	
1.09	Grass	1,915.00	SF	\$ 0.60	\$ 1,149.00	
	Subtotal					\$ 7,211.50
2.00	HOUSING UNIT					
2.01	Concrete Work	75.00	CY	\$ 750.00	\$ 56,250.00	
2.02	Concrete Blocks 4"	146.00	SF	\$ 6.50	\$ 949.00	
2.03	Concrete Blocks 6"	785.00	SF	\$ 8.00	\$ 6,280.00	
2.04	Window & Door Sills	95.00	LF	\$ 6.50	\$ 617.50	
2.05	Plaster Interior Walls	2,893.00	SF	\$ 2.85	\$ 8,245.05	
2.06	Plaster Exterior Walls	1,275.00	SF	\$ 2.85	\$ 3,633.75	
2.07	Edges	916.00	LF	\$ 3.75	\$ 3,431.25	
2.08	Roof Waterproofing System	805.00	SF	\$ 6.25	\$ 5,031.25	
2.09	Floor Tiles	1,025.00	SF	\$ 5.75	\$ 5,893.75	
2.10	Wall Base Tiles	345.00	LF	\$ 3.25	\$ 1,121.25	
2.11	Wall Ceramic Tiles	92.00	SF	\$ 6.50	\$ 598.00	
2.12	Wood Doors & Frames	5.00	EA	\$ 275.00	\$ 1,375.00	
2.13	Aluminum Doors & Frames	2.00	EA	\$ 450.00	\$ 900.00	
2.14	Aluminum Windows	1.00	LS	\$ 5,250.00	\$ 5,250.00	
2.15	Closet Shelving	2.00	EA	\$ 260.00	\$ 520.00	
2.16	Hardware	1.00	LS	\$ 825.00	\$ 825.00	
2.17	Bathroom Accessories	1.00	LS	\$ 215.00	\$ 215.00	
2.18	Painting	1.00	LS	\$ 4,850.00	\$ 4,850.00	
2.19	Kitchen & Bathroom Cabinets	1.00	LS	\$ 2,500.00	\$ 2,500.00	
2.20	Kitchen Equipment	1.00	LS	\$ 2,795.00	\$ 2,795.00	
2.21	Plumbing System	1.00	LS	\$ 12,444.00	\$ 12,444.00	
2.22	Electrical System	1.00	LS	\$ 9,957.70	\$ 9,957.70	
	Subtotal					\$ 133,682.50
3.00	ADA COST					
3.01	Accessible Kitchen Cabinets	1.00	EA	\$ 3,693.52	\$ 3,693.52	
3.02	Accessible Bathroom Vanity	1.00	EA	\$ 1,260.28	\$ 1,260.28	
3.03	Accessible Toilet	1.00	EA	\$ 703.97	\$ 703.97	
3.04	Toilet Safety Bars/Support Rails	3.00	EA	\$ 333.46	\$ 1,000.38	
3.05	Wall Mount Shower (Seat or Bench)	1.00	EA	\$ 1,185.64	\$ 1,185.64	
3.06	Shower Safety Bars/Support Rails	3.00	EA	\$ 296.41	\$ 889.23	
3.07	Handheld Shower Head, Hose and Glide Bar	1.00	EA	\$ 259.35	\$ 259.35	
3.08	Tilted/Angled Mirror	1.00	EA	\$ 703.98	\$ 703.98	
3.09	Smoke Detectors with Visual Aid	2.00	EA	\$ 363.10	\$ 726.20	
3.10	Carbon Monoxide Detector with Visual Aid	1.00	EA	\$ 375.45	\$ 375.45	
	Subtotal					\$ 10,798.00
4.00	OVERHEAD & PROFIT					
4.01	Overhead	1.00	LS	\$ 28,000.00	\$ 28,000.00	
4.02	Profit	1.00	LS	\$ 16,000.00	\$ 16,000.00	
	Subtotal					\$ 44,000.00
5.00	Project Total					\$ 195,692.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

**EXHIBIT G-2
REPLACEMENT HOME COST FORM**

**Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06
For March 2024 Negotiations**

Name of Proposer: FRCG-MIT, LLC

1. Model Home Proposed:

- ☐ Single-Story 2-Bedroom ☐ Single-Story 3-Bedroom ☐ Single-Story 4-Bedroom
☐ Two-Story 2-Bedroom ☒ Two-Story 3-Bedroom ☐ Two-Story 4-Bedroom
☐ One-Story 2-Bedroom (Compact/Narrow)

2. Model Home Proposed Maximum Budget:

ID	Cost Category	Proposed Cost ⁽¹⁾
Soft Costs (Not Subject to Max. Construction / Hard Costs Budget) ⁽²⁾⁽³⁾		
SC-01	Design and Permitting for Replacement Home Construction	\$3,525.00
SC-02	Design and Permitting for Applicant's Home Demolition and Abatement	\$15,250.00
SC-03	Services During Construction (Design Supervision)	\$15,500.00
SC-04	Insurance Cost (applicable to soft and hard cost of Standard Model Home)	\$4,425.00
SC-05	Overhead Cost (applicable to all soft costs)	\$3,425.00
SC-06	Profit Cost (applicable to all soft costs)	\$3,875.00
Sub-Total Soft Costs ⁽³⁾		\$46,000.00
Hard Costs (Subject to Max. Construction / Hard Costs Caps) (Standard Model Home) ⁽⁴⁾⁽⁵⁾⁽⁶⁾		
HC-01	Replacement Home Construction Cost	\$159,255.00
HC-02	Overhead Cost (applicable to Standard Model Home's hard costs)	\$31,500.00
HC-03	Profit Cost (applicable to Standard Model Home's hard costs)	\$19,000.00
Sub-Total Hard Costs ⁽⁴⁾		\$209,755.00
ADA Compliance Delta (Not Subject to Max. Construction / Hard Costs Budget)		
ADA-01	Replacement Home ADA Compliance Delta Hard Cost	\$7,915.00
ADA-02	Insurance Cost (applicable to ADA Compliance Delta hard costs)	\$265.00
ADA-03	Overhead Cost (applicable to ADA Compliance Delta hard costs)	\$1,636.00
ADA-04	Profit Cost (applicable to ADA Compliance Delta hard costs)	\$982.00
Sub-Total ADA Compliance Delta Costs		\$10,798.00
Vieques & Culebra Construction Delta (Not Subject to Max. Construction / Hard Costs Budget)		
Replacement Home in Vieques/Culebra Delta Hard Cost		\$82,797.00
Insurance Cost (applicable to Delta hard costs)		\$2,268.00
Overhead Cost (applicable to Delta hard costs)		\$15,955.00
Profit Cost (applicable to Delta hard costs)		\$8,975.00
Sub-Total Vieques/Culebra Delta Costs		\$109,995.00

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Total Proposed Cost (Soft + Hard) for Standard Model Home ⁽⁷⁾⁽⁹⁾	\$255,755.00
Total Proposed Cost (Soft + Hard + ADA) for ADA Compliant Home ⁽⁸⁾⁽⁹⁾	\$266,553.00

Notes on Cost Form:

- (1) Refers to the maximum cost that will be paid by the PRDOH to the Proposer, if awarded, for the implementation of the design, permitting, and construction works necessary to build the Model Home proposed.
- (2) Refers to the soft costs for the development of the Model Home not subject to the maximum construction / hard costs caps.
- (3) Soft Costs include (i) the design and permitting for the Replacement Home considering any work necessary to adapt the model home to assigned lots, including incorporation of any historical property requirements; (ii) the design and permitting for the demolition and abatement of the storm-damaged home; (iii) the cost of any insurance related to the works; and (iv) the operational costs related to the design and permitting work; (v) overhead cost associated to the design and permitting work; (vi) profit cost associated to the design and permitting work; and (vii) cost of other activities related to the design and permitting work of the demolition and abatement of the Storm-Damaged Home and the construction of the Replacement Home.
- (4) Refers to the costs for the development of the Model Home which is subject to the maximum construction / hard costs caps. Construction / hard costs are capped as follows: \$165,000 for single-story 2-bedroom Replacement Homes; \$185,000 for two-story 2-bedroom Replacement Homes; \$195,000 for single-story 3-bedroom Replacement Homes; \$210,000 for two-story 3-bedroom Replacement Homes; \$210,000 for single-story 4-bedroom Replacement Homes; \$235,000 for two-story 4-bedroom Replacement Homes; and \$140,000 for single-story 2-bedroom Compact Lot & Narrow Lot Version.
- (5) Hard Costs include: (i) construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work and the Minimum Design and Architectural Standards, including costs associated to the structure, its components, and finishes, including the cost of 12 inches of excavation and soil preparation for foundations underneath the home's footprint (including foundations); (ii) construction of a minimum 200 square feet carport pad (no roof) for the Replacement Home; (iii) construction of 180 square feet of driveway to the home's carport pad (considering minimum setbacks for a typical R-1 Lot); (iv) construction of 50 square feet of walkway to the home (considering minimum setbacks for a typical R-1 Lot); (v) a 75 feet connection length for power to existing utilities; (vi) a 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location; (vii) a 25 feet connection length for sanitary sewer measured from the Replacement Home's front edge to existing clean out ("registro"); (viii) softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) for the square footages specified in the Minimum Architectural and Design Standards; (ix) operational costs associated to the construction of the Replacement Home; (x) overhead costs associated to the construction of the Replacement Home; (xi) profit costs associated to the construction of the Replacement Home; and (xii) cost of other related activities not excluded from the hard / construction caps.
- (6) Hard Costs exclude: (i) any earthwork (cut, fill, and other related activities) additional to the 12 inches depth excavation and soil remediation underneath the Replacement Home's footprint and structural foundation (Additional earthwork requirements will be compensated to the Construction Managers using the Program Unit Price List); (ii) any sitework (sidewalks, driveways, landscaping, etc.) in addition to the driveway, walkway, and softscape requirements by the cap (Additional sitework requirements will be compensated to the Construction Managers using the Program Unit Price List); (iii) demolition work required at the Applicant's existing home (This cost will be compensated to the Construction Managers using the Program Unit Price List); (iv) any abatement work required at the Applicant's existing home (If any abatement is required at the storm-damaged home, it will be compensated to the Construction Managers using the Program Unit Price List); (v) cost of Municipal Patents and Construction Taxes ("Arbitrios") applicable to the construction of the Replacement Home and any demolition and abatement work required at the Applicant's existing property (These costs will be added to the Construction Managers total cost of the work based on the applicable percentages of the Municipality where work is to be performed); and (vi) cost of insurance related to the work.
- (7) Refers to the total development cost for the Standard Model Home (i.e. not ADA compliant) proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to Selected Proposers for construction of the Standard Model Home Proposed.
- (8) Refers to the total development cost for the ADA Compliant Variant of the Model Home proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to the Selected Proposers for construction of the ADA Compliant variant of the Model Home.
- (9) To the Total Proposed Costs (for both Standard and ADA Compliant Model Homes) once a site is assigned to the Selected Proposers, the cost of any additional earthwork, sitework, demolition work, or abatement work, as well as the cost of Municipal Patents and Construction Taxes ("Arbitrios"), required as part of a project will be added using the Program Unit Price List (Refer to Exhibit O-1 of the RFP) and any applicable percentages.
- (10) Proposer must provide the reasonable cost of each model homes and attach to this Replacement Home Cost Form a detailed cost breakdown setting forth the items of work included in each Cost Category. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

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Proposer's Authorized Representative Signature
José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

March 21, 2024
Date

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Replacement Home Detailed Cost Breakdown
Two-Story 3-Bedroom Home ADA
Date: March 21, 2024

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Main Site Project					
1.01	Site General Cleaning/Dumpster	1.00	LS	\$ 1,600.00	\$ 1,600.00	
1.02	Site Work Preparation	1.00	LS	\$ 675.00	\$ 675.00	
1.03	Temporary Fence Maintenance	4.00	MO	\$ 62.50	\$ 250.00	
1.04	Sanitary Sewer System	25.00	LF	\$ 15.00	\$ 375.00	
1.05	Potable Water Distribution System	25.00	LF	\$ 11.00	\$ 275.00	
1.06	Electrical Distribution System	75.00	LF	\$ 29.60	\$ 2,212.60	
1.07	Electric Meter Base/Bank	1.00	LS	\$ 550.00	\$ 550.00	
1.08	Subgrade Preparation	1.00	LS	\$ 500.00	\$ 500.00	
1.09	Grass	1,710.00	SF	\$ 0.60	\$ 1,026.00	
	Subtotal					\$ 7,463.50
2.00	HOUSING UNIT					
2.01	Concrete Work	81.00	CY	\$ 750.00	\$ 60,750.00	
2.02	Concrete Blocks 4"	205.00	SF	\$ 6.50	\$ 1,332.50	
2.03	Concrete Blocks 6"	1,045.00	SF	\$ 8.00	\$ 8,360.00	
2.04	Window & Door Sills	160.00	LF	\$ 6.50	\$ 1,040.00	
2.05	Plaster Interior Walls	3,450.00	SF	\$ 2.85	\$ 9,832.50	
2.06	Plaster Exterior Walls	1,489.00	SF	\$ 2.85	\$ 4,243.65	
2.07	Edges	1,025.00	LF	\$ 3.75	\$ 3,843.75	
2.08	Roof Waterproofing System	995.00	SF	\$ 6.25	\$ 6,218.75	
2.09	Floor Tiles	1,163.00	SF	\$ 5.75	\$ 6,629.75	
2.10	Wall Base Tiles	394.00	LF	\$ 3.25	\$ 1,280.50	
2.11	Wall Ceramic Tiles	172.00	SF	\$ 6.50	\$ 1,118.00	
2.12	Wood Doors & Frames	8.00	EA	\$ 275.00	\$ 2,200.00	
2.13	Aluminum Doors & Frames	2.00	EA	\$ 450.00	\$ 900.00	
2.14	Aluminum Windows	1.00	LS	\$ 5,500.00	\$ 5,500.00	
2.15	Closet Shelving	3.00	EA	\$ 260.00	\$ 780.00	
2.16	Hardware	1.00	LS	\$ 1,259.00	\$ 1,259.00	
2.17	Bathroom Accessories	2.00	LS	\$ 215.00	\$ 430.00	
2.18	Painting	1.00	LS	\$ 5,000.00	\$ 5,000.00	
2.19	Kitchen & Bathroom Cabinets	1.00	LS	\$ 2,500.00	\$ 2,500.00	
2.20	Kitchen Equipment	1.00	LS	\$ 2,795.00	\$ 2,795.00	
2.21	Plumbing System	1.00	LS	\$ 13,750.00	\$ 13,750.00	
2.22	Electrical System	1.00	LS	\$ 12,028.10	\$ 12,028.10	
	Subtotal					\$ 151,791.50
3.00	ADA COST					
3.01	Accessible Kitchen Cabinets	1.00	EA	\$ 3,693.52	\$ 3,693.52	
3.02	Accessible Bathroom Vanity	1.00	EA	\$ 1,260.28	\$ 1,260.28	
3.03	Accessible Toilet	1.00	EA	\$ 703.97	\$ 703.97	
3.04	Toilet Safety Bars/Support Rails	3.00	EA	\$ 333.46	\$ 1,000.38	
3.05	Wall Mount Shower (Seat or Bench)	1.00	EA	\$ 1,185.64	\$ 1,185.64	
3.06	Shower Safety Bars/Support Rails	3.00	EA	\$ 296.41	\$ 889.23	
3.07	Handheld Shower Head, Hose and Glide Bar	1.00	EA	\$ 259.35	\$ 259.35	
3.08	Tilted/Angled Mirror	1.00	EA	\$ 703.98	\$ 703.98	
3.09	Smoke Detectors with Visual Aid	2.00	EA	\$ 363.10	\$ 726.20	
3.10	Carbon Monoxide Detector with Visual Aid	1.00	EA	\$ 375.45	\$ 375.45	
	Subtotal					\$ 10,798.00
4.00	OVERHEAD & PROFIT					
4.01	Overhead	1.00	LS	\$ 31,500.00	\$ 31,500.00	
4.02	Profit	1.00	LS	\$ 19,000.00	\$ 19,000.00	
	Subtotal					\$ 50,500.00
5.00	Project Total					\$ 220,553.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

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☐ One-Story 2-Bedroom (Compact/Narrow)

2. Model Home Proposed Maximum Budget:

ID	Cost Category	Proposed Cost ⁽¹⁾
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SC-02	Design and Permitting for Applicant's Home Demolition and Abatement	\$15,250.00
SC-03	Services During Construction (Design Supervision)	\$15,750.00
SC-04	Insurance Cost (applicable to soft and hard cost of Standard Model Home)	\$ 4,949.00
SC-05	Overhead Cost (applicable to all soft costs)	\$3,525.00
SC-06	Profit Cost (applicable to all soft costs)	\$ 4,001.00
Sub-Total Soft Costs ⁽³⁾		\$47,000.00
Hard Costs (Subject to Max. Construction / Hard Costs Caps) (Standard Model Home) ⁽⁴⁾⁽⁵⁾⁽⁶⁾		
HC-01	Replacement Home Construction Cost	\$178,370.00
HC-02	Overhead Cost (applicable to Standard Model Home's hard costs)	\$35,500.00
HC-03	Profit Cost (applicable to Standard Model Home's hard costs)	\$21,000.00
Sub-Total Hard Costs ⁽⁴⁾		\$234,870.00
ADA Compliance Delta (Not Subject to Max. Construction / Hard Costs Budget)		
ADA-01	Replacement Home ADA Compliance Delta Hard Cost	\$7,915.00
ADA-02	Insurance Cost (applicable to ADA Compliance Delta hard costs)	\$265.00
ADA-03	Overhead Cost (applicable to ADA Compliance Delta hard costs)	\$1,636.00
ADA-04	Profit Cost (applicable to ADA Compliance Delta hard costs)	\$ 982.00
Sub-Total ADA Compliance Delta Costs		\$ 10,798.00
Vieques & Culebra Construction Delta (Not Subject to Max. Construction / Hard Costs Budget)		
Replacement Home in Vieques/Culebra Delta Hard Cost		\$ 82,797.00
Insurance Cost (applicable to Delta hard costs)		\$ 2,268.00
Overhead Cost (applicable to Delta hard costs)		\$ 15,955.00
Profit Cost (applicable to Delta hard costs)		\$ 8,975.00
Sub-Total Vieques/Culebra Delta Costs		\$ 109,995.00

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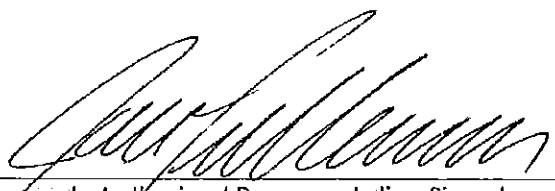
Total Proposed Cost (Soft + Hard) for Standard Model Home ⁽⁷⁾⁽⁹⁾	\$281,870.00
Total Proposed Cost (Soft + Hard + ADA) for ADA Compliant Home ⁽⁸⁾⁽⁹⁾	\$292,668.00

Notes on Cost Form:

- (1) Refers to the maximum cost that will be paid by the PRDOH to the Proposer, if awarded, for the Implementation of the design, permitting, and construction works necessary to build the Model Home proposed.
- (2) Refers to the to the soft costs for the development of the Model Home not subject to the maximum construction / hard costs caps.
- (3) Soft Costs include (i) the design and permitting for the Replacement Home considering any work necessary to adapt the model home to assigned lots, including incorporation of any historical property requirements; (ii) the design and permitting for the demolition and abatement of the storm-damaged home; (iii) the cost of any insurance related to the works; and (iv) the operational costs related to the design and permitting work; (v) overhead cost associated to the design and permitting work; (vi) profit cost associated to the design and permitting work; and (vii) cost of other activities related to the design and permitting work of the demolition and abatement of the Storm-Damaged Home and the construction of the Replacement Home.
- (4) Refers to the costs for the development of the Model Home which is subject to the maximum construction / hard costs caps. Construction / hard costs are capped as follows: \$165,000 for single-story 2-bedroom Replacement Homes; \$185,000 for two-story 2-bedroom Replacement Homes; \$195,000 for single-story 3-bedroom Replacement Homes; \$210,000 for two-story 3-bedroom Replacement Homes; \$210,000 for single-story 4-bedroom Replacement Homes; \$235,000 for two-story 4-bedroom Replacement Homes; and \$140,000 for single-story 2-bedroom Compact Lot & Narrow Lot Version.
- (5) Hard Costs include: (i) construction of the Replacement Home in compliance with all applicable requirements of the Scope of Work and the Minimum Design and Architectural Standards, including costs associated to the structure, its components, and finishes, including the cost of 12 inches of excavation and soil preparation for foundations underneath the home's footprint (including foundations); (ii) construction of a minimum 200 square feet carport pad (no roof) for the Replacement Home; (iii) construction of 180 square feet of driveway to the home's carport pad (considering minimum setbacks for a typical R-1 Lot); (iv) construction of 50 square feet of walkway to the home (considering minimum setbacks for a typical R-1 Lot); (v) a 75 feet connection length for power to existing utilities; (vi) a 25 feet connection length for potable water measured from the Replacement Home's front edge to existing meter location; (vii) a 25 feet connection length for sanitary sewer measured for the Replacement Home's front edge to existing clean out ("registro"); (viii) softscape (either by hydroseeding or sodding; if by hydroseeding include at least 2 inches of topsoil) for the square footages specified in the Minimum Architectural and Design Standards; (ix) operational costs associated to the construction of the Replacement Home; (x) overhead costs associated to the construction of the Replacement Home; (xi) profit costs associated to the construction of the Replacement Home; and (xii) cost of other related activities not excluded from the hard / construction caps.
- (6) Hard Costs exclude: (i) any earthwork (cut, fill, and other related activities) additional to the 12 inches depth excavation and soil remediation underneath the Replacement Home's footprint and structural foundation (Additional earthwork requirements will be compensated to the Construction Managers using the Program Unit Price List); (ii) any sitework (sidewalks, driveways, landscaping, etc.) in addition to the driveway, walkway, and softscape requirements by the cap (Additional sitework requirements will be compensated to the Construction Managers using the Program Unit Price List); (iii) demolition work required at the Applicant's existing home (This cost will be compensated to the Construction Managers using the Program Unit Price List); (iv) any abatement work required at the Applicant's existing home (If any abatement is required at the storm-damaged home, it will be compensated to the Construction Managers using the Program Unit Price List); (v) cost of Municipal Patents and Construction Taxes ("Arbitrios") applicable to the construction of the Replacement Home and any demolition and abatement work required at the Applicant's existing property (These costs will be added to the Construction Managers total cost of the work based on the applicable percentages of the Municipality were work is to be performed); and (vi) cost of insurance related to the work.
- (7) Refers to the total development cost for the Standard Model Home (i.e. not ADA compliant) proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to Selected Proposers for construction of the Standard Model Home Proposed.
- (8) Refers to the total development cost for the ADA Compliant Variant of the Model Home proposed, excluding any specified exceptions to the construction / hard costs cap. This will be the base price to be paid by the PRDOH to the Selected Proposers for construction of the ADA Compliant variant of the Model Home.
- (9) To the Total Proposed Costs (for both Standard and ADA Compliant Model Homes) once a site is assigned to the Selected Proposers, the cost of any additional earthwork, sitework, demolition work, or abatement work, as well as the cost of Municipal Patents and Construction Taxes ("Arbitrios"), required as part of a project will be added using the Program Unit Price List (Refer to Exhibit O-1 of the RFP) and any applicable percentages.
- (10) Proposer must provide the reasonable cost of each model homes and attach to this Replacement Home Cost Form a detailed cost breakdown setting forth the items of work included in each Cost Category. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

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Proposer's Authorized Representative Signature

José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

March 21, 2024
Date

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Replacement Home Detailed Cost Breakdown
Two-Story 4-Bedroom Home ADA
Date: March 21, 2024

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Main Site Project					
1.01	Site General Cleaning/Dumpster	1.00	LS	\$ 1,800.00	\$ 1,800.00	
1.02	Site Work Preparation	1.00	LS	\$ 750.00	\$ 750.00	
1.03	Temporary Fence Maintenance	4.00	MO	\$ 62.50	\$ 250.00	
1.04	Sanitary Sewer System	25.00	LF	\$ 15.00	\$ 375.00	
1.05	Potable Water Distribution System	25.00	LF	\$ 11.00	\$ 275.00	
1.06	Electrical Distribution System	75.00	LF	\$ 29.50	\$ 2,212.50	
1.07	Electric Meter Base/Bank	1.00	LS	\$ 650.00	\$ 650.00	
1.08	Subgrade Preparation	1.00	LS	\$ 500.00	\$ 500.00	
1.09	Grass	1,510.00	SF	\$ 0.60	\$ 906.00	
	Subtotal					\$ 7,618.50
2.00	HOUSING UNIT					
2.01	Concrete Work	90.00	CY	\$ 750.00	\$ 67,500.00	
2.02	Concrete Blocks 4"	210.00	SF	\$ 6.50	\$ 1,365.00	
2.03	Concrete Blocks 6"	1,115.00	SF	\$ 8.00	\$ 8,920.00	
2.04	Window & Door Sills	268.00	LF	\$ 6.50	\$ 1,742.00	
2.05	Plaster Interior Walls	3,750.00	SF	\$ 2.85	\$ 10,687.50	
2.06	Plaster Exterior Walls	1,673.00	SF	\$ 2.85	\$ 4,768.05	
2.07	Edges	1,408.00	LF	\$ 3.75	\$ 5,280.00	
2.08	Roof Waterproofing System	1,138.00	SF	\$ 6.25	\$ 7,112.50	
2.09	Floor Tiles	1,251.00	SF	\$ 5.75	\$ 7,193.25	
2.10	Wall Base Tiles	489.00	LF	\$ 3.25	\$ 1,589.25	
2.11	Wall Ceramic Tiles	172.00	SF	\$ 6.50	\$ 1,118.00	
2.12	Wood Doors & Frames	10.00	EA	\$ 275.00	\$ 2,750.00	
2.13	Aluminum Doors & Frames	2.00	EA	\$ 450.00	\$ 900.00	
2.14	Aluminum Windows	1.00	LS	\$ 7,150.00	\$ 7,150.00	
2.15	Closet Shelving	5.00	EA	\$ 260.00	\$ 1,300.00	
2.16	Hardware	1.00	LS	\$ 1,975.00	\$ 1,975.00	
2.17	Bathroom Accessories	2.00	LS	\$ 215.00	\$ 430.00	
2.18	Painting	1.00	LS	\$ 5,500.00	\$ 5,500.00	
2.19	Kitchen & Bathroom Cabinets	1.00	LS	\$ 2,600.00	\$ 2,600.00	
2.20	Kitchen Equipment	1.00	LS	\$ 2,795.00	\$ 2,795.00	
2.21	Plumbing System	1.00	LS	\$ 14,545.00	\$ 14,545.00	
2.22	Electrical System	1.00	LS	\$ 13,630.95	\$ 13,630.95	
	Subtotal					\$ 170,751.50
3.00	ADA COST					
3.01	Accessible Kitchen Cabinets	1.00	EA	\$ 3,693.52	\$ 3,693.52	
3.02	Accessible Bathroom Vanity	1.00	EA	\$ 1,260.28	\$ 1,260.28	
3.03	Accessible Toilet	1.00	EA	\$ 703.97	\$ 703.97	
3.04	Toilet Safety Bars/Support Rails	3.00	EA	\$ 333.46	\$ 1,000.38	
3.05	Wall Mount Shower (Seat or Bench)	1.00	EA	\$ 1,185.64	\$ 1,185.64	
3.06	Shower Safety Bars/Support Rails	3.00	EA	\$ 296.41	\$ 889.23	
3.07	Handheld Shower Head, Hose and Glide Bar	1.00	EA	\$ 259.35	\$ 259.35	
3.08	Tilted/Angled Mirror	1.00	EA	\$ 703.98	\$ 703.98	
3.09	Smoke Detectors with Visual Aid	2.00	EA	\$ 363.10	\$ 726.20	
3.10	Carbon Monoxide Detector with Visual Aid	1.00	EA	\$ 375.45	\$ 375.45	
	Subtotal					\$ 10,798.00
3.00	OVERHEAD & PROFIT					
3.01	Overhead	1.00	LS	\$ 35,500.00	\$ 35,500.00	
3.02	Profit	1.00	LS	\$ 21,000.00	\$ 21,000.00	
	Subtotal					\$ 56,500.00
4.00	Project Total					\$ 245,668.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

EXHIBIT G-3
PHOTOVOLTAIC & WATER STORAGE SYSTEMS ALTERNATE COST FORM

Request for Proposals
Construction Management Services
Community Development Block Grant - Disaster Recovery
Community Development Block Grant - Mitigation
CDBG-DRMIT-RFP-2023-06
For February 2024 Negotiations

Name of Proposer: FRCG-MIT, LLC

1. Photovoltaic System and Water Storage System Costs:

Item Description	Unit Price ⁽²⁾
Photovoltaic System with Battery Storage and Related Services⁽¹⁾⁽³⁾	
3 kW DC with 9 kWh/day Battery Storage	\$25,000.00
Water Storage System and Related Services⁽¹⁾⁽³⁾	
500 Gallon Water Storage System	\$4,100.00

Notes on Cost Form:

- (1) Photovoltaic Systems with Battery Storage and Water Storage Systems, including any of their components, must comply with the specifications set forth in the Scope of Work.
- (2) Unit Price includes all costs and expenses, including design, permitting, equipment, installation, taxes, delivery, overhead, and profit, as well as any other administrative cost associated to the installation of the Systems' proposed. PRDOH is not responsible for the reimbursement of expenses related to per-diem, tolls, parts, or labors for equipment under warranty.
- (3) Photovoltaic Systems with Battery Storage and Water Storage Systems are subject to the Warranty conditions set forth in the Scope of Work.
- (4) Proposer must attach to this Photovoltaic & Water Storage Systems Alternate Cost Form a detailed cost breakdown setting forth the items of work included. The cost breakdown, additionally to being submitted in original physical format with the Proposal, must be submitted in digital (Excel) format.

Proposer's Authorized Representative Signature

José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

February 22, 2024

Date

Photovoltaic System with Battery Storage and Water Storage System

Date: February 22, 2024

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL	SUB-TOTAL
1.00	Photovoltaic System with Battery Storage					
1.01	Equipment: 3 kW DC with 9 kWh/day Battery Storage	1.00	LS	\$ 11,785.00	\$ 11,785.00	
1.02	Design & Permitting	1.00	LS	\$ 1,750.00	\$ 1,750.00	
1.03	Installation	1.00	LS	\$ 4,500.00	\$ 4,500.00	
1.04	Overhead	1.00	LS	\$ 4,500.00	\$ 4,500.00	
1.05	Profit	1.00	LS	\$ 2,465.00	\$ 2,465.00	
	Total PV					\$ 25,000.00
2.00	Water Storage System					
2.01	Equipment: 500 Gallon Water Storage System	1.00	LS	\$ 1,200.00	\$ 1,200.00	
2.02	Design & Permitting	1.00	LS	\$ 300.00	\$ 300.00	
2.03	Installation	1.00	LS	\$ 1,400.00	\$ 1,400.00	
2.04	Overhead	1.00	LS	\$ 800.00	\$ 800.00	
2.05	Profit	1.00	LS	\$ 400.00	\$ 400.00	
	Total WSS					\$ 4,100.00

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GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

EXHIBIT G-4
DEMOLITION OF EXISTING STRUCTURES COST FORM
Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06
For February 2024 Negotiations

Name of Proposer: FRCG-MIT, LLC

1. Demolition of Existing Structures⁽¹⁾:

Item Description	Units ⁽²⁾	Unit Price ⁽³⁾
Concrete Structures ⁽⁴⁾	Per Square Feet	\$24.00

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2. Demolition of Existing Structures:

Item Description	Units	Unit Price
Mixed Materials Structures ⁽⁵⁾	Per Square Feet	\$22.00

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3. Demolition of Existing Structures:

Item Description	Units	Unit Price
Wood Structures ⁽⁶⁾	Per Square Feet	\$16.50

4. Demolition of Site Elements⁽⁷⁾:

Item Description	Units	Unit Price
Reinforced Slab-On-Grade ⁽⁸⁾	Per Square Feet	\$15.50

5. Demolition of Site Elements:

Item Description	Units	Unit Price
Non-Reinforced Slab-On-Grade ⁽⁹⁾	Per Square Feet	\$13.30

Notes on Cost Form:

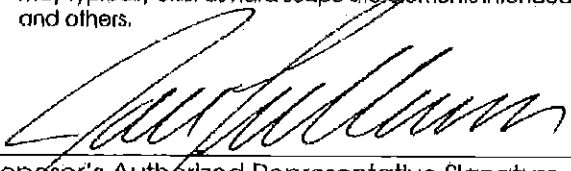
- (1) Existing structures that require to be demolished to perform program sponsored activities may be estimated by the Proposer's to provide a reasonable cost. When required, demolition of existing structures may be estimated using the dimensions of the existing structure exterior walls, which will provide the existing structure area in square feet. In general terms, existing structures may be categorized by material type (i) concrete structures, (ii) mixed material structures and/or (iii) wood structures. Existing structures may differ in material type, geometry, elevation, story height and other factors. The demolition of existing structures square feet area shall include the demolition of foundations, floors, walls, roofs, eaves, overhangs, parapets and any other element, component, material and/or equipment. It may be expected that some existing structures have more than one material type and quantity of stories which will be estimated accordingly. The area of each story shall be estimated regardless of the interior or exterior elevation and height. The reasonable cost configuration shall reduce administrative time, burden, and optimize the scope of work production, evaluation, revision, approval, and invoicing process.
- (2) The Proposer's shall provide a reasonable cost using square feet as the unit price for demolition of existing structures and site elements.
- (3) The Proposer's demolition unit price includes all costs and expenses associated to perform these activities, including design, permitting, labor, equipment, combustible, overhead, and profit, as well as any other administrative cost associated for the existing structures demolition. PRDOH is not responsible for the reimbursement of expenses related

to per-diem, tolls, parts, or labors for equipment. When these are required, the cost of abatement activities will not be included as part of the unit price as these will be estimated and compensated with the Program(s) Price List.

- (4) Demolition of existing concrete structures include the demolition, segregation, classification, transportation, and disposal of materials (including disposal fees) according to applicable laws and regulations. These types of structure are commonly built using concrete as the structure material and may include other types of materials such as masonry units. Other non-hazardous materials, elements, components, finishes and/or equipment might be part of the existing concrete structure type, and these shall be included as part of the demolition of structures unit price.
- (5) Demolition of existing mixed material structures include the demolition, segregation, classification, transportation, and disposal of materials (including disposal fees) according to applicable laws and regulations. These types of structure are commonly built using a combination of materials for its foundations, floor, interior/exterior walls, roof system and others. A combination of concrete, masonry units, wood, corrugated metal, and others may be part of this structure type. Other non-hazardous materials, elements, components, finishes and/or equipment might be part of the existing concrete structure type, and these shall be included as part of the demolition of structures unit price.
- (6) Demolition of existing wood structures include the demolition, segregation, classification, transportation, and disposal of materials (including disposal fees) according to applicable laws and regulations. These types of structures are commonly built using conventionally framed wood and some structures might have structural metal components, wood panels, and corrugated metal (with or without insulation) for the roof system. Other non-hazardous materials, elements, components, finishes and/or equipment might be part of the existing concrete structure type, and these shall be included as part of the demolition of structures unit price.
- (7) Existing site elements that require to be demolished to perform program sponsored activities may be estimated by the Proposer's to provide a reasonable cost. When required, demolition of site elements may be estimated using the elements dimensions to provide the area in square feet. In general terms, existing site elements may include (i) reinforced and/or (ii) non-reinforced slab-on-grade elements may include but is not limited to walkways, driveways, carports, swales, and others.
- (8) The demolition of reinforced slab-on-grade site elements include the demolition, segregation, classification, transportation, and disposal of materials (including disposal fees) according to applicable laws and regulations. Reinforcement materials may include steel rebars, wire mesh and others.
- (9) The demolition of non-reinforced slab-on-grade site elements include the demolition, segregation, classification, transportation, and disposal of materials (including disposal fees) according to applicable laws and regulations. These may typically exist as hard scape site elements intended for access, egress, divert, manage, and control storm water, and others.

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Proposer's Authorized Representative Signature
José M. Fullana-Morales - Managing Director/Assistant
Secretary/Board Member

Proposer's Authorized Representative Printed Name

February 22, 2024

Date



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT D

MINIMUM PERFORMANCE REQUIREMENTS
Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation
CDBG-DRMIT-RFP-2023-06

INTRODUCTION

This document represents performance metrics and requirements for the construction management services. The Contractor shall adhere to the requirements of this document. The Contractor shall develop workplans, schedules, reports and/or any other document as may be requested by PRDOH or its representative in connection to the metrics and requirements set forth herein. The Contractor shall submit any of such documents for review and approval as requested by the PRDOH within the specified time frame provided for such request. PRDOH reserves the right to request any information as part of the Grantee responsibilities. The Contractor is responsible for providing and performing all the services stated in the Scope of Services.

SCOPE OF SERVICES

The Contractor is responsible for compliance with all aspects of the Scope of Services included as an attachment of the Contract.

PERFORMANCE METRICS

TASK	SUBTASK	DELIVERABLES	TIMEFRAME
5. Deliverables and Milestones	5.1. Design Deliverables for Replacement Model Homes 5.1.1. Conceptual Design (Phase I) 5.1.1.5. Schedule of Deliverables	Delivery of Conceptual Designs for all model home variations (1L-2B, 1L-3B, 1L-4B, 2L-2B, 2L-3B, 2L-4B)	Submittal within thirty (30) calendar days upon Contract execution.

TASK	SUBTASK	DELIVERABLES	TIMEFRAME
	<p>5.1. Design Deliverables for Replacement Model Homes</p> <p>5.1.2. Design Development (Phase II)</p> <p>5.1.2.9. Schedule of Deliverables</p>	<p>Submittal of Design Development Deliverables (Three (3) Packages) (These shall include the narrative, drawings, technical specifications, submittal package, tridimensional color renderings and detailed cost breakdown)</p>	<p>All Design Development deliverables to be submitted within ninety (90) calendar days from the "Approval" of Conceptual Design model homes. Three Packages:</p> <p>First package to be submitted within thirty (30) calendar days of the Conceptual Design approval. 1 Level & 2 Level – 2 Bedroom model homes.</p> <p>Second Package to be submitted within sixty (60) calendar days of the Conceptual Design approval. 1 Level & 2 Level – 3 Bedroom model homes.</p> <p>Thlrd Package to be submitted within ninety (90) calendar days of the Conceptual Design approval. 1 Level & 2 Level – 4 Bedroom model homes.</p>
	<p>5.1. Design Deliverables for Replacement Model Homes</p> <p>5.1.2. Design Development (Phase II)</p> <p>5.1.2.9. Schedule of Deliverables</p>	<p>Filing of OGPe "Plano Seguro" permit</p>	<p>Filed within fourteen (14) calendar days from the approval of each model home.</p>
6. Project Existing Condillons	6.1. Scope Site Walk and Initial Scope of Work	Development of a Scope of Work through an Assessment of site conditions.	Within ten (10) calendar days upon case assignment.
	6.2. Task Order & Pre-Construction Deliverables	Reports on Asbestos Survey, Testing	Submittal within twenty-one (21) days of Task Order issuance for Relevant Testing.
	6.2.2. Asbestos Survey, Testing and Report		
	6.2. Task Order & Pre-Construction Deliverables	Reports on Lead-Based Inspection, Risk Assessment Testing	Submittal within twenty-one (21) days of Task Order issuance for Relevant Testing.
	6.2.3. Lead-Based		

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TASK	SUBTASK	DELIVERABLES	TIMEFRAME
	Inspection, Risk Assessment Testing and Report		
7. Construction Documents (Phase III)	7.6. Design & Permitting Packages Deliverables for R3 and SFM Programs	Submittal of construction permit to the corresponding agency(ies)	Within forty-five (45) calendar days of the Task Order being issued.
	7.7. Construction Deliverables for R3 and SFM 7.7.1. Rehabilitation (Repair) Work	Submittal of Request of Substantial/Finishes Milestone Inspection	All work under a repair intent project must be completed within sixty (60) calendar days from Program's Issuance of Notice to Proceed (NTP) Deliverables for this task are subject to liquidated damages.
	7.7. Construction Deliverables for R3 and SF-MIT 7.7.2. Replacement Home Construction Work (Reconstruction)	Submittal of Request of Substantial/Finishes Milestone Inspection	All work under a reconstruction project must be completed within one hundred and eighty (180) calendar days from Program's Issuance of Notice to Proceed (NTP) Deliverables for this task are subject to liquidated damages.
14. Tasks	14.1. Task 01: Construction Management/ Administration 14.1.3. Occupational Safety and Health	Prepared Construction Managers Safety Plan	Quality Plan shall be provided to the Program(s) within thirty (30) calendar days of Contract execution.

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TASK	SUBTASK	DELIVERABLES	TIMEFRAME
	14.1. Task 01: Construction Management/ Administration 14.1.4. Quality Control and Quality Assurance	Prepared Construction Managers Quality Plan	Quality Plan shall be provided to the Program(s) within thirty (30) calendar days of Contract execution.
	14.1. Task 01: Construction Management/ Administration 14.1.5. Solid Waste Management Plan	Prepared Solid Waste Management Plan	Solid Waste Management Plan shall be provided to the Program(s) within thirty (30) calendar days of Contract execution.

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Requirements, Terms, and Metrics may be modified if deemed necessary by the PRDOH, with due notification to the contractor. Modifications shall become binding between the parties upon agreement and will not require an amendment to the contract.

LIQUIDATED DAMAGES & PENALTIES

The Contractor shall pay PRDOH liquidated damages for each calendar day that a deliverable required is late until deemed in compliance, subject to a maximum to be established in the contract between the PRDOH and the Contractor. Said sums, in view of the difficulty of accurately ascertaining the loss which PRDOH will suffer by reason of delay in the completion of works requested, are hereby fixed and agreed as the liquidated damages that PRDOH will suffer by reason of such delay. Liquidated damages received are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the PRDOH's right to indemnification, or the Contractor's obligation to indemnify the PRDOH, or to any other remedy provided for as a provision of the contract

or law. Liquidated damages may be assessed at the sole discretion of PRDOH. For the purpose of applying and calculating such liquidated damages, a grace period of ten (10) days shall be observed, and the schedule may be extended by any additional time or delays outside the control of the Contractor caused by act of omission of the PRDOH, HUD, or any of their representatives. The PRDOH may deduct and retain out of the monies which may become due to the Contractor, the amount of any such liquidated damages; and in case the amount which may become due is less than the number of liquidated damages due to the PRDOH, the Contractor shall be liable to pay the difference.

END OF DOCUMENT

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INSURANCE REQUIREMENTS
Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation Programs
Puerto Rico Department of Housing
CDBG-DRMIT-RFP-2023-06

SPECIAL INSURANCE AND BONDING SPECIFICATIONS

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

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

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

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

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

COVERAGE	LIMIT
I. Commercial General Liability:	
• Each Occurrence Limit	\$1,000,000
• General Aggregate Limit	\$2,000,000
• Products & Complete Operations Aggregate Limit	\$1,000,000
• Personal Injury & Advertising Limit	\$1,000,000
• Fire Damage Limit	\$100,000 (Any one Fire)
• Medical Expense Limit	\$5,000 (Any one person)
II. Employer's Liability Stop Gap:	
• Bodily Injury by Accident:	



INSURANCE REQUIREMENTS
Request for Proposals
Construction Management Services
Community Development Block Grant – Disaster Recovery
Community Development Block Grant – Mitigation Programs
Puerto Rico Department of Housing
CDBG-DRMIT-RFP-2023-06

SPECIAL INSURANCE AND BONDING SPECIFICATIONS

COVERAGE	LIMIT
Each Employee	\$1,000,000
Each Accident	\$1,000,000
• Bodily Injury by Disease:	
Each Employee	\$1,000,000
Each Accident	\$1,000,000

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3. (X) Comprehensive Automobile Liability Form Including the following insurance coverages

LIMIT
• Auto Liability - \$1,000,000
• Physical Damages - \$1,000,000
• Medical Payments - \$ 5,000
The Commercial Auto cover must be applied to the following symbols:
• Liability Coverage -1
• Physical Damages – 2 and 8
• Hired – Borrowed Auto – 8
• Non-Owned Auto Liability – 9

4. (X) Professional Liability &/or Errors & Omissions Policy coverage for Design/Build Projects

(X)A. Risk, interest, location and limits.

(X) A.1 Description of work to be done.

(X) A.2 Limits:

(X) Each occurrence \$5,000,000

(X) Aggregate \$5,000,000

(X) Deductible \$ 10,000

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



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5. (X) Contractor's Pollution Liability

Limit - \$2,000,000 per occurrence and in the aggregate per policy period.

6. (X) Commercial Umbrella Insurance

Limit - \$10,000,000

7. (X) Builder's Risk – 100% of completed value

- (x) a. Shall be an "All Risk" (Special Perils) covered form, including "DIC" and earthquake.
- (x) b. 100% total finished cash value for all finished construction equipment and/or installation equipment.
- (x) c. Waiver of Subrogation is to apply.
- (x) d. The "PRDOH", HUD and the Government of Puerto Rico shall be added as Additional Insured on Builder's Risk.

8. (X) Payment and Performance Bond, Wage Payment Bond, and Labor Materials Payment Bond:

(X) a. The successful proposer must provide a Payment & Performance Bond for the total cost of the project under contract.

(X) b. The surety must be issued by a surety appearing in the latest US Department of Treasury's Listing of Approved Sureties (Circular Letter 570) and authorized to do business in Puerto Rico.

(X) c. You must provide an endorsement on the Performance and Payment Bond to guarantee the payment of wages at the Department of Labor of the Government of Puerto Rico as an Obligated Guarantor under Laws of Puerto Rico.

(X) d. Certificate of Authority, Power of Attorney and Power of Attorney License issued by the Commissioner of Insurance.



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(X) e. Performance and payment bonds will be required for 100% of the contract price to cover the construction work and the standard one (1) year warranty/maintenance period after the date when the final payment becomes due for warranty works.

(X) f. If the Surety on any Bond furnished by Contractor is declared bankrupt or becomes insolvent or its right to do business is terminated or it ceases to meet the requirements of the Puerto Rico's Insurance Commissioner, Contractor shall within twenty (20) days thereafter substitute said Bond and Surety with acceptable substitutes.

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

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

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

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

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

1. Be authorized to do business within the Commonwealth of Puerto Rico and have the corresponding license issued by the Commissioner of Insurance of Puerto Rico.



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2. To be enjoying a good economic situation and classified under the Category of B+ by the AM Best Rating Guide.
3. Submit to the **PRDOH** a written certification as evidence of full payment of premiums by the Contractor. Mention each risk coverage premium separately.
4. **INSURANCE CERTIFICATES:** The insurance company, or its representative, shall submit an insurance certificate evidencing the coverage as required under contract and indicating the Additional Insured status as required therein. **PRDOH** will not pay the successful proposer for any services if satisfactory proof of insurance is not provided prior the execution of contract.
5. Any failure of the **PRDOH** to demand or receive proof of insurance coverage shall not constitute a waiver of Proposer's obligation to obtain the required insurance. The receipt of any certificate does not constitute an agreement by the **PRDOH** that the insurance requirements in the contract have been fully met or that the insurance policies on the certificate follow all contract requirements.
6. Non-fulfillment of the insurance conditions may constitute a violation of the contract and the **PRDOH** retains the right to stop services until proper evidence of insurance is provided, or the contract may be terminated.
7. Avoid sub-contractual obligations of premium financing or any other kind, which may be detrimental to the public interest.
8. Avoid any request for cancellation by the contractor prior to the expiration date of the policy, without the consent of the Contract Division of the **PRDOH**; Discuss any refund of unearned premium.
9. Follow all Federal Bid and Acceptance Insurance Regulations, as applicable.

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10. Indicate in the appropriate place of all insurance policies and/or bonds, the full description of the project, work or service to be rendered.
11. Not to make any **endorsement** to insurance policies and bonds issued under the special conditions mentioned above, unless approved by the Insurance Section of the **PRDOH**.
12. To ensure that all insurance policies or bonds are issued to comply with all of our special insurance conditions with respect to the period of coverage, type of risk coverage, as well as all limits, as specified,
13. Clarify any questions regarding insurance requirements by any means of communication with the Insurance Specialist of the **PRDOH** under the Contract Division of the CDBG-DR/MIT Program.
14. The Contractor shall assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverages.
15. Insurance coverage in the minimum limit amounts set forth herein shall not be construed to release the Contractor from liability in excess of such coverage limit. Contractor must give thirty (30) calendar days written notice to **PRDOH** before any policy coverage is change, canceled or not renewed and shall cause the insurance carrier to do the same.

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

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

Therefore, prior to commencing work or receiving written notice to proceed with such work, the successful prime contractor has the responsibility to provide the **PRDOH** with all the **certificates of insurance and/or bonds required** under the

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SPECIAL INSURANCE AND BONDING SPECIFICATIONS

special conditions approved by the Insurance Section of the **PRDOH**. All insurance policies shall remain in effect for the entire contractual period.

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In case of any **change order** and/or amendment resulting in alteration of the original project completion date or total original cost, the prime contractor shall take the necessary steps to request the insurer to include such changes in all related insurance policies and/or bond and to submit evidence by appropriate endorsements with effective dates. Cancellations without consent are not accepted.

The **PRDOH** reserves the right to stop any work or service under contract until the breach of these requirements has been remedied, so that any delay in the performance of the contract based on any breach of the insurance coverage requirements shall be deemed the sole responsibility of the Main Contractor.

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

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

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

DI. CERTIFICATE OF CONTRACT DIVISION

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



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

INSURANCE REQUIREMENTS
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Puerto Rico Department of Housing
CDBG-DRMIT-RFP-2023-06

SPECIAL INSURANCE AND BONDING SPECIFICATIONS

DESCRIPTION OF THE SERVICES:
Construction Management Services

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August 31, 2023
Date

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Candice M. Noriega Morales
Candice M. Noriega Morales
Contract Compliance Specialist
CDBG-DR Program



ATTACHMENT F

HUD GENERAL PROVISIONS

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

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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.

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

General Provisions:

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

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

2. STATUTORY AND REGULATORY COMPLIANCE

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

administration of funds and/or set forth certain cost principles, including if certain expenses are allowed.

3. BREACH OF CONTRACT TERMS

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

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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.

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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.

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Additionally, for contracts of **\$10,000 or more**, the CONTRACTOR shall comply with PRDOH established quarterly reporting regarding contract and subcontract activity. This will enable PRDOH to complete federal reporting on all efforts to HUD as per the previously used HUD Form 2516 (Contract and Subcontract Activity) and data requested on this form.

8. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

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

9. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

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

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

The CONTRACTOR shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, religion or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

11. SECTION 504 OF THE REHABILITATION ACT OF 1973

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

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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.

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12. AGE DISCRIMINATION ACT OF 1975

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

13. DEBARMENT, SUSPENSION, AND INELIGIBILITY

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

14. CONFLICTS OF INTEREST

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

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

15. SUBCONTRACTING

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

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

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

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

16. ASSIGNABILITY

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

17. INDEMNIFICATION

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

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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.

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

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

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- (2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages and interest from the date of the underpayment. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchpersons and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$32 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1).

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

- (i) **Withholding process.** The [write in the name of the Federal agency or the recipient of Federal assistance] 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.

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

20. DAVIS-BACON ACT

The CONTRACTOR will comply with labor standards provisions contained in the Davis-Bacon Act (46 Stat. 1494, as amended; 40 U.S.C. 3141 et seq.) and its related statutes ("Related Acts") for this contract, in excess of \$2,000, which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the laws referenced by § 5.1, the following clauses:

(1) *Minimum wages* —

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

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

(ii) ***Frequently recurring classifications.***

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

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

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

(iii) ***Conformance.***

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

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

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

(C) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree

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

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

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

- (iv) **Fringe benefits not expressed as an hourly rate.** Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor may either pay the benefit as stated in the wage determination or may pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- (v) **Unfunded plans.** If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the contractor, in accordance with the criteria set forth in § 5.28, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

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- (vi) **Interest.** In the event of a failure to pay all or part of the wages required by the contract, the contractor will be required to pay interest on any underpayment of wages.

(2) **Withholding —**

- (i) **Withholding requirements.** The [write in name of Federal agency or the recipient of Federal assistance] 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.

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

(i) **Basic record requirements —**

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

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

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

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

(ii) **Certified payroll requirements —**

(A) **Frequency and method of submission.** The contractor or subcontractor must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to the [write in name of appropriate Federal agency] 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 [write in name of agency]. 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

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system, as long as the electronic system requires a legally valid electronic signature; the system allows the contractor, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or prime contractor permits other methods of submission in situations where the contractor is unable or limited in its ability to use or access the electronic system.

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

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

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

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(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 [write the name of the agency] 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 [write the name of the agency] 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 [write in name of appropriate Federal agency] 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 [write in name of agency], 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

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

(D) **Reciprocity of ratios and wage rates.** Where a contractor is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

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

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

(6) **Subcontracts.** The contractor or subcontractor must insert in any subcontracts the clauses contained in paragraphs (a)(1) through (11) of this section, along with the applicable wage determination(s) and such other clauses or contract modifications as the [write in the name of the Federal agency] 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.

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

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

(9) **Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) **Certification of eligibility.**

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

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

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

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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.

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22. TERMINATION FOR CONVENIENCE

(Applicable to contracts exceeding \$10,000)

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

23. SECTION 503 OF THE REHABILITATION ACT OF 1973

(Applicable to contracts exceeding \$10,000)

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

Equal Opportunity for Workers with Disabilities:

- 1) The CONTRACTOR will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The CONTRACTOR agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:

- (i) Recruitment, advertising, and job application procedures;
- (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
- (iii) Rates of pay or any other form of compensation and changes in compensation;
- (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
- (v) Leaves of absence, sick leave, or any other leave;
- (vi) Fringe benefits available by virtue of employment, whether or not administered by the CONTRACTOR;
- (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
- (viii) Activities sponsored by the CONTRACTOR including social or recreational programs; and
- (ix) Any other term, condition, or privilege of employment.

- 2) The CONTRACTOR agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- 3) In the event of the CONTRACTOR's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- 4) The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the CONTRACTOR'S obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The CONTRACTOR must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the CONTRACTOR may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).
- 5) The CONTRACTOR will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the CONTRACTOR is bound by the terms of Section 503 of the Rehabilitation Act

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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.

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- 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.

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25. CERTIFICATION OF NONSEGREGATED FACILITIES

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

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

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

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

26. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS

(Applicable to contracts exceeding \$100,000)

CLEAN AIR ACT

- 1)--The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- 2)--The CONTRACTOR agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.

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- 3)--The CONTRACTOR agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

WATER POLLUTION CONTROL ACT

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

- 2)--The CONTRACTOR agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.

- 3)--The CONTRACTOR agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

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

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

- 1) A stipulation by the CONTRACTOR or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to 40 C.F.R. Part 32 or on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 24 C.F.R. Part 58, as amended.
- 2) Agreement by the CONTRACTOR to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified

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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.

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

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

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.
- 3) The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

28. BONDING REQUIREMENTS

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

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

- 1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.
- 2) A performance bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in connection with a contract to secure the fulfillment of all the CONTRACTOR's obligations under such contract.
- 3) A payment bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by the law of all persons supplying labor and material in the execution of the work provided for in the contract.

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

- 1) The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (**Section 3**). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

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- 2) The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75 which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
- 3) The CONTRACTOR agrees to send to each labor organization or representative of workers with which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONTRACTOR's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- 4) The CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 75. The CONTRACTOR will not subcontract with any subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.
- 5) The CONTRACTOR will certify that any vacant employment positions, including training positions, that are filled: (1) after the CONTRACTOR is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the CONTRACTOR's obligations under 24 C.F.R. Part 75.
- 6) Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- 7) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian

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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.

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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.

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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.

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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.

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35. WITHHOLDING OF WAGES

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

36. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES

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

37. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS

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

38. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS

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

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

39. INTEREST OF CERTAIN FEDERAL OFFICERS

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

40. INTEREST OF CONTRACTOR

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

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41. POLITICAL ACTIVITY

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

42. RELIGIOUS ACTIVITY

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

43. FLOOD DISASTER PROTECTION ACT OF 1973

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

44. LEAD BASED PAINT

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

45. VALUE ENGINEERING

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

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

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

Every project funded in part or in full by Community Development Block Grant – Disaster Recovery (CDBG-DR) funds, and all activities related to that project, are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, 42 U.S.C. § 4601 *et seq.*, and section 104(d) of the Housing and Community Development Act of 1992, as amended (HCDA), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by the U.S. Department of Housing and Urban Development (HUD). The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG-funded housing activities at 24 C.F.R. § 570.606. PRDOH has also established the Uniform Relocation Assistance Guide & Residential Anti-Displacement and Relocation Assistance

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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.

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

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

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

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

48. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

The Federal Funding Accountability and Transparency Act of 2006 (FFATA), as amended, was signed with the intent of reducing wasteful government spending and providing citizens with the ability to hold the government accountable for spending decisions. 2

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

49. PROCUREMENT}

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

50. CHANGE ORDERS TO CONTRACTS

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

51. LANGUAGE ACCESS PLAN

Executive Order No. 13166, signed on August 11, 2000, requires programs, subrecipients, contractors, subcontractors, and/or developers funded in whole or in part with CDBG-DR financial assistance to ensure fair and meaningful access to programs and services for families and individuals with Limited English Proficiency (LEP) and/or deaf/hard of hearing. Fair access is ensured through the implementation of a Language Assistance Plan (LAP), which includes non-English-based outreach, translation services of vital documents, free language assistance services, and staff training. Vital documents are defined as depending on the importance of the program, information, encounter, or service

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involved, and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner.

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

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

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53. PROCUREMENT OF RECOVERED MATERIALS

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

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END OF DOCUMENT



APPENDIX C
CONTRACTOR CERTIFICATION
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO
CONTRACTS REVIEW POLICY
FRCG-MIT, LLC

The following is hereby certified to the Oversight Board regarding the request for authorization to execute a contract for Construction Management Services by and between the **Puerto Rico Department of Housing** and **FRCG-MIT, LLC**:

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

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Refer to enclosed Annex 1.a, 1.b and 1.c

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

F&R Construction Group, Inc. and its Principals

Angel Antonio Fullana – President/Board Member – 25%

José M. Fullana – Secretary/Board Member – 25%

Antonio Fullana – Vice President/Board Member – 15%

José Fullana – Assistant Secretary/Board Member – 15%

Manuel J. Fullana – Treasurer/Board Member – 15%

Néstor A. Amador – Executive Vice President – 15%

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

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

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.

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

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

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6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract, and the contractor must reimburse immediately to the Commonwealth any amounts, payments, or benefits received from the Commonwealth under the proposed contract.

[The above certifications shall be signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:]

I hereby certify under penalty of perjury that the foregoing is complete, true, and correct on this 15th day of May of 2024.



Signature

May 15, 2024

Date

Antonio Fullana-Morales

Printed Name

Vice President/Board
Member

Position



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT H

NON-CONFLICT OF INTEREST CERTIFICATION

FRCG-MIT, LLC

The CONTRACTOR certifies that:

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

"I hereby certify under penalty of perjury that the foregoing is complete, true, and correct."

Signature

May 15, 2024

Date

Antonio Fullana-Morales

Printed Name

Vice President/Board
Member

Position