



**COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR) / ENERGY  
(CDBG-DR Energy)**

**AGREEMENT FOR  
PROGRAM MANAGEMENT SERVICES  
ELECTRICAL POWER RELIABILITY AND RESILIENCE PROGRAM (ER2)  
BETWEEN THE  
PUERTO RICO DEPARTMENT OF HOUSING  
AND  
INNOVATIVE EMERGENCY MANAGEMENT, INC.**



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This **AGREEMENT FOR PROGRAM MANAGEMENT SERVICES ELECTRICAL POWER RELIABILITY AND RESILIENCE PROGRAM (ER2) (Agreement or Contract)** is entered into in San Juan, Puerto Rico, this 21 of August, 2023, 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 **INNOVATIVE EMERGENCY MANAGEMENT, INC. (CONTRACTOR)**, with principal offices in 2801 Slater Road, Suite 200, Morrisville, NC, herein represented by Keith Reynolds in his capacity as Manager of Contract Administration of legal age, single, and resident of Baton Rouge, Louisiana, duly authorized by Resolution by the CONTRACTOR.

**WHEREAS**, on September 2017, Hurricanes Irma and María made landfall in Puerto Rico causing catastrophic island-wide damage, knocking out power, water, and telecommunications for the entire island and its island municipalities. Hurricane María caused major structural 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**, Public Law 115-123 required 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. The first and Second Amendments to the 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.

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**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 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 program management firm to assist PRDOH with the implementation and administration of the Electrical Power Reliability and Resilience Program (**ER2**) under the Community Development Block Grant – Disaster Recovery Energy (**CDBG-DR Energy**). This firm will support PRDOH's objectives of ensuring compliance with all CDBG-DR, 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 related activities.

**WHEREAS**, on July 15, 2022, the PRDOH issued Request for Proposal (**RFP**) No. CDBG-DRMIT-RFP-2022-08 with CDBG-DR/MIT funds. This request was placed through the Registro Único de Subasta (**RUS**, for its Spanish acronym) and the CDBG-DR website. Afterward, PRDOH requested Quotations or Proposals from qualified Proposers therein registered. Through this procurement process, PRDOH received eight (**8**) proposals. The proposals were evaluated in compliance with the requirements set forth in the RFP.

**WHEREAS**, on September 7, 2022, the CONTRACTOR submitted a proposal, which fully complied with the requirements set forth by the PRDOH.

**WHEREAS**, the CONTRACTOR has duly adopted a Resolution dated October 30, 2021, authorizing the CONTRACTOR, via its Manager of Contract Administration, Keith Reynolds, to enter into the Agreement with the PRDOH.

**WHEREAS**, the PRDOH desires to enter into an agreement with **Innovative Emergency Management, Inc.** 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:

## I. TYPE OF CONTRACT

**Contract Type:** This is an hourly contract. Under this Agreement, the CONTRACTOR shall submit monthly invoices to the PRDOH based on the Compensation Schedule (**Attachment C**) 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:

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<b>Attachment A</b>	Proposal
<b>Attachment B</b>	Scope of Services
<b>Attachment C</b>	Compensation Schedule
<b>Attachment D</b>	Performance Requirements
<b>Attachment E</b>	Insurance Requirements
<b>Attachment F</b>	HUD General Provisions
<b>Attachment G</b>	Contractor Certification Requirement
<b>Attachment H</b>	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 August, 20, 20<sup>26</sup>.
- B. Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term for two additional terms of **twelve (12) months**, or expressed in days, **three hundred and sixty-five (365) days** upon mutual written agreement of the parties.
- C.** The term of this Agreement shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD unless the term of the initial Grant Agreement is extended by HUD, in which case the Agreement shall not exceed said extended period.

## III. SCOPE OF SERVICES

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

#### IV. COMPENSATION AND PAYMENT

- A.** The PRDOH agrees to pay the CONTRACTOR for allowable Services rendered under this Agreement in accordance with the rates and amounts described in **Attachment C** 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 **TEN MILLION THREE HUNDRED SIXTY-EIGHT THOUSAND NINE HUNDRED FORTY-FIVE DOLLARS (\$10,368,945.00)**; **Account Numbers:** **esp-ier2doh-lmi 6090-01-000** and **esp-ier2doh-un 6090-01-000**.
- C.** Such payment shall be compensation for all allowable services required, performed, and accepted under this Agreement included in **Attachment C** and **Attachment D**.
- 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 an amendment to this Agreement.
- E.** The CONTRACTOR shall submit an invoice to PRDOH on a monthly basis. Said invoice must be submitted including all required invoice supporting documents, including but not limited to monthly reports, timesheets, invoice and photos evidence, expense plan and/or work projections. If PRDOH determines that the submitted invoice and supporting documents are acceptable, then the invoice will be approved for payment.
- F.** The services rendered under the Agreement, shall be payable within **forty-five (45) business days** from the date the invoice is received and approved by a PRDOH representative for payment. If PRDOH raises any objections, PRDOH will return the invoice for corrections and the CONTRACTOR shall modify the invoice and return it within **five (5) business days**. Once the CONTRACTOR returns the modified invoice, the PRDOH shall resume and conclude the payment process within the next **forty-five (45) business days**.
- 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.
- H.** While providing the services under this Agreement, the CONTRACTOR must adhere to applicable requirements of the CDBG-DR grant. If the CONTRACTOR performs ineligible activities under the CDBG-DR grant or program, the CONTRACTOR cannot include them in the invoice for payment to the CONTRACTOR.
- 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 funds used for ineligible costs.

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- K. In order for the CONTRACTOR to receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOH for payment:

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

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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 in an executed written amendment.

#### VI. ADDITIONAL SERVICES

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

#### VII. OWNERSHIP AND USE OF DOCUMENTS

- A. With the exception of the CONTRACTOR's working papers, the CONTRACTOR acknowledges the PRDOH's ownership of all information, drafts, documents, reports, papers, and other materials developed and prepared by the CONTRACTOR, its agents or representatives, for purposes of performing key obligations hereunder. In the event of any termination, 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 shall 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, or the period required by other local applicable laws and regulations.

#### VIII. 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 shall be retained for the greater of **five (5) years** from the closeout of the grant to the state, or the period required by other local applicable laws and regulations. Such records include but are not limited to: Records providing a full description of each

activity undertaken; Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR program; Records required to determine the eligibility of activities; Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG-DR assistance; Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG-DR program regulations; Financial records as required by 24 C.F.R. § 570.506, 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.

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- 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 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 Personal Identifiable Information Policy, as found in the CDBG-DR Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which is herein included and made an integral part of this Agreement, as it may be updated from time to time.

#### **IX. 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.
- 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.

#### **X. NON-DISCLOSURE AND CONFIDENTIALITY**

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

- B. Non-Disclosure:** CONTRACTOR agrees to take all reasonable steps or measures to keep confidential all Confidential Information and will not, at any time, present or future, without PRDOH express written authorization, signed by the Secretary of the PRDOH, use or sell, market or disclose any Confidential Information to any third party, contractor, corporation, or association for any purpose whatsoever. CONTRACTOR further agrees that, except as they relate to the normal course of the service, the CONTRACTOR will not make copies of the Confidential Information except upon PRDOH express written authorization, signed by an authorized representative of PRDOH, and will not remove any copy or sample of Confidential Information without prior written authorization from PRDOH. CONTRACTOR retains the right to control its work papers subject to these confidentiality provisions.

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

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- D. Equitable Relief:** The CONTRACTOR acknowledges and agrees that a breach of the provision of subparagraph B and C of this Section may 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.

## **XI. PERFORMANCE WARRANTY**

- (a) CONTRACTOR warrants that it will perform all work and provide all Deliverables under this Contract in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.
- (b) CONTRACTOR warrants that all Deliverables it completes under this Contract shall: meet or exceed the standards of CONTRACTOR's trade, profession, or industry; meet or exceed the specifications set forth in the Attachments to this Agreement; and be fit for ordinary use, of good quality, and with no material defects, if applicable.
- (c) If CONTRACTOR submits Deliverables that do not meet specifications, fails to complete Deliverables timely, or fails to perform its obligation under this Contract, PRDOH may require CONTRACTOR, at its sole expense, if applicable, to:
1. repair or replace Deliverables that do not meet specifications;
  2. refund payment for Deliverables that do not meet specifications and accept the return of such Deliverables;
  3. pay liquidated damages for any past due Deliverable; and
  4. take necessary action to ensure that future performance and Deliverables meet specifications and conform to the Contract.

## **XII. 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 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.

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- B. Termination for Convenience:** The PRDOH may terminate this Agreement, in whole or in part, whenever the PRDOH determines that such termination is necessary or convenient to the Agency. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar 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 a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.
- C. Termination by Unilateral Abandonment:** The PRDOH will consider this Agreement immediately terminated, in the event that the CONTRACTOR unilaterally and without prior notice, chooses to abandon (in any shape, form or fashion) 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 a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination.

- 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 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 of this Agreement, and for **ninety (90) consecutive calendar days** thereafter (the Transition Period), CONTRACTOR agrees to make himself available to assist the PRDOH with the transition of services assigned to CONTRACTOR by the PRDOH. CONTRACTOR shall provide to the PRDOH the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the Services to the PRDOH or a third party designated by the PRDOH. PRDOH reserves the right to provide for the execution of a Transition Services Agreement for the Transition Period. In such instance, the CONTRACTOR will be paid at a reasonable, agreed upon, hourly rate for any work performed for the PRDOH during the Transition Period. Moreover, during that Transition Period, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH.

### **XIII. 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** and **Attachment D** 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 Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)) 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 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.

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

#### B. Liquidated damages

The CONTRACTOR shall pay to PRDOH, as liquidated damages, **ONE HUNDRED FIFTY DOLLARS (\$150.00)** for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of **ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00)** established in this Contract between PRDOH and the CONTRACTOR, in accordance with **Attachment B** and **Attachment D**. Said sum, in view of the difficulty of accurately ascertaining the loss which PRDOH will suffer by reason of delay in the completion of the Work hereunder, is hereby fixed and agreed as the liquidated damages that PRDOH will suffer by reason of such delay. Liquidated damages received hereunder are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the PRDOH's right to indemnification, or the CONTRACTOR's obligation to indemnify the PRDOH pursuant to this Contract, or to any other remedy provided for in this Contract or by Law. Liquidated damages may be assessed at the sole discretion of PRDOH. For the purpose of applying and calculating such liquidated damages, a grace period of **ten (10) business days** shall be observed. The PRDOH may deduct and retain out of the monies which may become due hereunder, the amount of any such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages due to the PRDOH per the formula above, the CONTRACTOR shall be liable to pay the difference.

#### XIV. 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 contract or tort, even if the other party or any person has been advised of the possibility of such damages. Third parties operating under this program, with their agency, will have their own general civil and criminal liability imposed by law towards the PRDOH, the CONTRACTOR and any citizen.

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

#### XV. 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, insurance policies in compliance with the Insurance Requirements, attached hereto and made an integral part hereof as **Attachment E**. The CONTRACTOR shall meet all other insurance requirements as may be imposed by PRDOH from time to time.

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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** 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.

The 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.

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#### **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) days** in advance 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.

#### **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 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) days'** written notice to be given to PRDOH 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.

#### **XVI. 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 or omission by the CONTRACTOR and its affiliates in connection with this Agreement.

#### **XVII. 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, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any Force Majeure including inclement weather, herein collectively referred to as Force Majeure during the term of this Agreement, neither the PRDOH nor the CONTRACTOR shall be liable to the other party for nonperformance during the conditions created by such event. The party claiming Force Majeure shall exercise due diligence to prevent, eliminate, or overcome such Force Majeure event where it is possible to do so and shall resume performance at the earliest possible date.

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

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#### **XVIII. CONFLICTS OF INTEREST**

The CONTRACTOR shall comply with the ethics requirements set forth herein 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.

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The CONTRACTOR agrees that if after award he or she discovers an organizational conflict of interest with respect to this Agreement, it shall make an immediate (within the next **seventy-two (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 contract 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 award 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.

#### **XIX. 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 contracts 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.

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## XX. 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 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, Puerto Rico 00918

To: CONTRACTOR

Keith Reynolds  
Manager of Contract Administration  
Innovative Emergency Management,  
Inc.  
2801 Slater Road, Suite 200,  
Morrisville, North Carolina 27560-8477

## XXI. 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.

## XXII. 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. The PRDOH shall review subcontracts as part of the compliance, monitoring, and oversight process performed by PRDOH or upon request.

**B. Specific Requirements:** All subcontracts shall contain provisions specifying:

- i. That the work performed by the subcontractor be in accordance with the applicable terms of this Agreement between the PRDOH and CONTRACTOR;

- ii. That nothing contained in such subcontract agreement shall impair the rights of the PRDOH;
- iii. That nothing contained herein, or under this Agreement will create any contractual relation between the subcontractor and the 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.

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- C. Monitoring:** CONTRACTOR shall diligently monitor all subcontracted services. If CONTRACTOR discovers any areas of noncompliance, CONTRACTOR shall provide the 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 the PRDOH CDBG-DR Legal Division and provide a copy of all subcontracts related to this Agreement and CDBG-DR 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 XXIII 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.

### **XXIII. CERTIFICATION OF COMPLIANCE WITH LEGAL REQUIREMENTS**

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

- A. Compliance with Executive Order No. 24:** Pursuant to Executive Order No.24 of June 18, 1991, the CONTRACTOR certifies and guarantees that at the signing of this Agreement it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last **five (5) years**. The CONTRACTOR further certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will be given a specific amount of time by the PRDOH to produce said documents. During the term of this Agreement, the CONTRACTOR agrees to pay and/or to remain current with any repayment plan agreed to by the CONTRACTOR with the Government of Puerto Rico.

- B. Compliance with Executive Order 52:** Pursuant to Executive Order No. 52 of August 28, 1992, amending Executive Order No. 1991-24, the CONTRACTOR certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The CONTRACTOR accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every CONTRACTOR and subcontractor whose service the CONTRACTOR has secured in connection with the services to be rendered under this Agreement and shall forward evidence to PRDOH as to its compliance with this requirement.

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

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

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

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

- G. Compliance with Act No. 45 of April 18, 1935, as amended, 11 LPRA § 1, et seq.:** The CONTRACTOR certifies and guarantees that at the signing of this Agreement has valid

insurance issued by the State Insurance Fund Corporation (CFSE, for its Spanish Acronym), as established by Act No. 45, *supra*, known as the "Puerto Rico Workers' Accident Compensation Act".

**H. Government of Puerto Rico's Agency for the Collection of Child Support (ASUME, for its Spanish acronym):** The CONTRACTOR certifies and guarantees that at the signing of this Agreement that the CONTRACTOR nor any of its Partners, if applicable, have any debt or outstanding debt collection legal procedures with regards to child support payments that may be registered with the Government of Puerto Rico's Child Support Administration. The CONTRACTOR hereby certifies that it is a limited liability company organized and existing in good standing under the laws of the Government of Puerto Rico. The CONTRACTOR shall present, to the satisfaction of PRDOH, the necessary documentation to substantiate the same. The CONTRACTOR will be given a specific amount of time by PRDOH to deliver said documents.

**I. Compliance with Act No. 168-2000, as amended, 8 LPRA § 711, et seq.:** The CONTRACTOR is in full compliance with Act No. 168-2000, as amended, known as "Act for the Improvement of Elderly Support of Puerto Rico."

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

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

**L. Ethics.** CONTRACTOR also acknowledges receipt and agrees to obey the Anticorruption Code for the New Puerto Rico known in Spanish as "Código Anticorrupción para el Nuevo Puerto Rico".

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

1. It has not been convicted, nor has pleaded guilty at a state or federal bar, in any jurisdiction of the United States of America, of crimes consisting of fraud, embezzlement or misappropriation of public funds, as stated in Act No. 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New

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Puerto Rico, which prohibits the award of Offers or government contracts to those convicted of fraud, misappropriation of public fund.

2. It understands and accepts that any guilty plea or conviction for any of the crimes specified in Article 3 of said Act, will also result in the immediate cancellation of any contracts in force at the time of conviction, between the undersigned and whichever Government Agencies, Instrumentalities, Public Corporations, Municipalities and the Legislative or Judicial Branches.
3. It declares under oath the above mentioned in conformity with what is established as in Act No. 2 of January 2, 2018, as amended, known as the "Anti-Corruption Code for the New Puerto Rico", which prohibits awarding Offers for government contracts, to those convicted of fraud, embezzlement or misappropriation of public funds.
4. The CONTRACTOR represents and guarantees that none of its employees, officials or agents have been convicted of a felony or misdemeanor as described in this sub-section. Moreover, the CONTRACTOR agrees to notify PRDOH should any employee, official, or agent is convicted of a felony or misdemeanor as described in this sub-section after the date of this Agreement. Said notice shall be made within **ten (10) business days** from the time of the conviction.

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

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

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

#### **XXIV. 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 effective date unless at the expiration date, an amendment signed by both parties and duly registered exists. No services

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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*.

**XXV. 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 corporations and the Office of the Governor.

**B. Termination Clause:** The Chief of Staff (*Secretario 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** to this contract.

**XXVI. 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):**

**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.

**B.** The Parties certify that they acknowledge the provisions stated in Executive Order No. 2021-029 and CC 013-2021. Any failure to comply with the requirements set forth in Executive Order No. 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 is in a contractual relationship with the following entities of the Government of Puerto Rico: the Puerto Rico Department of Housing, the Puerto Rico Public-Private Partnerships Authority on behalf of the Central Recovery and Reconstruction Office of Puerto Rico, and the Puerto Rico Public Buildings Authority. The CONTRACTOR also certifies that said entities are all the entities of the Government of Puerto Rico with which they maintain a contractual relationship. In addition, the CONTRACTOR recognizes and accepts that omitting any information regarding any current contractual relationship

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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 the 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.

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

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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.

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

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

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



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

The CONTRACTOR acknowledges that HUD financial assistance will be used to fund the Agreement only. Also, the CONTRACTOR shall comply with all applicable Federal, state, and local laws, rules, regulations, and policies relating to CDBG-DR 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** and in compliance with all the requirements described in **Attachment G**.

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## **XXX. CDBG-DR POLICIES AND PROCEDURES**

In addition to what is established in this Agreement, the CONTRACTOR shall comply with all CDBG-DR 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 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 Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which are herein included and made an integral part of this Agreement, as they may be updated from time to time, and reporting requirements as established by the PRDOH.

## **XXXI. SECTION 3 CLAUSE**

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

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

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

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

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

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

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

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

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

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

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

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

- B.** If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Forms-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C.** The CONTRACTOR shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. §1352 (as amended by the Lobbying Disclosure Act of 1995). The CONTRACTOR acknowledges that any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. The CONTRACTOR certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the CONTRACTOR understands and agrees that the provisions of 31 U.S.C. §3801 et seq., apply to this certification and disclosure, if any.

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### **XXXIII.EQUAL OPPORTUNITY**

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

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

#### XXXIV. SOLID WASTE DISPOSAL ACT

- 1) In the performance of this contract, the CONTRACTOR shall make maximum use of products containing recovered materials that are Environmental Protection Agency (**EPA**)- designated items unless the product cannot be acquired:
- Competitively within a timeframe providing for compliance with the contract performance schedule;
  - Meeting contract performance requirements; or
  - At a reasonable price.
- 2) Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines website, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- e
- 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:
- 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);

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- b. procuring solid waste management services in a manner that maximizes energy and resource recovery; and
- c. establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

#### **XXXV. DRUG FREE WORKPLACE**

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

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#### **XXXVI.SUSPENSION AND DEBARMENT**

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

#### **XXXVII. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION**

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

**XXXVIII. NO OBLIGATION BY THE FEDERAL GOVERNMENT**

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

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

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

**XL. BANKRUPTCY**

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

**XLI. ENTIRE AGREEMENT**

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

**XLII. MODIFICATION OF AGREEMENT**

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

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

**XLIII. BINDING EFFECT**

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

**XLIV. ASSIGNMENT OF RIGHTS**

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

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#### **XLV. NON-WAIVER**

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

#### **XLVI. ORDER OF PRECEDENCE**

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

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#### **XLVII. GOVERNING LAW JURISDICTION**

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

#### **XLVIII. 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 **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. **No amendment to the Agreement will be necessary if the Subrecipient, Contractor, or Subcontractor becomes the surviving entity following a merger.**

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

## **B. Change of Name**

In the event that the signing party (e.g. Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH initiates a change of name process, written notice of such decision or event shall be delivered to the PRDOH **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.

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 **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.

## **XLIX. 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.

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

## **LI. 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.

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CONTRACTOR must refund such recaptured payments within **thirty (30) business days** after the PRDOH issues notice of recapture to CONTRACTOR.

### LII. OVERPAYMENT

The 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.

### LIII. 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.

### LIV. 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.

### LV. 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 and state funding, recapture of CDBG-DR and/or state funds, overpayment of CDBG-DR and/or state funds; ownership and intellectual property, copyright; records retention methods and time requirements; inspection, monitoring and audit; confidentiality; public records; indemnification and liability; infringement of intellectual property rights; independent contractor relationship; compliance with laws; notices; choice of law and venue; severability; dispute resolution; consolidations, merger, 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.

[SIGNATURES ON NEXT PAGE]

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

PUERTO RICO DEPARTMENT OF HOUSING

INNOVATIVE EMERGENCY  
MANAGEMENT, INC.

William O. Rodríguez Rodríguez  
William O. Rodríguez Rodríguez (Aug 21, 2023 18:51 EDT)  
\_\_\_\_\_  
William O. Rodríguez Rodríguez, Esq.  
Secretary

Keith Reynolds  
\_\_\_\_\_  
Keith Reynolds  
Manager of Contract Administration

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## INNOVATIVE EMERGENCY MANAGEMENT, INC.



### QUALIFICATIONS & EXPERIENCE SUMMARY

For over 37 years, IEM has helped governments at all levels prepare for, respond to, recover from, and mitigate against the worst disasters in U.S. history. Founded in 1985, IEM is the largest woman-owned disaster recovery firm in the world. As an emergency management firm, IEM's entire business portfolio centers in and around disaster preparedness, protection, response, recovery, and mitigation. We have provided fully integrated program design, delivery, and management from preparedness, protection, and planning to disaster response and recovery operations in all 50 states, Washington, D.C., and several U.S. territories.

IEM continues to break records in leveraging every federal, state, local, and private dollar to achieve meaningful recovery results. Moreover, throughout every part of our work, we never lose sight of our primary objective: putting our clients' goals first. Since being awarded a position as a Program Manager for the PRDOH R3 Program in 2019, we have integrated further into Puerto Rico. The IEM team will focus their extensive disaster recovery experience and vast capacity for innovation on the island's present and future infrastructure recovery needs. IEM thoughtfully selected every teaming partner, to support the Commonwealth and its sub-recipients in the administration and delivery of Hurricanes Irma and Maria recovery programs.



37 years in business



Over 1,064 employees



Exceed PRDOH's R3 program goals by recording a total of 3,527 applications



Certified Minority and Women-owned business

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# INNOVATIVE EMERGENCY MANAGEMENT, INC.

## PAST PERFORMANCE

### Nevada American Rescue Plan Services: Project Management and Roadmap Creation

IEM is providing strategic support to Nevada's Department of Administration to ensure the equitable evaluation of American Rescue Plan Act (ARPA) funds between projects which provided services within Nevada's five Recovery Priorities. In following the Department of Treasury mandate for ARPA funding to directly benefit the "disproportionation impacted vulnerable populations" as related to the COVID-19 pandemic, IEM developed the Socio-Economic Evaluation Tool (SEET) to allow for comparison between delivery of program and recipient demographic aspects.

Community Recovery Grant for Non-Profit Dashboard

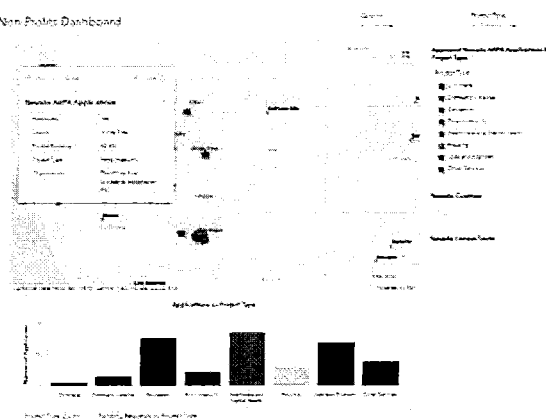
New grant funding allocated  
**\$30 million**

Total Applications

**335**

Approved Applications

**51**

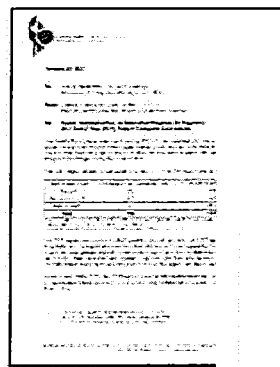


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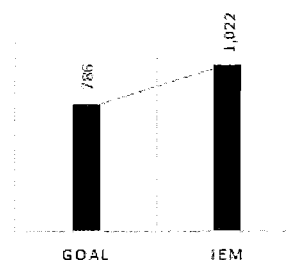
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### Puerto Rico Home Repair, Reconstruction, or Relocation (R3) Program

IEM is one of four Program Managers (PMs) contracted to manage the Puerto Rico Department of Housing's (PRDOH) Home Repair, Reconstruction or Relocation (R3) Program which has been operating since July 2019. Each PM provides the following services: intake, case management, damage estimates, appraisals, home inspection services, and project management. IEM received the furthest western region of the Island, servicing twenty-eight (28) municipalities. Despite having the most disperse service area in mostly rural communities with challenging terrain and topography, IEM excels at being the first completing every major program milestone to date.



### COMPLETED PROJECTS



## PAST PERFORMANCE (CONT.)

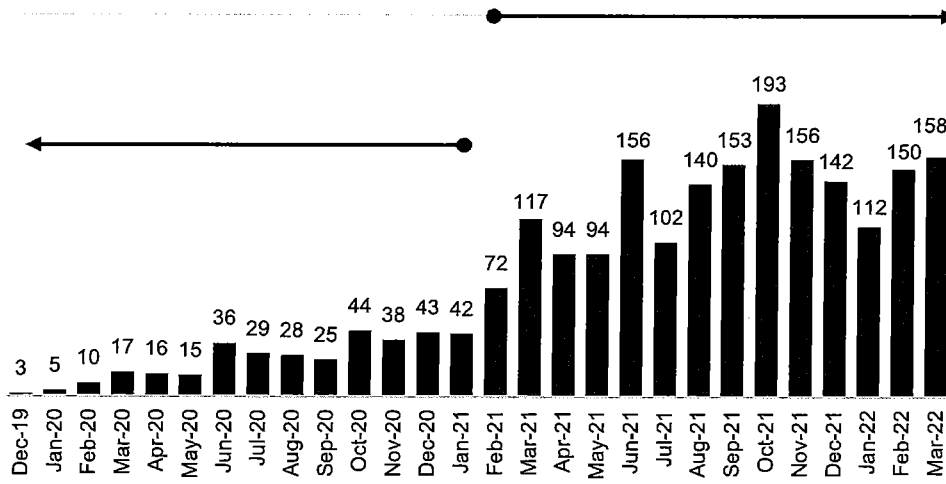
### Florida CDBG-DR & MIT Management for Hurricane Irma

IEM is the Program Manager for Florida's \$516M CDBG DR Housing Repair and Replacement Program. IEM provides Public Outreach, Training, Case Management, Closing and Construction Management Services. More specifically, IEM performs application intake, eligibility, homeowner damage estimates, duplication of benefits analysis, environmental reviews, award calculation, homeowner closings, construction inspections, temporary housing relocation, compliance, and closeout activities. IEM is also managing an additional \$680 Million in Community Development Block Grants for Mitigation (CDBG-MIT) funds for this project.

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Number of New Homes Constructed



## CHALLENGES AND SUCCESSES

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### NEVADA AMERICAN RESCUE PLAN SERVICES: PROJECT MANAGEMENT AND ROADMAP CREATION

IEM is providing strategic support to Nevada's Governor's Office through the Department of Administration to ensure the equitable evaluation of ARPA funds between projects that provided services within the five Nevada Recovery Priorities: Childcare, Healthcare/Mental Health, Education, Housing, and Jobs/Economic Development. To support this goal, IEM's ARPA team developed a mechanism which could provide a cost-benefit analysis, incorporating opportunities for non-profit and business funding, as well as state-driven concepts for equality.

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**Challenges:** Following the Department of Treasury's mandate for ARPA funding to directly benefit the "disproportionately impacted vulnerable populations" as related to the COVID-19 pandemic, the state of Nevada needed a tool to ensure the equitable evaluation of ARPA funds.

**Successes:** IEM developed the Socio-Economic Evaluation Tool (SEET) to allow for comparison between delivery of program and recipient demographic aspects. IEM is not involved in the final selection of projects but provides this data for State consideration and approval by its legislative Interim Finance Committee (IFC).

**Challenges:** Nearly 4,000 ideas were provided by constituents for consideration of ARPA allocations, which helped determine State priority areas. Shortly after this phase of public input was concluded, a tool was needed to ensure the application submittal process was straight-forward and that the application evaluation process was objective and transparent.

**Successes:** IEM created an online application for non-profit organizations to apply for funding to serve immediate needs. More than 340 organizations applied for nearly \$880 million dollars though only an initial \$30 million was approved for dissemination. All applications were then evaluated for SEET impacts to ensure comprehensive evaluation criteria could be considered by the State. On July 26, 2022, the Nevada IFC approved the final awards, which may be viewed here on the Community Recovery Grant page. IEM's ARPA team has been managing the online application process, the evaluation and risk analysis, and handling all applicant inquiries in these

processes. Ongoing transparency reporting is also on the Nevada Recovers website on "By the Numbers". IEM handles all web items for the State across this site and updates the statistics live during IFC meetings.

- Five hundred million dollars was allocated for affordable housing projects across the state with the initial \$250 million receiving 234 applications requesting in excess of \$2.8 billion in funding.
- An initial \$30 million specified for childcare infrastructure expansion was granted an earmark of \$200 million by the Governor in the 2022 State of the State address. Though seemingly a small request of 92 organizations sought assistance, the requested allocation was \$315 million.
- Discussions of regional inter-governmental partnership grant for infrastructure projects that are non-competing with Infrastructure and Investment Jobs Act (IIJA) funding in the amount of \$100 million is currently in consideration for a future IFC meeting and for which IEM would again be significantly involved.

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## CHALLENGES AND SUCCESSES (CONT.)

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### PUERTO RICO HOME REPAIR, RECONSTRUCTION, OR RELOCATION (R3) PROGRAM

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IEM is one (1) of four (4) Program Managers (PMs) contracted to manage PRDOH's Home Repair, Reconstruction or Relocation (R3) Program using HUD CDBG DR funds. We established four intake centers in July 2019, began community outreach and started application intake. PRDOH assigned each PM to one of four regions across Puerto Rico. IEM received the furthest western region of the Island, servicing twenty-eight (28) municipalities. IEM established 4 intake centers staffed with Case Managers to work with homeowners to submit applications, perform eligibility reviews, perform appraisals, damage estimates, conduct duplication of benefits analysis, perform award calculation, coordinate grant agreement execution, and perform close out activities.

**Challenge:** IEM had the most disperse service area in mostly rural communities with challenging terrain and topography in the western region of the island. IEM scouted this assigned area to determine where would be the best locations for the R3 Program Intake Centers.

**Success:** Despite this challenge, IEM excels at being the first completing every major program milestone to date, i.e., eligibility review, initial inspections, award coordination etc. Within the first 120-days of the program, IEM processed 1,713 eligible applications, surpassing other R3 PMs and the original program contractual goal of 1,500 applications.

**Challenge:** Damage Assessments (DA) were not inclusive of what the general construction manager would have to implement to complete home construction, resulting in significant task order changes.

**Success:** IEM worked with PRDOH to implement scoping guidance to prevent/reduce excessive and/or foreseen change order. This enables the general construction manager to spend less time revising scope that does not comply with the Program Scoping Guidance—it also helps ensure that the original task order is closer to the final scope of work. IEM also requested that the engineer seal required for the damage assessment be implemented after preliminary PRDOH approval. This process requires the engineer to seal one time rather than multiple times when the file is returned



for correctness.

**Challenge:** The Canopy system lacked information necessary to expedite steps in the workflow and did not allow for scheduling all three initial site inspections at the same time. Some recommendations that the IEM team proposed was the expansion of the scheduler role, auto-calculation of Liquidated Damages feature, and Application Correspondence tracking.

**Success:** Because of our recommendations, the modification of the Canopy system of record resulted in more efficient workflows across the R3 Program continuum including application/eligibility/duplication of benefits, initial inspections (damage assessment, appraisal, and environmental assessments), scoping award coordination, and construction.

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## CHALLENGES AND SUCCESSES (CONT.)

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### FLORIDA CDBG-DR & MIT MANAGEMENT FOR HURRICANE IRMA

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IEM is providing comprehensive program design and implementation services for Florida's \$1.3 Billion disaster-recovery program related to Hurricane Irma. IEM staff provided project design services that included single family, small rental and multifamily housing design; workforce housing and voluntary home buyout design and economic development design. All these projects fall under the umbrella of the Rebuild Florida Program. IEM also provides grant management and subrecipient management services for projects that the state is overseeing with more localized implementation through subgrantees.

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The program will result in rehabilitation, replacement, or reconstruction of more than 7,000 housing units; new construction of multifamily residential structures; acquisition and buyout of properties in high-hazard or repetitive-loss areas; business grants for replacement of equipment and inventory, business-mentorship grants; and job-training opportunities.

IEM staff provide program and project management support the Florida Department of Economic Opportunity across each program area. Services include policy and procedure development, training, outreach/marketing, application development, eligibility determination, Stafford Act compliance, damage assessment, environmental review, grant agreement execution, construction oversight, website and public communication content support, reporting, compliance, monitoring, subrecipient management, technical assistance, and grant closeout.

**Challenges:** The Action Plan for Irma required a feasibility study to compare the cost of repair to the cost of a "comparable replacement home", yet this term was undefined.

**Successes:** IEM provided DEO with several options for determining the value for the feasibility equation. Among the choices, IEM proposed a new methodology not previously utilized by recipients, but that would resolve general equitability challenges that have faced recipients in the past. IEM outlined the risks and benefits for each, and the client selected the new innovative approach proposed by IEM.

**Challenges:** The Action Plan indicated that the Rebuild Florida program would prioritize applicants based on several criteria including age, disability, income level, and location. At the time of IEM contract execution this had not yet been fleshed out into a full-blown policy with an implementing process.

**Successes:** IEM presented three different options for agency consideration. Upon the agency's selection of a prioritization scheme, IEM developed the business rules for applying the prioritization scheme to the applicant population. Our data-based solution resulted in the automatic allocation of registrants to a priority group. IEM also provided the documentation of how prioritization was achieved with a recommendation of roll out applications based on applicant priority group. This allowed the agency to structure its application process in compliance with its stated process in the Action Plan.

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**Challenges:** Under more recent CDBG-DR allocations, HUD has been increasing provisions that demonstrate the agency's intent to use program dollars not only to build back what was destroyed by disaster, but to build more resiliently. Inclusion of Green Building Standards provisions, mitigation measures and increased elevation requirements in the Federal Register notices has been a challenge that many grantees acknowledge, but due to limited funding must only minimally meet.

In past CDBG-DR programs, grantees have had to balance the projected need against increased construction standards that cost more on a per home basis. Facing a tough decision, they have sided with minimum resiliency in an effort to conserve dollars and serve more individuals, only to find out at the end of the project that they still have a larger coffer of funds still available.

**Successes:** IEM formulated resilient home construction standards (RCHS) for Florida's Hurricane Irma Housing Replacement and Repair Program, ensuring that every eligible applicant will receive storm impact rated window and door replacement, impact resistant roofing with radiant barriers, wind-mitigating tie downs, and elevated utilities (where applicable), as part of rehabilitation work. These same materials along with Energy Star Rated New Home Construction standards are used for housing reconstruction projects.

# AG ENVIRONMENTAL

## AG Environmental PSC

Engineering • Science • Field Services

### QUALIFICATIONS & EXPERIENCE SUMMARY

AG Environmental (AGE) is a professional services organization founded in Puerto Rico that provides comprehensive environmental and permitting services to a host of clients in the public and private sector since 1994. Service areas include environmental compliance management, environmental planning; pre-construction and construction permitting, pollution prevention, Brownfield consulting and remediation services.

AGE has substantial experience with the performance of environmental evaluations pursuant to the National Environmental Policy Act (NEPA), including the Federal Transit Administration, Federal Emergency Management Agency, Department of Housing and Urban Development (HUD), and the Federal Highway Administration (FHWA), and the US ARMY Corps of Engineers. Locally, AGE is capable to plan and procure the entire range of authorizations issued the PR Permitting Management Office (OGPe), the PR Planning Board, and the PR Department of Natural and Environmental Resources. Throughout its 28-year trajectory, AGE has developed strong and lasting productive work relationships with local and Federal regulators that result in added value to its clients.



Founded in Puerto Rico, with all 3 staff based on the Island.



Provides comprehensive environmental and permitting services to clients in the public and private sector since 1994.



Served all 78 PR municipalities.



AGE is a Minority-Owned Business, a self-certified Small Disadvantaged Business, and a Disadvantaged Business Enterprise (DBE).

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## AG ENVIRONMENTAL

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### PAST PERFORMANCE AND RELEVANT CURRENT PROJECTS

#### **PR Aqueduct and Sewer Authority: PRASA FEMA Consulting Services**

AGE currently provides environmental compliance and consulting services to PRASA's Infrastructure Directorate professional services of environmental and regulatory consultancy to lead FEMA requests for fund reimbursements, and/or reconsideration for several Category B – Emergency Protective Measures infrastructure projects. The objective of this project is to assist PRASA in attaining after-the-fact Federal and local environmental compliance for emergency projects undertaken in the aftermath Maria event in order to qualify for FEMA reimbursement.

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#### **Puerto Rico Ports Authority: Project Formulation Services**

The services provided included, but were not limited to, Project Formulation tasks under FEMA Public Assistance Alternative Procedures (PAAP), Section 428, and as deemed eligible by FEMA's Management Cost Interim Policy. AGE developed and reviewed environmental compliance aspects for Statement of Work documents per FEMA Damage Inventory (DI) for 31 maritime and aerial transportation recovery projects. Served as Subject Matter Expert (SME) for Engineering & Construction, Environmental and Historic Preservation, and Hazard Mitigation.

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# CSA ARCHITECTS & ENGINEERS, LLP



## QUALIFICATIONS & EXPERIENCE SUMMARY

CSA Architects & Engineers, LLP (CSA Group) is an international consulting firm that has successfully been in business for more than 60 years.

CSA's team is comprised of a staff of 356 professionals encompassing licensed engineers and architects, and scientists with an acumen of expertise in over 48 technical disciplines.

CSA has over 50 years of experience providing solutions with full-service project delivery capabilities in the energy market. Our service offerings focus on power plants, combined heat and power (CHP), grid interconnection, transmission and distribution systems, renewable energy, energy conservation and efficiency projects.

CSA provides energy conservation solutions and improvements that enhance operational efficiency, optimize energy performance, reduce GHG emissions, conserve water, and save money.

CSA offers public and private sector clientele outstanding capabilities in every facet of water/wastewater infrastructure and water resources.



356 staff who are licensed engineers, architects, and scientists



50 years' experience in the energy market



Clients in Puerto Rico include:

Puerto Rico Energy Affairs

Administration (PREAA)

Puerto Rico Infrastructure

Authority (PRIFA)

PR Aqueduct and Sewer

Authority (PRASA)

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## CSA ARCHITECTS & ENGINEERS, LLP

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### PAST PERFORMANCE

#### PRASA Program Management

Funds Managed:\$1.5 Million

After Hurricanes Irma and Maria, PRASA required experienced firms with knowledge of water/wastewater systems as well as Puerto Rico project development experience. Since the CIP has multiple federal funding sources, they required firms with knowledge in the management, execution and compliance of programs with federal funds. As managing partner of a JV, CSA helped PRASA reactivate the CIP program, reconceptualize previously planned projects, execute and manage local and federal environmental/permitting activities and provide guidance.

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#### PRIFA & EAA Weatherization Assistance Program

Funds Managed:\$65 Million

The ARRA Weatherization Assistance Program (WAP). WAP is administered by the PR Energy Affairs Administration. CSA has provided technical, compliance, and operational support for WAP. CSA provided a comprehensive approach focused on efficient and cost-effective services to optimize funding utilization with aggressive time constraints. The established goal for WAP in PR was 10,000 residential units. CSA exceeded this goal and weatherized 15,000 units. This allowed more participants to enter the program during its three year window. .

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#### PREAA Management of Green Energy Fund Tier 1 & 2 Programs

Funds Managed: \$120 Million

CSA's fundamental mission in the management of the rebate incentives program, under the Green Energy Funds (GEF) Tier 1 and 2 Programs for Renewable Energy projects was to support the PREAA by applying sound and proven program management practices to maximize funding use, expedite obligation of funds, and comply with Federal and State regulations. The CSA team performed outreach and gained stakeholder confidence regarding the photo-voltaic systems and the economic benefits for the people on the island.

## ECR ENGINEERING LLC



### QUALIFICATIONS & EXPERIENCE SUMMARY

ECRE consists of qualified, experienced, and proactive professionals licensed & registered in Puerto Rico and the State of Florida. The integration of professionals allows us to provide a wide range of services in the disciplines of Civil, Structural, Mechanical, Environmental Engineering, and Land Surveying.

ECRE has more than 100 years of combined experience in the different phases of the Engineering industry, Consulting, Design, and Project Management. ECRE is continuously updating and expanding the knowledge of the ever changing environmental policies and laws. In addition, ECRE's approach is not limited by manufacturers, ECRE studies every available technology and evaluate them in terms of monetary and non-monetary factors.

ECR Engineering main core services concentrates in Engineering, Environmental Compliance, and Administration & Management. They have effectively delivered solutions to a diversity of industries, by offering customers reliable, high quality, cost-effective technical solutions. The ECR business model, management and team-based approach are focused in providing the highest quality to all customers.



Minority Owned Business (MBE)



All 26 employees are based in Puerto Rico



Organized under the laws of the Commonwealth of Puerto Rico, since March 26, 2012.



Headquarters are located at Centro Internacional de Mercadeo, Tower No.2, Suite 307 in the Municipality of Guaynabo.

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## ECR ENGINEERING LLC

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### PAST PERFORMANCE

#### **2020 PRASA Capital Improvements Program Management**

Management and subject matter expert of the preconstruction phase as a sub consultant for a multinational A&E Firm for the Puerto Rican Aqueduct and Sewer Authority (PRASA) Capital Improvements Program. Services include performing existing infrastructure assessments, developing the scope of work, revision of documents (proposals, technical memos, construction drawings, technical specifications, etc.), prepare bid packages, permitting, negotiation with federal and state agencies, etc.

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#### **2012 PRASA Capital Improvements Program Management**

Management and subject matter expert of the preconstruction phase as a sub consultant for a multinational A&E Firm for the Puerto Rican Aqueduct and Sewer Authority (PRASA) Capital Improvements Program. Services include performing existing infrastructure assessments, developing the scope of work, revision of documents (proposals, technical memos, construction drawings, technical specifications, etc.), prepare bid packages, permitting, negotiation with federal and state agencies, etc.

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## NORTHSTAR MANAGEMENT, LLC (GFR)

NORTHSTAR MANAGEMENT, LLC



### QUALIFICATIONS & EXPERIENCE SUMMARY

Having the main media/communications company in Puerto Rico, under GFRs ecosystem, the strategic communications have been a critical function we deliver to our clients and readers daily. These services include, providing consulting services to small and medium businesses, from their creative strategy, media placement, social media, among others. It also has been key to have regular conversations with larger clients to become their partner in terms of their communications objectives and how our ecosystem can support them. GFR staff are experts in content and digital marketing, location-based marketing, experimental marketing, e-commerce, data solutions, digital audience networks, experimental and event production, billboard network. Through our customer engagement company, we offer contact center services, warehousing and fulfillment, app development and data management, printing, and mailing solutions. In terms of community outreach, GFR Media is currently implementing a project named Somos, designed from a 360 degree-community impact perspective including content development, local events, and CSR effort. Through this initiative the GFR Media team visits over 20 municipalities yearly connecting with the communities they serve.

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Served all 78 municipalities.



GFR OOH Media is one of the largest Billboard companies in Puerto Rico, with 1,303 Employees located on the Island.



With over 63 digital bulletins and 9 static locations, GFR offers a cost effective and flexible solution.



El Nuevo Día and Primera Hora websites and apps reach over 30MM monthly visits.



GFR Companies have existed for over 100 years.

## **NORTHSTAR MANAGEMENT, LLC (GFR)**

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### **PAST PERFORMANCE AND RELEVANT CURRENT PROJECTS**

#### **PRDOH: Community Development Block Grant – Disaster Recovery R3 Program**

Northstar Management provided contact center services to support the R3 and SBF programs under the CDBG funds. This included providing guidelines to program applicants, providing orientation and support to the applicants with significant property damage, including “blue roof” property owners, and contacting elderly and disable applicants to complete the program application over the phone or online. A total of 150 contact center agents were hired to manage both programs.

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#### **PRDOH: Tu Hogar Renace (Shelter & Temporary Emergency Program “STEP”)**

After Hurricanes Irma and Maria in 2017, the Puerto Rico Department of Housing along with FEMA implemented a comprehensive STEP program to restore as much housing as possible in short period of time and allow residents to return to their homes until permanent repairs could be made. Northstar provided a seamless integration with the client intake system and demonstrated a strong ability to handle high volume of calls without previous benchmark volume projections in an expert manner resulted in higher caller satisfaction and lower abandoned call rates.

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**KPMG**



## QUALIFICATIONS & EXPERIENCE SUMMARY

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KPMG International Limited (KPMG International) is a global network of professional member firms providing audit, tax, and advisory services. KPMG's Infrastructure and Projects Advisory team has over 200 professionals in the US and more than 3,000 around the globe, advising infrastructure owners of utilities, transportation, and facilities assets on the strategic, commercial, and financial considerations of their capital programs and the improvement of the financial performance and/or value of their assets. KPMG is a market-leader in strategic, commercial, and financial advisory services for the public and not-for-profit sectors.

Through extensive experience on similar projects, has a clear understanding of the right skill sets that are required to successfully assist in grant management for Puerto Rico. KPMG will assemble a highly experienced team of professionals who can bring: a deep understanding of infrastructure evaluation and development; extensive experience with the financial evaluation of energy systems and grant management and direct knowledge of the needs, opportunities, and challenges for such systems.



Over 150 employees in San Juan Office



Clients in Puerto Rico include:

P3A

PRHTA

UPR Student Housing



125 years in business

## KPMG

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### PAST PERFORMANCE

#### Caltran Solar Energy

KPMG advised the California Department of Transportation on cost saving reforms of \$100M by improving efficiencies and ensuring streamlined delivery. KPMG worked as a subcontractor alongside Sperry Capital to conduct an asset scan to determine cost savings and revenue generation across Caltrans' broader asset portfolio. It was determined that Caltrans had significant opportunities for reduction of energy costs as well as the achievement of strategic renewable energy goals through the development of a solar program.

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#### Capital Project Portfolio Transformation

KPMG performed a program controls assessment across 11 different organizations within Pacific Gas and Electric's enterprise to assess each organization's ability to manage capital projects within core project management areas such as project planning, estimating, scheduling, change management, risk management, and many others. Following this, KPMG further supported the project management, evaluated the enterprise system and tool, created roadmaps to prioritize process improvement and provided support during implementation. KPMG added significant value to the client by delivering quantifiable savings and streamlining existing processes.

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#### Capital Program Project Controls Assessment

KPMG conducted a Capital Program Assessment of Southern California Power Utility's project controls in the Power Production Department (PPD). KPMG benchmarked the PPD's policies and procedures of utilities of similar size and other leading energy companies. The KPMG team produced control recommendations on cost, timing, and ease of implementation.

## NU ENERGY



### QUALIFICATIONS & EXPERIENCE SUMMARY

Dynamic company that provides general and specialized consulting services regarding the energy sector, energy regulation and all related fields. Led by Angel R. Rivera, a regulatory expert with eight years' experience as an Associate Commissioner at the Puerto Rico Energy Bureau, the island electric power regulator. As an industry regulator, Mr. Rivera oversaw several major cases, including the first Rate Proceeding for the Puerto Rico Electric Power Authority in twenty-seven years and the first Integrated Resources Plan for the Puerto Rico Electric Power Authority.

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Firm is led by Angel Rivera (the sole employee), who was Associate Commissioner for the Puerto Rican Energy Bureau



Founded this year in San Juan, PR

## NU ENERGY

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### PAST PERFORMANCE

#### **Angel Rivera (CEO NU Energy), Associate Commissioner, Puerto Rico Energy Bureau**

Angel Rivera was one of five commissioners responsible for the regulation of the Puerto Rico energy industry, including but not limited to, implementing energy public policy and all related matters; regulating electric power companies, as well as all transactions and actions that have an impact on the electric system; establishing the necessary regulations to ensure the quality and reliability of the electric power transmission and distribution ("T&D") system; establishing the tariffs and rates for the electric power service in order to reduce and stabilize the cost of service; among others.

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As Associate Commissioner, Mr. Rivera Oversaw several major cases, including the first Rate Proceeding for the Puerto Rico Electric Power Authority in twenty-seven years (Final Order issued on January 10, 2017); the Aguirre Site Economic Analysis (Final Resolution and Order issued on April 26, 2018); the first Integrated Resources Plan for the Puerto Rico Electric Power Authority (Final Order issued on September 23, 2016); Petition for approval of Transition Order for restructuring PREPA's debt and the establishment of a securitization charge (Restructuring Order issued on June 21, 2016); the Review of the Puerto Rico Electric Power Authority Integrated Resource Plan (Final Order issued on August 24, 2020); the approval process of the Puerto Rico Electric Power Authority's 10-Year Infrastructure Plan (Order issued on March 26, 2021); the transition of the operation of the T&D system from the Puerto Rico Electric Power Authority to LUMA Energy, LLC, including the approval process of LUMA's Initial Budgets (Order issued on May 31, 2021), the System Remediation Plan (Order issued on June 23, 2021), LUMA's Terms of Service/Liability Waiver (Final Order issued on May 31, 2021), T&D System Operation Principles (Final Order issued on May 31, 2021), and the New Model Bill (Order issued on November 16, 2021); the process to establish LUMA's performance targets (Still pending); and the approval of 18 renewable generation projects as part of the implementation of the 2020 Integrated Resources Plan.

# OVERWATCH CONSULTING LLC



## QUALIFICATIONS & EXPERIENCE SUMMARY

Overwatch Consulting, LLC, is a Puerto Rican firm that assist organizations develop, manage, and execute successful disaster recovery processes driven by continuous innovation and collaboration. Overwatch helps communities to effectively and efficiently recover from disasters maximizing available opportunities. Having a strong background in government relations, legal affairs, and public accounting Overwatch's staff has been able to assist eligible entities in their disaster recovery's strategic planning, grant management, and compliance matters. In applying its expertise and experience, Overwatch has successfully designed and implemented plans, policies, procedures, and controls to help entities efficiently and effectively manage their recovery process in accordance with COR3, FEMA, and other federal and state agencies. Overwatch's understanding of government affairs and the recovery process coupled with their experience both at the COR3 and sub-recipient level will provide strategic value to its clients in achieving the recipients' goals. Overwatch Consulting, LLC, is a small disadvantaged business as it meets meet the Federal government's definition of a small business, as established by the Small Business Administration (SBA).

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Certified Small Business  
Enterprise

Certified Disadvantaged  
Business Enterprise



All 4 employees are located in  
Puerto Rico



Clients in Puerto Rico:

COR3

PRSA

DTOP



3 years in business



## OVERWATCH CONSULTING LLC

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### PAST PERFORMANCE

#### **PRASA Disaster Recovery Program**

Assisted in managing PRASA's emergency response after Hurricanes Irma and Maria. Provided strategic support in the development of their disaster recovery program and helped manage permanent work funding. Successfully submitted all compliance related reporting. Assisted in the development of an strategic roadmap for PRASA's disaster recovery program. Helped in adjusting procurement policies and processes to ensure compliance with 200 CFR, etc. Drafted and successfully requested reimbursement of funds throughout the various funding programs.

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#### **PR Central Office for Recovery, Reconstruction, and Resiliency: Compliant Department**

As the Compliance Department of the COR3 started increasing its role do to the disaster recovery phase of the process Overwatch is in, strategic support and implementation assistance was needed. Since Overwatch has unique experience in developing the compliance policies for COR3, they were able to efficiently support the Department. To date Overwatch has successfully supported in the completion of OIG Capacity Audits, FEMA related audits, Congressional Reports, Single Audit Certifications for all subrecipients, risk assessments, site visit monitoring, corrective action plans, and other activities.

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## REICHARD & ESCALERA



Reichard & Escalera LLC  
Attorneys and Counsellors at Law

### QUALIFICATIONS & EXPERIENCE SUMMARY

Reichard & Escalera provides full corporate law services to its clients while making use of its interdisciplinary support team. The firm is experienced in the drafting and negotiation of a wide array of business legal documentation. It has a broad corporate and commercial law practice and is vastly experienced in advising multinational clients in the establishment and structuring of operations in Puerto Rico, as well as with corporate governance matters under Puerto Rico and federal laws. Their attorneys have advised clients in complex transactions in a wide variety of industries, including energy, technology, medical, automobile, insurance, and banking industries.

Reichard & Escalera's corporate and mergers & acquisitions professionals have advised clients on major global transactions. Their real estate experience and market expertise is key in assisting clients in purchasing, selling, developing, financing, and restructuring real estate deals. They also possess a regulatory practice that offers comprehensive advice in regulatory, enforcement and compliance matters to energy companies. The firm is well regarded for its expertise in the field of development, construction, and operation of energy projects.



Served 78 municipalities in  
Puerto Rico



Advised clients in complex  
transactions in the energy  
industry



35 years of experience



All 32 employees are located in  
Puerto Rico

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## REICHARD & ESCALERA

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### PAST PERFORMANCE

#### **Medtronic Juncos Solar Project**

Assisted Medtronic in issuing and selecting a service provider through a Request for Proposal for the development and partial reconstruction of a Solar PV energy system inside one of his manufacturing plants in Puerto Rico.

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#### **Puerto Rico Convention Center Solar Energy Project**

Development, financing, and construction of award-winning 5Mw cart port solar project in San Juan urban metropolitan areas.

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#### **Energy Grid Reconstruction Work for PowerSecure**

Assisted client in energy regulation, government procurement, tax, and permit matters.

## SALO ENGINEERING



### QUALIFICATIONS & EXPERIENCE SUMMARY

SALO Engineering, LLC (SALO) is an innovative civil engineering company that is distinguished for the excellent quality of services provided. SALO was created in 2006 and specializes in five main core areas: (1) Water Resources Engineering, (2) Environmental Engineering, (3) Construction Management, (4) Project Inspection, (5) General Contractor.

SALO provides a Full-Service Delivery Project through its project management skills with its staff, its professionals' network and associates. SALO is an experienced company formed by an enthusiastic personnel, willing to deliver the extra effort to meet or exceed our clients' expectations. Its clients comprise public (government) and private sectors, including commercial and industrial entities.



Puerto Rico based firm created in 2006



15 years' experience in environmental and water resources



Disadvantaged and Minority Business Enterprise



All 9 employees are located in Puerto Rico

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## **SALO ENGINEERING**

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### **PAST PERFORMANCE**

#### **Morovis Water Treatment Plant Rehabilitation**

Funds Managed: \$500,000

This project consists in the evaluation of every component of the filtration and disinfection process as well as the sludge treatment system. Designs of the improvements goes from new pre-sedimentation tanks to filter press systems. Also, recirculation of water is being consider to save water. Structural problems are being evaluated for solution as well as mechanical improvements in the sand filters. Electrical improvements are also in process, and the implementation of SCADA systems

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#### **Relocation of Jesus Cruz Pumping Station at Jayuga, PR**

Funds Managed: \$156,000

This project consists in designing a new pumping station at an existing Tank Site and a new 6 inches pipe along the state road. This has the intention of eliminate an old pipe in bad shape and a pump station locate at a site with not appropriate access. A preliminary hydraulic modeling involving water demands estimates by mean of pressure measurements was part of the 30% design. The design also considered mechanical changes in the existing Palos de Café Tank from most of the treated water is distributed.

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#### **Relocation of Tank and Pump Station at Monte Pelao Community at Guanica**

This project consists in the design of a new tank of 150,000 gallons and pumping system. The system has a tank and a pumping system in operation, however, after the recent earthquake, the site where the existing tank is at risk of sliding downhill. The new tank and pumping station will be located near the existing tank. SALO Designed the new tank and pumping system.

## SCOTTMADDEN, INC.



### QUALIFICATIONS & EXPERIENCE SUMMARY

Founded in 1983, ScottMadden, Inc., is a general management consulting firm with more than 35 years of deep, hands-on experience. ScottMadden brings a combination of skills and experience in energy, corporate and shared services, and benchmarking that few firms can match. ScottMadden performs approximately 70% of their consulting work in the energy industry. Have conducted more than 3,000 consulting projects, including projects for the leading electric utilities, public power entities, and cooperatives in North America. ScottMadden knows the industry and has deep energy expertise and has a firm grasp of how energy companies operate in the real world.

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35 + years of experience



Conducted more than 3,000 consulting projects for leading electric utilities



Deep expertise in the energy industry



Over 230 employees, 6 of which reside on the Island of Puerto Rico

## SCOTTMADDEN, INC.

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### PAST PERFORMANCE

#### **10 Year Infrastructure Plan: Puerto Rico Electric Power Authority**

ScottMadden supported the client in the development of the 10-Year Infrastructure Plan that described how funds will be used to build a more resilient and reliable system and demonstrated PREPA's approach and capabilities to manage and execute projects approved by FEMA. FEMA's commitment of 428 funds was contingent upon the successful submittal of a 10-Year Plan.

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#### **Stakeholder Management Support: Puerto Rico Electric Power Authority**

ScottMadden assisted the client with local and federal stakeholder management (e.g., PREB, FOMB, COR3, and FEMA) through the identification stakeholder engagement and communication needs, development of material and formal responses for stakeholder requests, assistance in securing additional federal funding, and interfacing with COR3 and FEMA.

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#### **Costa Sur Earthquake Damage Assessment: Puerto Rico Electric Power Authority**

ScottMadden provided program and project management support while assisting the client in establishing governance for the broader team, developing execution plan, and managing stakeholder communications and engagement for the damage assessment and repair of the Costa Sur Unit's 5 and 6 after the earthquake hit the island.

SIEMENS

# SIEMENS

## QUALIFICATIONS & EXPERIENCE SUMMARY

Since 1972, Siemens has been delivering solutions, services and technical components to Puerto Rico's most critical energy and transportation infrastructure. Siemens Energy is a global leader in power generation and transmission equipment and solutions, with over 100,000 power generation units currently in service ranging from several hundreds to thousands of MW. In the field of data analytics and artificial intelligence, Siemens has over 1600 professionals, 200 project references, 25 years of experience and 3,500 patents.

Siemens Power Technologies International (Siemens PTI) is the world leader in power system analysis, analytical software, and professional education in power systems engineering. In North America, a key part of the power system analyses consulting is PTI's abilities performing economic and production cost simulation analyses. Siemens PTI is part of the Digital Grid business unit, the trusted solutions partner that helps the energy industry in their digitalization transformation journey.

Siemens PTI focuses on modeling complex planning and strategy objectives, including price stability, environmental stewardship, reliability, and more recently, resilience.



Operating in Puerto Rico since 1972



Designed Integrated Resource Plan for the Puerto Rico Energy Power Authority



172 years of successful technology leadership



1,600 professionals, 200 project references, and 3,500 patents

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## SIEMENS

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### PAST PERFORMANCE

#### **Integrated Resource Plan for the PR Energy Power Authority**

Siemens PTI conducted the Integrated Resource Plan for the island of Puerto Rico. The IRP was designed to address multiple objectives, including the need for resiliency as evidenced by the hurricanes Irma and Maria, along with meeting Puerto Rico RPS of 40% by 2025, 60% by 2040, and 100% by 2050. Siemens PTI identified over 100 long term capacity expansion plans (LTCE) during the study representing five core scenarios, three development strategies and multiple sensitivities. All cases resulted in the need for large amounts of storage (e.g. 1200 MW on a 2,800 MW peak demand system).

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#### **Ventura Water Treatment Plant Microgrid**

Siemens PTI was commissioned to conduct a set of electrical engineering design studies for a microgrid system at the Ventura Water Treatment Plant (WTP) facility in Moorpark, CA, USA. The proposed microgrid is expected to reduce energy costs and electricity rates for the Ventura County Public Works Agency during high electricity demand periods when electricity is the most expensive. As part of the project, Siemens PTI consultants completed an initial set of engineering studies evaluating the microgrid site's power flows, load-generation balance, short-circuit levels, voltage regulation, protection coordination, and electrical stability performance during the microgrid's grid-connected mode and island modes.

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#### **All Source Request for Proposal for AEP**

Siemens PTI led the all-source RFP process on behalf of the customer. Siemens PTI supported development of the RFP, led interface with prospective bidders, evaluated the offers, and presented recommendations to the client's strategic planning team. While the RFP requested responses to specific commercial structures acceptable to the client, the responses came in many different forms making comparison challenging. Siemens PTI applied a set of agreed criteria to compare renewable and conventional technology-based alternatives and arrive at a supply portfolio suitable for strategic planning purposes.

## THE CONSULTING LEAD



### QUALIFICATIONS & EXPERIENCE SUMMARY

The Consulting Lead (TCL) is a boutique management-consulting firm with a multicultural and multidisciplinary approach to assisting potential clients in resolving systemic problems and challenges. TCL is a domestic privately-owned closed corporation was formed in June 2014 under the laws of the Commonwealth of Puerto Rico and is in Good Standing.

The firm has concentrated in providing services in the full federal Grant's Lifecycle for Puerto Rico based state and local governments, as well as non-for-profits. Engagements have included the pre-award services to compete for grants posted by the US Department of Transportation, US Department of Homeland Security, US Department of Agriculture, US Department of Justice, US Department of Labor, US Department of Education, US Department of Commerce, and US Department of Health and Human Services. Company Principals have managed post award compliance issues for clients related to FEMA grants and HUD programs, as well as other federal grant programs.



Section 3 Business

Disadvantaged

Business Enterprise

Women and Minority Business  
Enterprise



Served over 350 applicants for  
CDBG-DR CEWRI program



All 5 employees are located in  
Puerto Rico

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## THE CONSULTING LEAD

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### PAST PERFORMANCE

#### **Community Energy and Water Resiliency Installations Program (CEWRI) CDBG-DR**

Funds Managed: \$16 Million

TCL staff serve as case managers who coordinate with eligible individuals under the R3 program and contractors to install renewable energy and standby water systems in homes renovated by the CDBG-DR program. In this capacity, TCL verifies participants and homes' eligibility for each participating R3 case. TCL also prepares award contracts and coordinates award activities.

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#### **Non-Federal Match CDBG-DR**

Funds Managed: \$8.6 Million

TCL staff function as eligibility analysts and serve as a part of a team that evaluates the eligibility of state and municipal agencies to receive matching funds for permanent work projects under FEMA programs. Responsibilities include the review of compliance requirements, coordination with parties involved in the program, and technical assistance to eligible participants.

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#### **Island Wide IPAWS Compatible Siren System for Island Wide Emergency**

Funds Managed: \$117 Million

TCL prepared the Scope of Work in response to a FEMA Request for Information (RFI) sent to COR3 and passed on to NMEAD (sub-recipient). The sub-recipient had delays in responding to FEMA's RFI. TCL prepared the technical specifications in collaboration with Ing. Ferdinand Cedeño that addresses FEMA's RFI. TCL prepared the Scope of Work in response to the Request for Information sent to COR3 (recipient) and passed on to NMEAD (sub-recipient) from FEMA. TCL drafted the letter and prepared the budget in response, resulting in total project award of \$117,150,474.

UNIPRO A&E

UNIPRO

Architects - Engineers LLP

## QUALIFICATIONS & EXPERIENCE SUMMARY

UNIPRO Architects and Engineers, LLP (UNIPRO) is a Puerto Rican professional services partnership providing architecture, civil, structural, mechanical, electrical and environmental engineering, and construction management services. With the support of in-house staff currently consisting of more than 30 people, of which more than 15 are duly authorized architects or engineers to practice their profession in Puerto Rico, UNIPRO has provided engineering and architectural technical services to private and governmental entities, including public corporations and municipalities, during the last 40 years in Puerto Rico and abroad. UNIPRO has provided services to an important group of clients both in the private as well as in the public sectors of Puerto Rico's economy. Recently, UNIPRO has focused in providing services to several government agencies in matters related to federally funded disaster recovery projects resulting from the devastation caused by hurricanes Irma and María in 2017.



Over 40 years in operation in Puerto Rico.



Half of all in-house staff are duly authorized architects or engineers.



Clients in Puerto Rico include:  
AMGEN Manufacturing Limited  
PR Department of Corrections (PRDOC)  
PR Public Housing Administration (PRPHA).

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## UNIPRO A&E

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### PAST PERFORMANCE

#### **Detailed Design AML Combined Heat and Power (CHP) Con**

Funds Managed: \$18 Million

The project consists of the detailed design of a new 7MW Combined Heat and Power (CHP) cogenerator including new building, interconnection/integration with the existing utilities facilities. The design includes the interconnection of the new CHP to the existing Electrical Site System. For this project, Unipro provided professional electrical, mechanical, civil, structural engineering and architectural services. The main objective of this project is to improve the reliability of the electrical system and reduce energy costs in the operation of the manufacturing plant.

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#### **PR Department of Corrections: Disaster FEMA Recovery Grant Management Assistance**

Funds Managed: \$30 Million

PRDOC needed field data collection for the assessment of damages caused by the passing of hurricanes Irma and Maria which impacted correctional facilities island wide in order to submit claims to FEMA. Unipro collected the damage information and prepared engineering reports under the direct administrative cost (DAC) program for each structure to identify repairs of each building, including medical facilities, the existing damages caused by the hurricanes and worked on defining the hazard mitigation scope of work and cost estimates for repairs, demolitions, retrofits, or new building construction needed to comply with all applicable FEMA standards.

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#### **Public Housing Projects: Comprehensive Modernization of Brisas del Turabo I & II**

Funds Managed: \$26 Million

PRPHA needed to rehabilitate this public housing project because the 300 dwelling units were not in compliance with quality standards required by the federal housing agency (HUD). Unipro prepared a Needs Assessment Report to evaluate the project existing conditions, Memorandum of Understanding (MOU) establishing the Scope of Work, Technical Studies (Soil/LBP-asbestos/HH/Land Survey, etc.). Unipro also prepared construction drawings, specifications, contract documents, and permits for the comprehensive modernization of the 300 dwelling units.

## XIMENA



### QUALIFICATIONS & EXPERIENCE SUMMARY

Ximena is a small business and minority business enterprise. The company was formed in 2018 and founded in San Juan, Puerto Rico. Ximena specializes in providing subject matter expertise on rapidly changing public policy relating to the energy sector in Puerto Rico.

Since its founding four years ago, Ximena has provided services to all municipalities throughout the island. Ximena has overseen and advised on the development of community solar storage, as well as the design and verification of installations for various customers.



Founded in San Juan, Puerto Rico in 2018



Small Business and Minority Business Enterprise



Served all 78 municipalities throughout the island



Clients in Puerto Rico include:  
Environmental Defense Fund  
Public Building Authority



Ximena's 2 employees are located in Puerto Rico

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# XIMENA

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## PAST PERFORMANCE

### Culebra Community Resilience

This program was developed to provide 45 residential homes in Culebra with energy resiliency. Each home was provided with solar plus storage to decrease the energy bill as well as to provide resilience to critical loads. Priority was given to low-income families, senior citizens, and those with physical challenges. Ximena helped ensure that all procurement participants understood requirements and specifications. The program was a success and 44 homes were provided with the solar plus energy storage system.

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### Rate Review

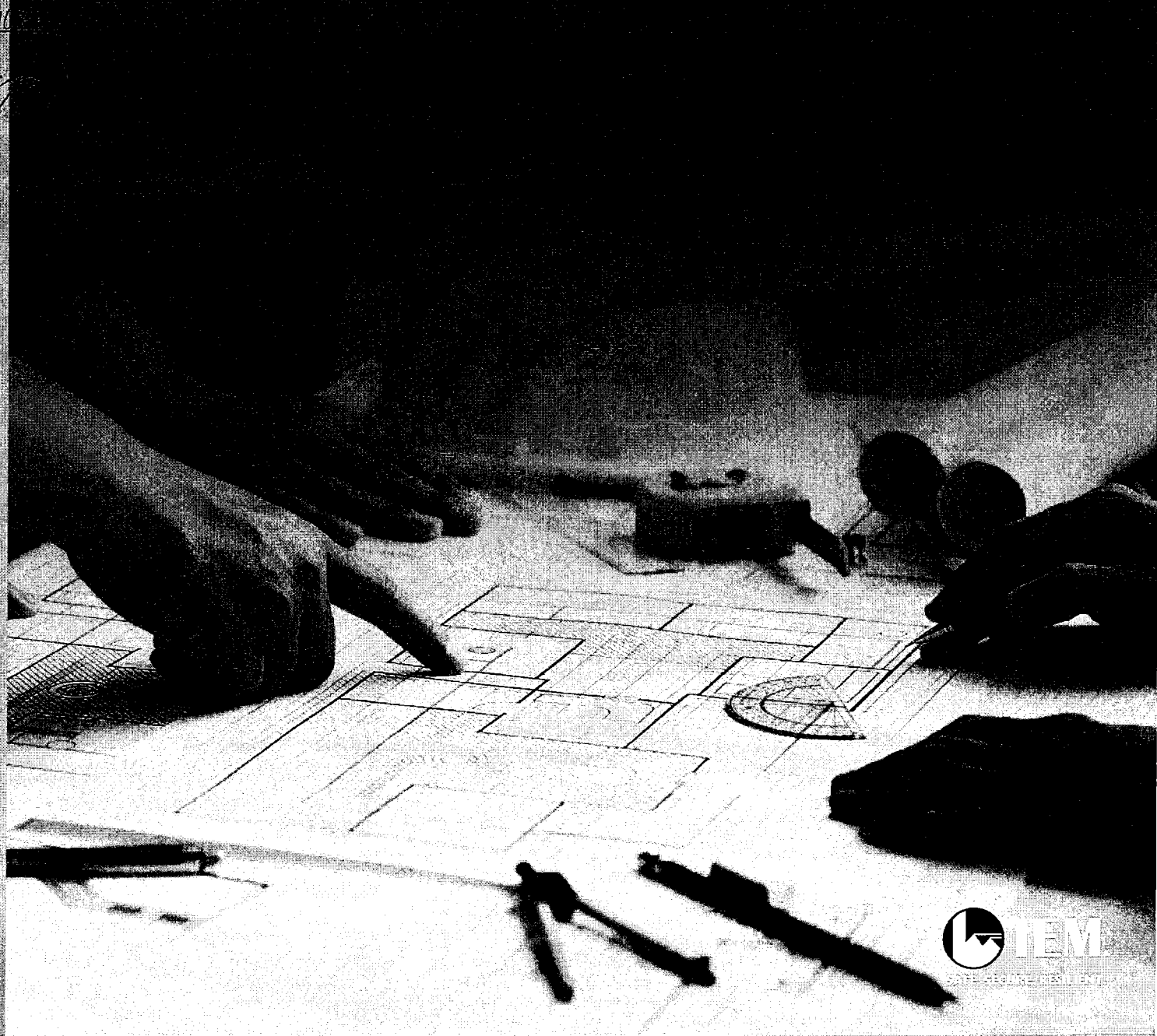
The electric utility proposed a budget for capital expenditures, operation, and management. These costs were recovered through the electric utility rates. The rates had to be determined so that only prudent costs were included and carried out. All costs were evaluated within two main components, required/needed action and prudent cost of the action. Expenses generated from both required and prudent were allowed to be considered and approved. All other costs were disapproved. Ximena was able to reduce the utility's budget by \$50 million. These cost savings provided economic relief to rate payers.

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### Energy Savings and Performance Contracts

The Public Building Authority (PBA) and University of Puerto Rico needed to identify adequate buildings to be included in energy savings performance contracts (ESPC) program. These clients also needed an adequate procurement process to implement the ESPC. Ximena evaluated and sorted buildings into groups with similar characteristics, so that the least costly procurement process could be implemented.

# EXECUTIVE SUMMARY





## EXECUTIVE SUMMARY

Increasing the opportunity for Puerto Ricans to have access to a resilient and reliable power supply is a complex and complicated challenge. Five years after Maria, some progress has been made, but most of the work remains to be done. And while the larger transmission and distribution and generation components of the grid will be upgraded by P3 agreements, those efforts will neither assure coverage for everyone on the island, nor move Puerto Rico all the way towards meeting its renewable energy goals. To achieve those will require projects to be completed at a more local level, ensuring that energy reliability and critical lifelines are available to every citizen on the island, regardless of their geographic location or economic status. This includes establishing other sources of power, distributed energy, and microgrids to provide power to supplement what is available from PREPA/LUMA. It includes creating and implementing enabling technology that facilitate the implementation of these efforts. And it means making sure that the tens of thousands of Puerto Ricans who don't get their water from PRASA have a way to maintain the availability and safety of their local water supply.

To achieve these objectives, Puerto Rico is poised to utilize funding from their CDBG-DR and CDBG-MIT allocations to create projects that support that local community need. The ER2 and CEWRI-CI programs are unlike any others before them, created to meet the unique needs of Puerto Rico and the challenges it faces because of economics, geographic isolation, topography, and demographics. These programs will also spur investment in the renewable energy future of Puerto Rico, providing it the ability to move significantly towards achieving its renewable energy goals.

ER2 and CEWRI-CI provide both a once-in-a-generation funding opportunity for applicants, but will also be a tremendous challenge to execute properly. Many of the applicants may be unfamiliar with or inexperienced in tackling projects of this magnitude, and will require significant support to see them through to fruition. IEM has put together an experienced team to help them understand the opportunity, work through the application process, execute the project, and close it out, supporting them in every step. We know the challenges they will face, and are prepared to assist in every aspect, including financing. That same team will also be a tremendous assistance to PRDOH, maintaining the current status on multiple, simultaneous projects across the island, managing every aspect of the effort and reporting in a way that provides an intuitive and comprehensive reporting and oversight structure throughout.

IEM recognizes that applicants may have difficulty in producing the matching funding required for the ER2 Program. We propose and have in place strategic alliances with key financial partners JP Morgan and Atlys Global to use financing for energy and water infrastructure programs. JP Morgan can assist publicly funded entities manage their project finances and provide funding so that they can allocate resources to better serve their communities. JP Morgan has a team of bankers dedicated to the sector, and who serve nearly 2,000 clients—from school districts to transit authorities to cities and municipalities across the country. Atlys Global offers funding solutions to contractors working on federal, state, and/or municipally approved programs or projects. The program is designed to focus on and assist the contractors' business providing them the operational capital needed to focus on completing a project quickly and effectively.

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## Bringing the Bigs to the Smalls

The IEM Team includes former CEOs of PREPA, leaders at Puerto Rico Energy Commission, multiple companies with strong relationships to LUMA, and partnerships with PRASA, in addition to energy technology SMEs. Our carefully selected team of Personnel will bridge the gap between the Big Energy Corporations and the Small Communities to help design projects that will be impactful, successful, and completed quicker.



Jose Ortiz

Javier Quintana

Jose Roman

Angel Rivera

Ricardo Ramos



## Unrivaled Access to the Most Remote Municipios

With NorthStar Management, a subsidiary of GFR, the largest media organization in Puerto Rico, the IEM Team has the means and experience to reach to all corners of Puerto Rico, which means **more applicants to the program from underserved areas.**

## THE IEM TEAM WILL DELIVER FOR PUERTO RICO

IEM has proven it is a company that can staff, execute, and produce meaningful outcomes for Puerto Rico. Our work in R3, Non-Federal Match, and the Homeowner Assistance Fund demonstrate we can provide the results that PRDOH expects.



## SIEMENS

Siemens Power Technologies International, the preparer of the Puerto Rico Integrated Resource Plan 2018-2019, is on the IEM team to help ensure this program furthers the efforts laid out in the IRP.

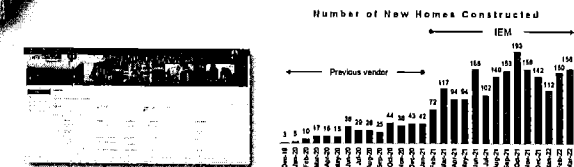
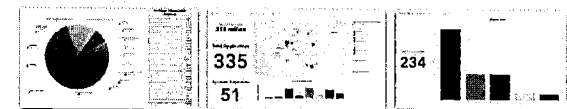
25% RENEWABLE

50% RENEWABLE FUTURE

Puerto Rico will have a more resilient power grid that could model solutions for other climate-vulnerable parts of the world.

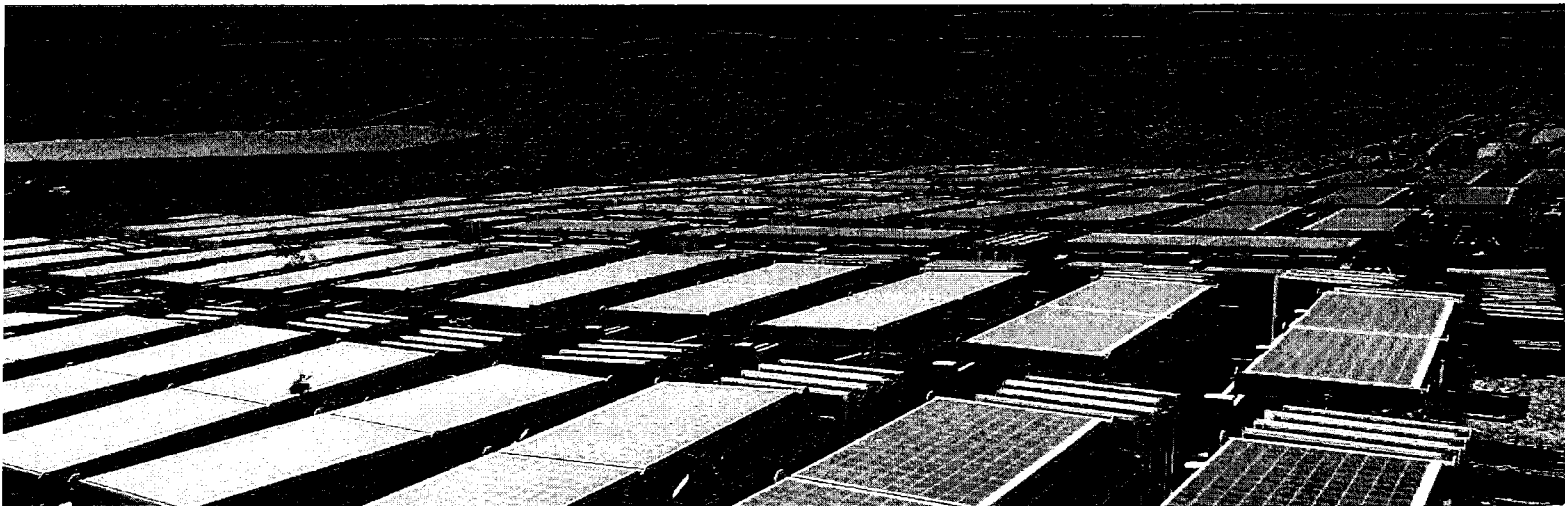
## A Program Built for Equity and Transparency

IEM combines the science of data analytics and geospatial analysis to develop a socio-economic evaluation tool which **will identify the target populations for outreach, aid in project evaluation, and help tell the story of our success in easy to understand visuals for the public.**



## A Single Point of Accountability that Delivers

IEM understands the bottlenecks that can occur in these types of programs and had **demonstrated tremendous boosts in production for customers when one company manages a blended implementation.** IEM will utilize its low-code grants management platform, GrantWise™, to expedite workflows and maintain compliance.



## OVERVIEW OF TASKS

### TASK 00: GENERAL PROGRAM MANAGEMENT AND ADMINISTRATION

IEM has designed its project management framework with the end goal in mind – to create solutions that take full advantage of the opportunity provided by federal funding to create a more resilient Puerto Rico. To achieve that, our operational support, program and project management, document control and management, and accounting and reporting structure will be collaborative, transparent, and best in class. We view our role as a catalyst to generate outstanding projects by ensuring that every tool is available as it is needed, generating interest and investment by stakeholders from the beginning through the end of the project. Our proposal highlights the specific tools and processes that we will utilize for the duration of the program that will serve as the bedrock for the entire effort, supporting and sustaining its successful outcomes.

### TASK 01: OUTREACH STRATEGY AND STAKEHOLDER ENGAGEMENT

The success of these programs will be largely determined by the effective and comprehensive engagement undertaken by IEM on behalf of PRDOH at the beginning of this effort. Because of their specific, narrowly defined nature, the IEM Team will focus heavily on ensuring that every potential applicant is aware of the opportunity and provided with every available resource necessary to help them make the decision to apply. This will be a targeted, multi-faceted approach combining digital, print, in-person, and virtual engagements with multi-lingual material produced by Brand Studios, A+ Edu, and Digital Data Solutions enhancing and clarifying the opportunity and requirements. For ER2, that effort will be island-wide; for CEWRI-CI it will be more targeted to those localities where non-PRASA and noncommunity water systems are located. In both situations, we will be using our on-the-ground intelligence and conversations with local leaders to determine the groups most likely to take the lead on the effort so that we can appropriately focus the outreach.

This effort will be led by Raquel Rivera Outreach & Stakeholder Engagement Coordinator and our team members from Northstar Management (GFR) and will start with the development of the stakeholder engagement plan that aligns with PRDOH's other efforts. Frequent reporting and engagement will ensure that PRDOH is aware of and involved in the continual improvement of the process.

As the outreach and engagement efforts takes hold and applicants begin the process of developing projects for consideration, IEM will supplement the outreach team with technical experts available by phone, email, web portal, and in-person who are able to help them refine their project applications to ensure that submitted projects are complete and given the best opportunity for selection. It is in the best interest of all stakeholders to have the maximum possible applications submitted for consideration to ensure that the best possible projects are selected.

## TASK 02: PROJECT SELECTION

A well-defined and meticulously implemented project selection phase is crucial to ultimate project success by considering all potential impediments to success and providing the best path for use of federal and local dollars. PRDOH has done its part by clearly defining the steps necessary in the scope of work, and has given proper consideration to the necessity to provide technical expertise to both the applicants and the reviewers to ensure all factors are considered. IEM will do its part by working diligently and delivering fully on all ten of the sub-tasks.

That will start with the development of the selection criteria and methodology and the provision of technical assistance during the application period. The IEM team is well poised to support this effort through its army of technical, policy, regulatory, and compliance experts. By considering all potential success factors and utilizing our experience with previously successful projects in Puerto Rico and globally, we will assist PRDOH in defining criteria that provides clarity and transparency in delivering the best results. And our technical assistance will be invaluable to applicants as we help them navigate the nuances of the application process and ensuring that their proposals are as good as they can be.

Once initial applications are received, the IEM Team will shift to providing technical assistance to PRDOH and conducting the initial review and selection. During this phase our team will eliminate those applications that are incomplete or do not pass the threshold requirements for consideration, and assist PRDOH in selecting the projects that should move forward. Our team of SME's will participate in the process as necessary and provide additional information for PRDOH personnel on any requested topic. Our process will be streamlined and efficient to ensure the best use of PRDOH personnel engaged in the selection effort.

Once the preliminary projects are identified, we will assist remaining applicants with additional technical assistance and begin preparing their business plan for the work that will need to occur if they are ultimately selected during the next step, the final project selection. During this phase, we will once again assist PRDOH in determining which projects should be approved using every criterion initially developed and ensuring that they meet all regulatory requirements.

Finally, we will support the remaining steps necessary to reach the implementation phase: Capacity Assessment, Underwriting, Environmental Review, and Agreement Execution. Although these are standard steps in any major construction project, they may be new to some of the approved applicants, and receiving the appropriate level of support is vital to ensuring they get the project started on time and in compliance. Our team is exceptionally well suited to this task, with years of Puerto Rico-specific experience that is directly relatable to this phase of the operation.

## TASK 03: PROJECT IMPLEMENTATION

At the beginning of the Project Implementation task, the IEM Team's role will shift to that of facilitation, monitoring, and oversight. The long, difficult work of completing the effort while ensuring compliance with all local and federal regulations is one which will challenge applicants, and our team is staffed with all of the appropriate expertise to make sure that everyone is completed appropriately.

This effort will begin with IEM assisting and overseeing the award and scheduling effort. Since this may be the first time that many applicants have taken on a project of this magnitude, helping them achieve the appropriately paced schedule is important to keep the effort on track and budget. IEM and our team members have decades of experience doing just that in Puerto Rico and nationally, a skill set which we will deploy here. Similarly any property acquisition that is required could be extremely burdensome and time consuming. Team member CSA has recent post-Maria experience that gives them the ability to walk applicants through the requirements of HUD's Urban Relocation Act as well as local requirements

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The monitoring of Procurement, Project Design, Permitting, Environmental Compliance, Construction, and Section 3/M/WBE/ David Bacon/Fair Housing/OSHA standards will be executed in a way that will assure PRDOH of the progress and compliance of each aspect while streamlining the process per applicant. IEM's processes will provide PRDOH with regular reports as to the progress of each applicant on each of the above requirements, highlighting potential problem areas and defining potential solutions. For issues that require intervention, IEM's team of experts will be available to provide the technical expertise necessary to solve the problem and keep the project on track for successful conclusion. Our reporting mechanisms will be designed so that PRDOH leadership is able to brief stakeholders from HUD, Fortaleza, local officials, and the media about the progress of the overall effort at any time, providing a level of transparency and insight that will reflect well on PRDOH.

Finally, IEM will provide technical assistance to applicants for the Commission, Operations, and Maintenance of their project, and process all documents necessary for the review and recommendation of payment requests. IEM is fluent with Canopy Grant Management System. However, IEM may use (at PRDOH's request) our very user-friendly and easy to adapt software tool GrantWise™ to keep track of all appropriate documentation required for both tasks, a system which will allow real-time access by both PRDOH and the applicant for continual engagement. IEM's expertise in multiple grant programs across the country and in Puerto Rico will smooth the way for this effort, ensuring that as the projects come on line, payments are close behind.

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#### TASK 04: ADMINISTRATIVE CLOSEOUT AND ADDITIONAL SERVICES

IEM will begin this entire effort with closeout in mind. We understand that relevant documents such as permit approvals and closeouts, design team approvals, and lien waivers will all be necessary to assure HUD that funding was allocated properly, so we will design a system that appropriately maintains those documents as they are developed. Using our GrantWise™ tool from the beginning of the process will facilitate and expedite closeout, so that each individual project and the overall program can be finalized as soon as possible once the effort is complete.

Finally, the IEM team is prepared to provide any additional services necessary for this project. Environmental Reviews and Environmental Surveys and Assessments will be conducted by team members AG Engineering, Salo Engineering, ECR Engineering and/or CSA. The production of outreach materials and event coordination will be conducted by teaming partner Northstar/GFR Media.

#### OVERVIEW OF TEAMING PARTNERS

**SIEMENS**

AG Environmental PSC



Reichard & Escalera, LLC  
Attorneys and Counsellors at Law



IEM's strategy in assembling our team was to combine global expertise and national experience with an intimate knowledge of Puerto Rico to gain the best possible outcome for the Commonwealth and its unique requirements. We have assembled a large and comprehensive team to ensure that PRDOH and the program applicants have access to every resource that could potentially be needed for the duration of this effort. Every component of potential tasks is covered – program management and administration, outreach strategy and stakeholder engagement, project selection, program implementation, and administrative closeout.

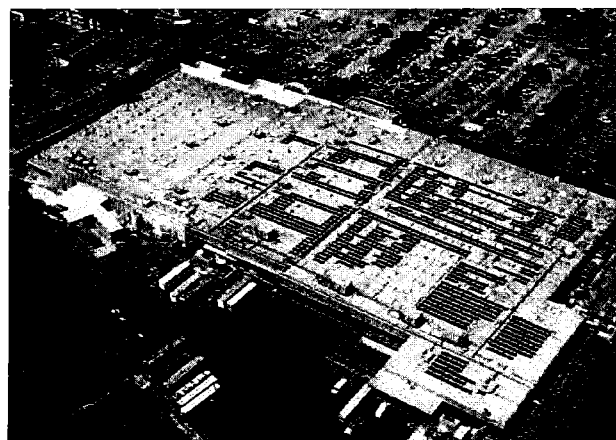
Our partner **Siemens** brings the technical expertise and global leadership necessary for this project. With over 29,000 employees across 200 countries, Siemens has a 175-year track record (including 50 in Puerto Rico) of providing optimal solutions for their clients. That skill set was demonstrated after Maria, when Siemens' experts produced a white paper demonstrating the opportunity for extensive use of microgrids across the island, was subsequently hired by PREPA to produce their Integrated Resource Plan. That plan included ground-breaking analytics for future high penetration of renewables and energy storage systems, exactly the kind of projects envisioned for this project.

IEM will utilize the expertise of the Power Technologies International (PTI) component of Siemens, a 200+ person unit of the company that specializes in facilitating strategic planning for municipal, county, and state government agencies. They focus on modeling complex planning and strategy objectives, including price stability, environmental stewardship, reliability, and resilience. They have the methods, tools, and expertise to assess opportunities and risks across all areas of resource planning, including dealing with all elements of a rapid expansion of renewable generation and distributed energy in a decentralized, decarbonized, and digitalized system environment. Siemens PTI group's technical and global expertise combined with the rest of the IEM's team intimate knowledge of Puerto Rico's unique needs will provide the best

combination possible to identify and execute the unique solution necessary to provide energy assurance to Puerto Rico.

In addition to Siemens' global expertise, IEM's Team contains a number of firms with unparalleled on-island technical expertise. For more than five decades **CSA** has been working with PREPA and PRASA on projects across the island, and are currently doing A&E work on T&D reconstructions projects, and are one of four PM's of PRASA's Capital Improvement Program. Their expertise in transmission and distribution systems, renewable energy, and energy conservation and efficiency will be key in helping tailor projects to the specific needs of the locale. **Unipro** has designed generation

and T&D projects for PREPA. They include seasoned electrical engineers with more than 30 years of industry experience. Their architect and engineering design and construction management expertise will assist in guiding projects from design through construction, ensuring they achieve the desired outcome on time and in budget. **SALO Engineering** with more than 20 years of experience in environmental and water resource engineering and have worked with PRASA for more than 10 years will be utilized in CEWRI-CI projects to design and implement solutions to create and promote projects that increase resiliency of non-PRASA water supplies among other projects. **AG Environmental** has 28 years of environmental and permitting expertise supporting PREPA,





PRASA, EPA among other agencies. Their expertise will be vital in assisting applicants in getting projects from the design, environmental permitting, to the implementation phase, which, given the nature of the applicants for these grants, is an especially important task to undertake. **ECR Engineering** has more than 5 years of experience working with PRASA and has worked with every municipality on the island, and its staff of 26 will support in areas of Civil, Structural, Mechanical Environmental, and Surveying.

To support IEM's experts in the outreach phase, our team will utilize **Grupo Ferré Rangel Media (GFR) Northstar Management**. Their ability to reach every Puerto Rican through multiple forms of engagement will provide PRODH the confidence that every intended audience has been reached and

given the opportunity to participate in the grant process. GFR will use a combination of digital and print media, local events, and CSR efforts to publicize the program.

On the consulting side, IEM has teamed with **KPMG Infrastructure and Projects Advisory** and **ScottMadden**. **KPMG** has experience in similar projects, and a proven track record in providing public agencies and institutions with financial and strategic advice on the assessment, structuring, procurement, and financing of infrastructure projects through innovative financing arrangements and P3s. **KPMG's** team has prepared feasibility studies and Benefit Cost Analysis for several agencies in the island such as Puerto Rico P3 Authority. It has created, managed and led proposal evaluation processes. **ScottMadden's** team brings the experience of 3,000 consulting projects assisting electric utilities, public power entities such as PREPA and cooperatives in North America from strategy and design through implementation and regulatory compliance. In addition, we will also use the local expertise provided by **Ximena** whose founders are former Commissioner and Chairman of the Puerto Rico Energy Commission for two years and associate commissioner for five and former PREPA CEO for two years. **The Consulting Lead** who has been active in Puerto Rico in providing policy, grants management and closeout expertise to clients at every level including providing advice to governmental agencies such as PRDOH and municipalities. **Overwatch Consulting** has specific expertise in disaster recovery and with Puerto Rico's State Energy Office that will be crucial in aligning, approving, and executing these projects. The CEO was former Deputy Director for the Puerto Rico Energy Affairs Administration and advised during the planning and implementation of COR3. Finally, **Ricardo Ramos** as former PREPA CEO will provide technical expertise in complex energy projects.

To assist PRDOH and applicants with grant agreements, corporate finance, land acquisition and other contractual matters we have **Reichard & Escalera's** team of corporate lawyers which will leverage their years of expertise in development, construction, and operation of energy projects. Internally IEM has a variety of experts that will aid in the procurement, grant management, program management, energy resiliency and preparedness. Their depth and breadth of experience will be invaluable in overcoming obstacles. Similarly, the experience and ability of **JP Morgan Chase** and **Atlys Global** to provide financing options to applicants who need matching or other funds will ensure that financing does not become an impediment to success. Their experience in disaster recovery funding and resiliency planning will be highly beneficial and represent an aspect that no other team will bring to the table.

# The IEM Team and Key Personnel



**José Ortiz**  
Program Manager

José Ortiz holds over 30 years of successful experience providing fiscal, strategic, and operations leadership in public corporations, manufacturing, and real estate development. As CEO of the Puerto Rico Electric Power Authority, he led the transformation of a bankrupted corporation through the settlement of the largest deal in FEMA's history after the devastation of Hurricane Maria to modernize and harden the grid, developing Natural Gas infrastructure to the higher demand areas, and developing a 20-year Integrated Resources Plan as a roadmap to a benchmark of the grid of the future in the USA.



**José I. Prats**  
Operations Manager (ER2)

José Prats has over 25 years of experience in electrical consulting services, including electrical power, lighting, and communications design. He has performed the role of Project Manager for electrical system projects, Technical Leader of MEP Disciplines, and Engineering Manager. One of Mr. Prats' accomplishments includes his work on the Weatherization Assistance Program for Puerto Rico Infrastructure and Finance Authority, which enabled low-income families to permanently reduce their energy bills by making their homes more energy efficient.



**Raquel Rivera Torres**  
Outreach and Public Relations Coordinator

Raquel Rivera is a licensed public relations professional with extensive agency and corporate communications experience. She designs and implements the communication strategy and efforts across the GFR family of companies. She is an active member of Public Relations Society of America (PRSA), a former president of the Association of Public Relations Professionals of Puerto Rico (ARPPR), and one of 27 practitioners on the Island certified by the Universal Accreditation Board (APR). She currently teaches communications and public relations at Sacred Heart University in San Juan.



**Héctor E. Santiago**  
Financial Manager

Héctor Santiago is a seasoned professional with over 20 years of experience in the fast-paced, highly regulated banking industry, both local and international. With excellent analytical and communication skills, he has a track record of achieving outstanding results in loan underwriting, restructuring, and portfolio management. Mr. Santiago has managed and monitored commercial asset portfolios as high as \$500MM in a wide array of industries and is well versed in the policies and procedures under CDBG-DR.



**Angel Rivera**  
Energy Regulatory Compliance Officer

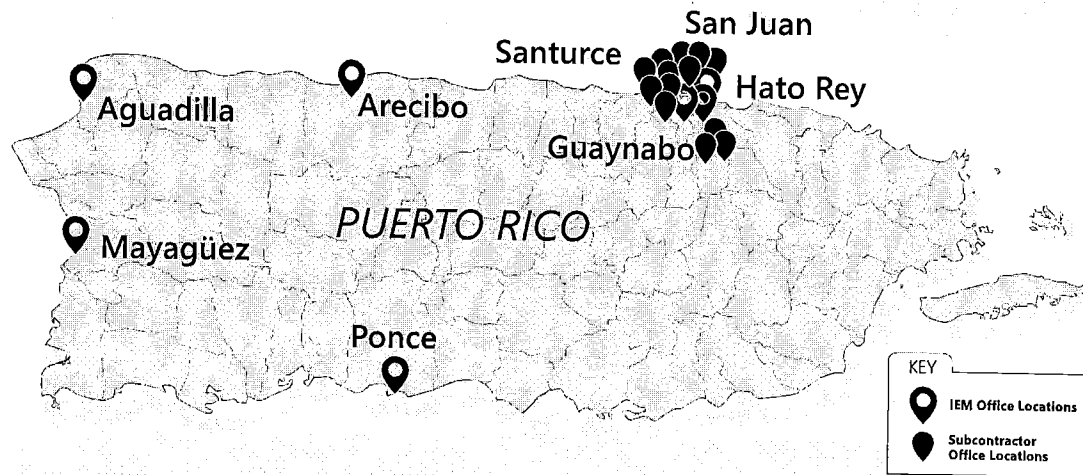
Angel Rivera, Chief Executive Officer and Principal Consultant for Nu Energy Consulting Group, is a former associate commissioner for the Puerto Rico Energy Bureau. As one of five commissioners responsible for the regulation of the Puerto Rico energy industry, he oversaw several major cases, including the first Integrated Resource Plan for the Puerto Rico Electric Power Authority. He served as one of the Puerto Rico State Senate's legal advisory team throughout the legislative process for the approval of Act 57-2014, The Puerto Rico Energy RELIEF and Transformation Act. His company currently provides general and specialized consulting services regarding the energy sector and energy regulation.



**Cristina Salib, MSCE, PE**  
Operations Manager (CEWRI-CI)

Cristina Salib is a motivated professional Civil Engineer with 21 years of experience controlling all stages of projects from inspection, construction management, and project management through monitoring and closing, exceeding expectations of being on time and on budget. She has considerable client-facing project experience with a driven commitment to customer satisfaction. Ms. Salib is also a self-directed and resourceful professional with 13 years of experience successfully organizing, managing, and delivering cross-functional projects.

*The IEM Team has served all 78 municipalities in Puerto Rico.*



**Andrew Bonilla**  
Environmental Compliance Officer

Andrew Bonilla is an accomplished manager with more than 21 years of experience as an Environmental Project Manager for local, national, and international industry-leading organizations and Puerto Rican government agencies. He has conducted a number of environmental impact assessments and environmental impact statements for CDBG-DR projects. He holds over 25 years of experience as a seasoned Environmental Science Specialist and Geologist. In addition, Mr. Bonilla served as an Environmental Engineering/Sciences Professor.



**Jaime Farrant**  
Regulatory Compliance Officer

Jaime Farrant has over 20 years of experience in providing advice to municipalities on government contracting requirements, the Municipal Code, and other legal issues throughout all phases of construction projects. Mr. Farrant served as Managing Director for Relief Efforts in Puerto Rico at the Flamboyant Foundation where he studied CDBG-DR reconstruction laws and regulation to help the organization provide relief work in the aftermath of Hurricane Maria. He is well versed in federal, state, and local regulations for the Commonwealth of Puerto Rico, including OSHA and Environmental requirements, reporting and record keeping requirements, in addition to CDBG-DR and CDBG-MIT regulations and policies.

## THE IEM TEAM AT A GLANCE

AG Environmental PSC

SIEMENS

KPMG

UNIPRO

NORTHSTAR MANAGEMENT, LLC

OVERWATCH

SALO ENGINEERING

scottmadden

Reichard & Escalera, LLC

The Consulting Lead

CSAGROUP

NU ENERGY

XIMENA LLC

**1,800+**  
Employees on  
the Island

Reach Back to Over  
**57,000+**  
Additional Employees  
Across the Team

A Collective  
**549**  
Years in Business

**10** MBEs  
**2** WBEs

**1**  
Section 3  
Company

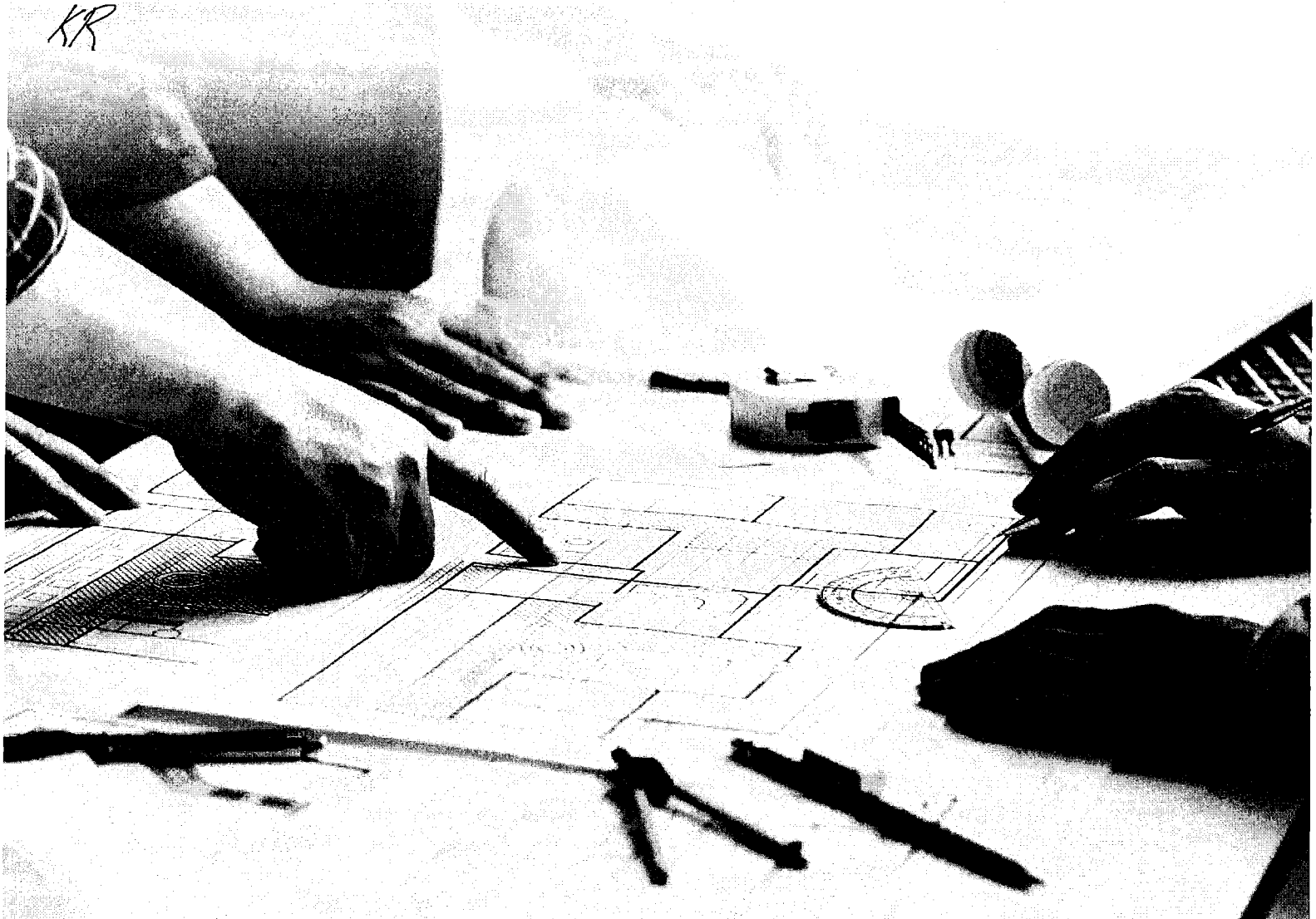


## CONCLUSION

The ER2 and CEWRI-CI programs offer the opportunity for local communities to take control of their destiny and produce the outcomes that are best for them. They can create reliable and resilient energy systems and water systems that improve their quality of life, serve them after disaster, and serve them and their neighbors for decades to come. While there are tremendous benefits to be gained, the path to achieving those outcomes will be difficult, particularly for those applicants who have not undertaken a project of this magnitude before. IEM is pleased to be able to offer PRDOH a solution and a team that is up to that challenge and that will produce the desired outcomes on time and within budget.

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GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

# ATTACHMENT B

**ATTACHMENT 1**  
**SCOPE OF WORK**  
**Request for Proposals**  
**Program Management Services**  
**Electrical Power Reliability and Resilience Program**  
**and**  
**Community Energy and Water Resilience Installations – Community Installations**  
**Subprogram**  
**Community Development Block Grant – Disaster Recovery Energy**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**  
**CDBG-DRMIT-RFP-2022-08**  
**(Revised for Addendum No. 1)**

## 1. Introduction and Overview

The Puerto Rico Department of Housing (**PRDOH**) is issuing this Request for Proposals (**RFP**) to procure program management services for the Community Development Block Grant - Disaster Recovery Energy (**CDBG-DR Energy**) and Community Development Block Grant - Mitigation (**CDBG-MIT**) grants, under the current and subsequent Action Plan(s). Proposers must understand the CDBG-DR Energy and CDBG-MIT program initiatives, goals, and regulations, including Federal Register Notices Vol. 86 No. 117 (Tuesday, June 22, 2021), 86 FR 32681, Vol. 84, No. 169 (August 30, 2019), 84 FR 45838, and Vol. 85, No. 17 (January 27, 2020), 85 FR 4676. Proposers must be familiar with the Department of Housing and Urban Development (**HUD**) latest acronyms, glossary, laws, policies, guidelines, and design standards applicable to this RFP's Scope of Services. The proposer remains fully responsible for determining if the information mentioned before has been revised or updated.

This document defines the Program Management tasks that the Selected Proposer(s) must perform to support PRDOH in the implementation and administration of the Electrical Power Reliability and Resilience Program (**ER2**) and the Community Energy and Water Resilience Installations – Community Installations Subprogram (**CEWRI-CI**) under the CDBG-DR Energy and CDBG-MIT grants, respectively. The PRDOH reserves the right to retain program management of some of the projects internally. A detailed description of the CDBG-DR Energy ER2 Program is included in the CDBG-DR Action Plan for Electrical Systems Enhancements submitted to HUD for approval, available at the CDBG-DR Program Website (<https://cdbg-dr.pr.gov/en/download/cdbg-dr-action-plan-for-the-electrical-systems-enhancements/>). A detailed description of the CDBG-MIT CEWRI-CI Subprogram is included in the CDBG-MIT Action Plan approved by HUD available at the CDBG-MIT Program Website (<https://cdbg-dr.pr.gov/en/download/cdbg-mit-action-plan-effective-on-april-19th-2021/>).

The CDBG-DR Energy and CDBG-MIT programs that will be subject to and referenced throughout this RFP are identified and briefly described as follows:

### 1.1. Electrical Power Reliability and Resilience Program (ER2) | CDBG-DR Energy

The ER2 Program provides assistance to create electrical system reliability and resilience. The program will serve the needs of communities by funding projects that are not currently anticipated to be funded from other federal or local sources. The Program will provide

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funding for the acquisition, construction, reconstruction, rehabilitation, or installation of facilities, improvements, and other components, undertaken to extend, upgrade, enhance, and/or improve the cost-effectiveness, reliability, efficiency, sustainability, and long-term financial viability of Puerto Rico's electrical power system, including activities to increase its resilience to future disasters and to address the impacts of climate change.

For construction activities, the Applicants must agree to budget the operations and maintenance activities for the long-term sustainability of the electrical power system improvements. These multi-year budgets for operations and maintenance will apply for the useful life of the improvement or enhancement. Projects must demonstrate leverage, with the ER2 award consisting of not more than 40% of the proposed project cost, depending on the size and scale, and other factors of the project, as it will be outlined in the Program Guidelines.

## **1.2. The Community Energy and Water Resilience Installations Program – Community Installations (CEWRI-CI) Subprogram | CDBG-MIT**

The CEWRI-CI Subprogram in the CDBG-MIT Action Plan provides for community installations of energy production and storage, water catchment systems, and sanitary sewer system solutions to complement home-based improvements or reduce household barriers to mitigation. Community installations may include larger kilowatt, bimodal systems that can support health, lighting, communication, and other backup energy needs of area residents. Community-based systems may also include public microgrids. Community-based water security interventions may be introduced where a greater community need may be met, where more localized interventions are less feasible or cost-efficient, and, in particular, where the community is not part of the Island-wide water supply system. For both energy and water resilience efforts, these installations may be introduced in areas where housing typologies or existing structures cannot accommodate solar panels or water systems, or where a larger scale typology is more cost-efficient to serve the community.

For the purposes of this document, the term "Applicant" is used in reference to entities that submit applications to receive funding from the CDBG-DR Energy and CDBG-MIT Programs for proposed projects and serves as a synonym for the terms "Subrecipient" and "Awardee." As such, the term "Applicant" is used throughout this document and is intended to denote the same meaning as "Subrecipient" and "Awardee."

Selected Proposer(s) will support the PRDOH in the implementation and management of the CDBG-DR Energy and CDBG-MIT programs, therefore it is required to access the PRDOH's CDBG-DR and CDBG-MIT websites to become familiar with the available documentation about the programs. Each Proposer is responsible for reviewing requirements for the CDBG-DR Energy and CDBG-MIT programs and having awareness of applicant eligibility requirements and the eligible projects allowed under the Program(s).

The PRDOH aims to contract, at its discretion and in the best interest of the overall programs' implementation, one (1) or more Program Managers as determined by PRDOH, under the CDBG-DR Energy and CDBG-MIT grants for a period of **three (3)** years with optional extensions of up to two (2) additional annual extensions. The Program Manager(s) and/or their Staff may be assigned to work from Puerto Rico, remotely from the U.S. mainland, or in a combined arrangement, at

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PRDOH's discretion, in the interest of implementing a timely and cost-efficient management structure. PRDOH reserves the right to re-evaluate those arrangements at any time.

The award of this RFP may be canceled at any time prior to the execution of a contract, without any responsibility or liability whatsoever for PRDOH, the Government of Puerto Rico, and HUD. PRDOH is not obligated to accept proposals submitted by Proposers and is not responsible for costs incurred by Proposers in preparing and submitting their proposals.

This RFP is subject to the availability of HUD CDBG-DR Energy and CDBG-MIT funds to complete the scope of services described here. In the event of not receiving them, this RFP will be canceled and terminated without any liability whatsoever, including without limitation to pre-contractual expenses and non-contractual damages, from the PRDOH, the Government of Puerto Rico, and HUD.

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## **2. Operations Start-Up**

The Program Manager(s)' key staff resources must be ready to begin working within two (2) weeks after the contract execution date. The Program Manager(s), at their own expense, must have the necessary office space, furniture, supplies, and personnel secured to provide the services required herein.

The PRDOH will not guarantee a minimum number of applicants or projects to be handled by the Program Manager(s). The Program Manager(s)' office must be set up to assist eligible entities with applications.

## **3. Staff Requirements, Roles, and Responsibilities**

This section details the Program Management Staff that the Selected Proposer(s) must retain in order to support PRDOH in the implementation and management of the CDBG-DR Energy and CDBG-MIT Programs. The Selected Proposer(s) will be directly responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under this contract by the Staff.

### **3.1. Staff Requirements**

The Selected Proposer(s) shall have or will secure, at its own expense, all personnel required to perform the services under the Program Management Services contract. Key Staff are resources that must be ready to begin working within two (2) weeks after the contemplated contract execution date and remain working throughout the term of the contract. Selected Proposer(s) must ensure that services that require a professional license are performed by licensed professionals with the proper qualifications, skills, and experience necessary to perform such services, according to applicable federal, state, and local rules and regulations.

No Key Staff may be assigned to the contract without the written consent of the PRDOH. Therefore, any efforts from Key Staff prior to PRDOH's written authorization cannot be invoiced and will not be reimbursed. The PRDOH reserves the right to request the removal of any staff not performing to PRDOH's expectations, Key Staff or other, or request revision to the Program Manager(s)' staff organization and allocation to best align with program management objectives.

### **3.2. Staff Experience and Qualifications**

The Proposer(s) shall provide detailed information about the experience and qualifications of the entire staff to be assigned, including degrees, certifications, licenses, and years of

relevant experience. Proposer(s) shall specifically identify resources currently employed who will serve as Key Staff. This includes the Proposer(s)' own staff and staff from any subcontractors to be used. The Proposer(s) should demonstrate that its staff (and/or subcontractor's staff) meet the desired requirements listed below and have the necessary experience and knowledge to successfully implement and perform the tasks and services. **Table 1** presents requirements for Key Staff, Roles, and Responsibilities.

### **3.3. Organizational and Staffing Plan**

The Proposer(s) shall submit to the PRDOH an initial organizational chart detailing the identified resources (whether employed by the Proposer or a subcontractor) who shall perform any program management service required for the implementation of the Programs. The Proposer(s)' organization and staffing plan shall specifically include the required number of personnel, role and responsibilities, name of the resource(s) or subcontractor(s), resume or professional information, their planned level of effort, their anticipated duration of involvement, and their on-site availability. The Proposer(s) should demonstrate their ability to adequately staff and scale each functional area to maintain agreed upon service levels throughout the life of the Program.

Key staff resources must remain assigned to the Program over the life of the contract. Additional resources to be employed will be determined by the Program Manager(s) based on the performance and assigned workload and in coordination with PRDOH.

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**Table 1 Key Staff Requirements, Roles, and Responsibilities**

Staff Member	Requirements	Roles & Responsibilities
<b>Program Manager</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Bachelor's degree in Engineering, Architecture, Construction or Project Management required. Master's Degree preferred.</li> <li>+ Must have 10 years of Project Management experience in construction or engineering projects, preferably for power generation and/or renewable energy projects.</li> <li>+ Must have demonstrated experience working with federal, state, and local government agencies in a previous role.</li> <li>+ Must have experience with complex stakeholder engagement processes, as demonstrated through work performed in a previous role.</li> <li>+ Must be working locally from Puerto Rico.</li> <li>+ Ability to communicate effectively verbally and in writing in English and Spanish.</li> </ul> <p>Preferred</p> <ul style="list-style-type: none"> <li>+ Experience implementing capital improvement programs for industrial energy efficiency and innovative, international climate policy technical assistance preferred, as demonstrated through work performed in a previous role.</li> <li>+ Experience implementing financial mechanisms to deploy innovative renewable energy and low carbon technologies at a large scale preferred, as demonstrated through work performed in a previous role.</li> <li>+ Experience in utility planning and operations. Experience with regulatory filings and testimony preferred, as demonstrated through work performed in a previous role.</li> <li>+ Experience working for or with an electric utility in a previous role.</li> <li>+ Understanding of power system analysis and financial analysis tools and methods as demonstrated through work performed in a previous role.</li> </ul>	<ul style="list-style-type: none"> <li>+ Act as the main point of contact between the PRDOH and the Applicants.</li> <li>+ Formulate, organize, and monitor the overall performance of the projects.</li> <li>+ Decide on suitable strategies and objectives; coordinate cross-project activities; develop and control deadlines, budgets, and activities; apply change, risk, and resource management.</li> <li>+ Assume responsibility for the program's performance and its staff; assess program performance and aim to maximize it; resolve program issues; prepare and review reports to the PRDOH; and maintain a complete understanding of all applicable Program policies, requirements, and procedures.</li> <li>+ Coordinate, review, and endorse budget proposals, and discuss proposed and significant changes in conjunction with program participants and PRDOH.</li> <li>+ Oversee the adherence to timelines, compliance with requirements and implementation lifecycle to ensure compliance with the CDBG-DR and CDBG-MIT Programs requirements for reliability, contractual agreements, and cost-reasonability.</li> <li>+ Participate in the decision-making process related to the renewable energy source integration required by Puerto Rico's current laws and regulations.</li> <li>+ Analyze and report data to develop a complete and accurate picture that informs decisions regarding the management, quality, and control of projects.</li> <li>+ Identify, apply, and evaluate schedule, cost, quality, and risk control techniques to support the monitoring, managing, and reporting of costs.</li> <li>+ Maintain open lines of communication with all relevant decision makers and stakeholders to keep all parties informed of regulatory changes as they may apply to the projects.</li> <li>+ Be available on-call and to attend program status and progress meetings.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
<b>Environmental Compliance Officer</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Bachelor's degree in Environmental Sciences, Environmental Technology, Environmental Management, or Engineering plus a minimum of seven (7) years of experience in work related to the fields of environmental sciences, environmental protection, or the application of environmental laws and regulations for complex projects, or Master's degree in Environmental Sciences, Environmental Technology, Environmental Management, or Engineering plus a minimum of five (5) years of experience in work related to the fields of environmental sciences, environmental protection, or the application of environmental laws and regulations for complex projects.</li> <li>+ Bachelor's degree in Environmental Engineering or Natural Sciences plus a minimum of seven (7) years of experience in environmental activities for complex projects, or Master's degree in Environmental Engineering or Natural Sciences plus a minimum of five (5) years of experience in environmental activities or regulatory compliance for complex projects.</li> <li>+ Must have knowledge of and experience in federal and local environmental laws and regulations, as demonstrated through work performed in a previous role.</li> <li>+ Must be working locally from Puerto Rico.</li> </ul>	<ul style="list-style-type: none"> <li>+ Act as the main point of contact between the PRDOH and the Applicants on environmental review requirements.</li> <li>+ Establish guidelines for the applicability of the local and federal environmental requirements needed for each project.</li> <li>+ Validate the environmental impacts of the energy-related projects based on the data provided by applicants and local and federal agency evaluations.</li> <li>+ Oversee the federal and state environmental process in compliance with Puerto Rico Environmental Public Policy Act (Act 416) and the National Environmental Policy Act (NEPA) for each project.</li> <li>+ Organize and manage the Program Manager's environmental staff activities.</li> <li>+ Coordinate environmental related activities with designated PRDOH representatives and regulatory agencies such as the State Historic Preservation Office (SHPO) and the Puerto Rico Department of Health (PRDOH).</li> <li>+ Coordinate the preparation of Environmental Review Records (ERR) for activities to be performed under the Programs.</li> <li>+ Coordinate and guide the team on identification of environmental mitigation measures for the activities to be performed under the Programs.</li> <li>+ Prepare reports and keep all parties informed on the status of environmental review activities for each selected project.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
<b>Regulatory Compliance Officer</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Bachelor's degree in Finance, Business Administration, or Legal Studies with five (5) years of experience; or a Master's degree in Finance, Business Administration, or Legal Studies with three (3) years of experience.</li> <li>+ Must have experience in compliance and monitoring for federally funded programs including applicability of federal, state, and local regulations; evaluation of eligible activities; evaluation of National Objectives; validation of cross-cutting requirements; OSHA requirements; ADA requirements; Section 3 requirements; Davis-Bacon and related acts requirements; Uniform Relocation Act requirements; RA, Environmental requirements; Duplication of Benefits requirements; Reporting requirements; and recordkeeping requirements, as demonstrated through work performed in previous roles.</li> <li>+ Demonstrated experience via a previous role coordinating with federal agencies on regulatory processes and issues.</li> <li>+ Must be working locally from Puerto Rico.</li> </ul>	<ul style="list-style-type: none"> <li>+ Provide oversight of the projects' implementation process to comply with the CDBG-DR and CDBG-MIT Programs requirements, ensuring proper recordkeeping of all activities documentation.</li> <li>+ Support Program Manager in the review and endorsement of budget proposals, placing a particular emphasis on CDBG-DR and CDBG-MIT budgetary considerations.</li> <li>+ Maintain knowledge and familiarity with the policies and procedures established by PRDOH for the procurement of goods and/or services under CDBG-DR and CDBG-MIT.</li> <li>+ Oversee procurement processes review to ensure compliance with 2 CFR 200, as applicable.</li> <li>+ Provide input to PRDOH on all procurement, financial, and accounting matters related to the projects, in compliance with the applicable CDBG-DR and CDBG-MIT requirements.</li> <li>+ Provide oversight to ensure best practices in the use of federal funds, preventing conflicts of interest and ensuring program activities and contracts adhere to applicable federal, state, and local regulations, with an emphasis on CDBG-DR and CDBG-MIT and other applicable statutory and regulatory requirements.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
<b>Energy Regulatory Compliance Officer</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Bachelor's degree in Finance, Business Administration, Engineering, or Legal Studies with ten (10) years of experience; or a Master's degree in Finance, Business Administration, Engineering, or Legal Studies with seven (7) years of experience.</li> <li>+ Experience must include monitoring of energy projects for compliance with applicable laws and regulations with general knowledge of codes and energy industry standards.</li> <li>+ Must have experience with federal, state, and local energy regulatory and statutory compliance, as demonstrated through work performed in a previous role with an electric utility, energy developer, energy regulatory agency, or similar entity.</li> <li>+ Demonstrated experience coordinating with federal agencies on regulatory and statutory processes and issues in a previous role.</li> <li>+ Experience with ensuring compliance to applicable energy project management and financing business models, as demonstrated through work performed in a previous role.</li> <li>+ Must be working locally from Puerto Rico.</li> </ul>	<ul style="list-style-type: none"> <li>+ Provide oversight of the projects' Implementation process to comply with federal, state, and local energy regulations and statutes as they pertain to the projects, ensuring proper recordkeeping of all activities documentation.</li> <li>+ Support Program Manager in the review and endorsement of budget proposals, placing a particular emphasis on energy project budgetary considerations.</li> <li>+ Provide input to PRDOH on all procurement, financial, and accounting matters related to the Program, in compliance with the applicable energy regulations and statutes.</li> <li>+ Provide oversight to ensure best practices in the use of federal funds, preventing conflicts of interest and ensuring program activities and contracts adhere to applicable federal, state, and local regulations, with an emphasis on energy and other applicable statutory and regulatory requirements.</li> <li>+ Ensure compliance with applicable business models for energy project management and financing.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
<b>Outreach &amp; Stakeholder Engagement Coordinator</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Must have a Bachelor's degree or higher education in Communications or Public Relations.</li> <li>+ Must have five (5) years of experience working in the public relations field.</li> <li>+ Ability to communicate effectively verbally and in writing in English and Spanish.</li> <li>+ Excellent writing and presentation skills.</li> <li>+ Must be working locally from Puerto Rico.</li> </ul>	<ul style="list-style-type: none"> <li>+ Coordinate all outreach communication materials and public facing communications with PRDOH and its designated representatives before implementing.</li> <li>+ Establish and implement strategic outreach, stakeholder engagement, and communications plans for the CDBG-DR and CDBG-MIT programs in coordination with Grant Manager and PRDOH.</li> <li>+ Coordinate logistics of locations, scheduling, materials production, and audiovisual equipment required to conduct meetings and presentations with applicants or the public.</li> <li>+ Develop strategic plans to effectively and efficiently resolve public relations issues in coordination with Grant Manager and PRDOH.</li> <li>+ Implement a system to report, manage and track frequent questions, comments, complaints, and issues, including evaluation of Program Team's effectiveness addressing complaints and answers. PRDOH must be able to access this system to have daily updates of status and results.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
<b>Operations Manager</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Bachelor's or Master's degree in Mechanical Engineering, Civil Engineering, Electrical Engineering, Construction Management, or Project Management required. Master's degree preferred.</li> <li>+ Must have ten (10) years of experience in project management and/or construction planning, design, and management.</li> <li>+ Must be working locally from Puerto Rico.</li> <li>+ Ability to communicate effectively verbally and in writing in English and Spanish.</li> <li>+ Experience in federally funded infrastructure projects, preferred.</li> <li>+ Professional certification in construction, project management, and/or building design (CCM, PMP, LEED, etc.) strongly preferred.</li> </ul>	<ul style="list-style-type: none"> <li>+ Manage a team of construction oversight, design and permitting, project controls, and scheduling staff to manage the entire scope of operations of each project during project implementation.</li> <li>+ Manage a team of construction monitoring staff to perform at least one monthly visit to monitor construction progress, consistency with Grant Agreement and environmental clearance documents, and health and safety plan implementation during Applicants' construction projects under PRDOH's CDBG-DR and CDBG-MIT programs.</li> <li>+ Review and recommend certifications for payment and construction change orders.</li> <li>+ Prepare reports to the Grant Manager, based on monitoring visits of Applicants' construction projects under PRDOH's CDBG-DR and CDBG-MIT programs.</li> <li>+ Provide feedback to applicant/Applicants' health and safety officer or representative based on the observations obtained after conducting monitoring visits.</li> <li>+ Assist to develop revision checklist for 30% and 90% construction document reviews.</li> <li>+ Review design documents and make recommendations to the Owners and Designer as to constructability, scheduling, and time of construction.</li> <li>+ Develop a detailed design schedule and supervise its implementation.</li> <li>+ Review design in progress to assure constructability with minimal changes and fewer problems in the field.</li> <li>+ Establish and manage project baselines.</li> <li>+ Establish protocols to alter the scope of a project, implementing the protocols when necessary and updating documentation including contracts to develop, maintain, and apply quality management processes for the ongoing project or change initiative.</li> <li>+ Develop, implement, and maintain an effective scheduling management system.</li> <li>+ Keep stakeholders informed of project timelines and deadlines.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
<b>Financial Manager</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Bachelor's degree in Finance, Business Administration, or Accounting with ten (10) years of experience working in project finance and/or financial analysis; or a Master's degree in Finance, Business Administration, or Accounting with five (5) years of experience working in project finance and/or financial analysis.</li> <li>+ Must have a minimum of five (5) years of experience in the performance of commercial and industrial underwriting and credit and risk analysis of complex financial transactions funded with multiple funding streams on diverse industries and sectors for a bank, commercial lender, private equity firm, lending, or bank regulator, or financial advisory firm.</li> <li>+ Ability to perform underwriting reviews, preferably in conformance with the requirements of 24 CFR Part 570, Appendix A.</li> <li>+ Must be working locally from Puerto Rico.</li> <li>+ Effective verbal and written communication skills.</li> <li>+ Knowledge of energy project finance preferred.</li> </ul>	<ul style="list-style-type: none"> <li>+ Under policy direction, develop and implement underwriting policies and procedures to assess project financial viability and risk.</li> <li>+ Conduct business model analyses and reviews to ensure applicability and compliance with established project finance methodologies.</li> <li>+ Review life-cycle cost analyses and other financial analyses to maximize the return on the construction investment.</li> <li>+ Coordinate the development of component cost estimates at every design submittal.</li> <li>+ Prepare reports and other financial and business documents assessing and communicating the financial viability of each project.</li> </ul>

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#### 4. Program Management Tasks and Services

PRDOH has established a stepped approach for the implementation of the CDBG-DR Energy and CDBG-MIT Programs identified in the introductory section of this document. The Proposer must review all documentation available in PRDOH's CDBG-DR and CDBG-MIT websites (<https://www.cdbg-dr.pr.gov/en/>) and have awareness of Applicants eligibility requirements.

Selected Proposer(s) must work closely with the PRDOH to accomplish the identified tasks. The Selected Proposer(s) may be required to coordinate with other firm(s) contracted by the PRDOH that will be providing services regarding other CDBG-DR and CDBG-MIT Programs. The Selected Proposer(s) must study and become familiar with both programs to have a clear understanding of PRDOH's expectations.

Selected Proposer(s) will perform the required services under sequential tasks and sub-tasks; some of these tasks will require a formal deliverable to the PRDOH. For every deliverable, Selected Proposer(s) must expect PRDOH's reasonable comments or revisions (request for changes) of delivered documents. Selected Proposer(s) must account for revisions or clarifications requested by PRDOH related to required deliveries.

The scope of services presented is based upon circumstances existing at the time the RFP is released. PRDOH reserves the right to modify or delete the tasks or sub-tasks listed and, if appropriate, add additional tasks prior to and during the term of the contemplated contract.

##### 4.1. Task 00: General Program Management and Administration

The Program Manager(s) shall be responsible for program operations and management, applications processing, and administration of the tasks and services contained herein related to the Programs. This task will include the activities listed below. The activities listed under this task also apply to **Task 01 through Task 04** to ensure proper management of the Program.

##### 4.1.1 Operational Support

- + Work closely with PRDOH officials, and its designees in preparing and maintaining the overall project plan for all phases of the Programs, manage day-to-day operations, improve processes for quality and efficiency, implement policy changes, and adapt to a program closeout environment.
- + Report on various aspects of the project that reflect the major activities for the reporting period as specified by PRDOH (e.g. monthly, quarterly, etc.).
- + Communicate immediately on potential risks, issues, and statuses to PRDOH and pertinent parties.
- + Offer alternatives to utilize IT solutions that support the management and implementation of all assigned disaster recovery projects. The proposal for these IT solution alternatives shall consider the costs of synchronizing data with IT solutions provided and used by PRDOH.
- + Develop and/or utilize processes to properly collect data and document information as necessary to optimize compliance with all funding streams.
- + Ensure PRDOH's documentation is sufficient to respond to Office of Inspector General, HUD, PRDOH, or any other entity that audits or reviews the Programs.
- + Assist PRDOH training sessions regarding implementation of the Programs. The Program Manager(s)' key staff shall be required to attend PRDOH training sessions. After training has been provided to the Program Manager(s)' key staff by the PRDOH, such key staff will be responsible for the knowledge transfer to other PM staff.

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- + Develop training materials and training courses about the policies and procedures concerning the ER2 and CEWRI-CI Program implementation, as necessary.
- + Develop and implement an enforcement procedure for applicable use during Program implementation to enforce the processes, policies, and procedures of the Programs.
- + Prepare an organizational chart showing the required technical staff personnel and their functions.
- + Document all applicant interactions and communications within the PRDOH system of record.
- + Any other task necessary to support the programs' operations.

#### **4.1.2 Program and Project Management**

- + Evaluate and comment on program documents prepared by PRDOH and recommend changes to these documents where applicable and in accordance with the Programs' policies.
- + Develop general program documents such as program determination notices, Requests for Information, and public correspondence.
- + Assist the PRDOH in the development of program policies and procedures, and, once approved by the PRDOH, their dissemination among all involved parties. All policies and procedures are subject to PRDOH approval.
- + Support program objectives and cultivate a formal structure to communicate and proactively share information with team members from application intake to project closeout.
- + Share information and transfer the acquired knowledge among Program Manager key staff and additional resources to improve: the quality of services; deliverables; milestones; and the identification of trends, patterns, and potential risks. Also, to proactively coordinate, synchronize, mitigate risks, and provide feasible solutions to the PRDOH.
- + Enforce program controls by measuring progress and taking corrective actions as needed in order to achieve goals.
- + Be responsible for providing accurate forecasts of project milestones and completions (e.g., using Gantt Charts, Timelines, reports, etc.).
- + Ensure the provision of appropriate subject matter expertise to provide technical assistance during the project selection and implementation phases. Subject matter expertise could be required for, but not limited to, the following fields:
  - Energy Technology;
  - Water, Sanitation, and Hygiene;
  - Hazardous Waste Remediation and Management;
  - Electrical, Mechanical, and/or Civil Engineering; and
  - Any other specialized subject area identified by PRDOH
- + Notify, communicate follow-up, and assure the resolution of any non-compliance issues at the Program and project levels.
- + Manage daily program operations and ensure that they are performed in the most efficient manner.
- + Oversee logistics management, ensuring that procedures are in place to align with the goals and objectives of the Programs.
- + Coordinate efforts to ensure compliance with environmental, permits, construction, financial, and HUD regulations.

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- + Adopt portfolio management processes and tools for organizing and managing programs, funds, and project files.
- + Establish timelines, goals, metrics, and deliverables in accordance with project funding allocations and production goals specified by PRDOH.
- + Manage compliance requirements to include programmatic and financial reporting which may include but is not limited to coordinating and preparing project and financial management reports with PRDOH or its designee for federal, state, and local government audits.
- + Coordinate with any third-party entity (regulatory agencies or municipalities, among others) on any technical or regulatory task needed to maximize and facilitate the implementation of any individual application or general policies for the benefit of the applicants.
- + Any other supporting functions or tasks necessary to implement an efficient and compliant program management processes, deliverables, and due diligence.

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#### **4.1.3 Document Control and Management**

- + Obtain, store, and archive physical and/or electronic copies of documents, applicant-related emails, correspondence, training material, and policies and procedures.
- + Establish and maintain protocols for physical file management to include, among other things, access to a file, tracking of location and possession of a file, and return of a file. This assumes that the Program Manager(s) will provide the necessary secure space and storage equipment to perform such functions. It also assumes that the Program Manager(s) will maintain soft copy backups of originals in their custody.
- + Ensure all project information and documentation is available at all times in the PRDOH system of record.
- + Any systems, tools, or technology provided must meet PRDOH's Personal Identifiable Information requirements.
- + Provide sufficient, appropriate document control and management to meet the financial and documentation requirements for CDBG-DR and CDBG-MIT grants. At a minimum, the following records would be required:
  - Records providing full description of each activity;
  - Records verifying that activity meets national and grant objectives;
  - Records related to demonstrating eligibility of activities;
  - Records required to document activity related to real property;
  - Records documenting compliance with Davis-Bacon Act, Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act, Minority Business Enterprise, Women Business Enterprise, Section 3 of the Housing and Urban Development Act of 1968, fair housing and equal opportunity requirement;
  - Financial records and reports required by the Program; and
  - Records supporting any specific requirements of the CDBG-DR Energy and CDBG-MIT allocations.
- + Please, note that the PRDOH will not pay for any work not documented in the PRDOH system of record unless explicitly permitted.
- + Any other task necessary for proper document control and management.

#### **4.1.4 Accounting and Reporting**

- + Provide status reports on a regular basis to keep the PRDOH informed of progress.

- + As requested, meet with the PRDOH to discuss the status of the project, applicant concerns, and any other issues that may have arisen during the administration of the Programs.
- + Provide the PRDOH with program/project progress reports on demand, as well as access to the project management system for PRDOH to monitor the project.
- + Report on information that includes program/project activity deemed critical by the PRDOH.
- + Compile and review information necessary to prepare reports required under HUD regulations.
- + Account for, and reconcile, (a) all federal funds requested and drawn from HUD and awarded to grant recipients, (b) all funds returned by applicants and/or their insurance companies (through the insurance subrogation process), (c) all funds deposited by applicants to reduce duplicative benefits potential award gap, and (d) all other funds returned by applicants.
- + Review and submit recommendations for approval of CDBG-DR Energy and CDBG-MIT funding requests.
- + Review invoices from applicants for CDBG-DR Energy and CDBG-MIT awards. This will include a review of all reimbursement of eligible costs as well as cost feasibility.
- + Any other task necessary to ensure proper accounting and reporting as related to the programs.

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#### **4.2. Task 01: Outreach Strategy and Stakeholder Engagement**

The Program Manager shall be responsible for overarching outreach as well as stakeholder and community engagement of the ER2 and CEWRI-CI Programs. To accomplish this task the Program Manager(s) shall:

- + Establish and implement strategic outreach, stakeholder engagement, and communications plans for the CDBG-DR and CDBG-MIT programs in coordination with PRDOH and its designated representatives.
- + Coordinate all outreach communication materials and public facing communications with PRDOH and its designated representatives before implementing.
- + Coordinate logistics of locations, scheduling, materials production and printing, and event and audiovisual equipment required to conduct meetings and presentations with applicants, stakeholders, or the public.
- + Deliver an Organization Chart with the names and positions of the personnel in charge of the Stakeholder Engagement Process.
- + Develop a Communications Plan to align programs' objectives and include a formal structure for regular reporting, performance milestones, project-wide meetings, and policies on information for the community and press.
- + Develop and deliver community outreach and engagement strategies in Spanish and English, customized to a wide variety of audiences, from community-based organizations to regulatory agencies. Materials may be required to range from streamlined and simplified communication materials to highly complex and technical materials, as required by the audience.
- + Outreach tools to be used can include briefing packets, forms and surveys, presentations, mass media content, digital and/or social media content, follow-up calls, emails, and text messages according to an established protocol between PRDOH and the Program Manager(s).



- + Present a schedule of stakeholder meetings for PRDOH consideration and approval. The Program Manager(s) shall organize, coordinate, and document every meeting and submit the gathered information to PRDOH.
- + Implement innovative, and in some cases, historic engagement strategies to overcome obstacles to public participation in response to the COVID-19 pandemic as restrictions to social movement continues to be adapted according to circumstances.
- + Develop and implement systems to report, manage and track frequent questions, comments, complaints, and issues, including evaluation of Program Team's effectiveness addressing complaints and providing answers. PRDOH must be able to access this system to have daily updates of status and results.
- + In coordination with PRDOH and its representatives, encourage stakeholder participation and consider their input in the implementation of the Programs. PRDOH has identified municipalities, the Puerto Rico Electric Power Authority (PREPA, as the Transmission and Distribution Grid owner), LUMA (as the Transmission and Distribution Grid operator), and community based non-governmental organizations (NGOs), among others, as critical stakeholders for the Program implementation. The list of critical stakeholders is subject to expansion as the Programs progress.
- + In coordination with PRDOH and its representatives, manage and coordinate stakeholder engagement activities with identified critical stakeholders and others according to HUD requirements established at 86 FR 32682, including the required consultation with the Federal members of the Energy Technical Coordination Team (TCT).
- + Ensure all outreach and stakeholder engagement activities are performed in compliance with PRDOH's Citizen Participation Plan and any other PRDOH guidance for outreach and stakeholder engagement.
- + Submit Stakeholder Reports upon request summarizing all the essential activities with stakeholders to PRDOH.

#### **4.2.1 Applicant Relations & Communications**

- + The portfolio of applications will require the staff to provide program support for inquiries made by the applicants via phone, email, or online web submission.
  - + Track all inquiries in the PRDOH system of record.
  - + Coordinate outreach efforts, including call-out campaigns and letter campaigns as required by the PRDOH.
  - + Respond to applicants within a 72-hour period from the time applicants make any requests.
  - + Assist in the identification of vulnerable populations, develop and execute application intake strategies for specific geographies or applicant demographics.
  - + Refer to PRDOH any inquiries or complaints from elected offices or high-profile organizations such as mayors, representatives, or senators, media, cabinet members, etc.
  - + Document outreach efforts and outcomes.
  - + Any other task necessary to ensure proper relations with the Programs' applicants.
- + Any other tasks necessary to ensure the proper and effective completion of the Outreach Strategy and Stakeholder Engagement Task.

#### **4.3. Task 02: Project Selection**

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PRDOH will publish an application for parties interested in receiving funding from the ER2 and CEWRI-CI Programs to submit their projects. During the application period, the Program Manager(s) will provide technical assistance to prospective applicants in the development of their applications. Upon receiving applications and the application period being closed, the Program Manager(s) will be responsible for the projects' evaluation, which may entail the review of applications received for completeness, compliance with Programs' eligibility requirements, applicant's technical and financial capabilities, projects' feasibility, compliance with regulatory requirements, amongst other requirements. This may also include an underwriting process for private entities receiving funds under the Programs. The Program Manager(s) will present the results and recommendations from the projects' evaluation to the PRDOH or its designated administrative body for final determinations on project selection.

Project selection for the ER2 and CEWRI-CI Programs may be done by PRDOH using a multi-step project selection process where projects and entities may be preliminarily qualified as eligible and allowed to further develop a Project Plan for a subsequent submission and final selection by PRDOH. When a project selection determination is final, the Program Manager(s) shall aid the PRDOH and the applicant in the execution of a formal agreement (Subrecipient Agreement, Loan Agreement, or Grant Agreement; collectively "Agreement") for the allocation of Program funds and implementation of the selected projects.

To accomplish this, the Program Manager(s) shall provide services as described below:

#### **4.3.1 Development of Project Selection Criteria and Methodology**

- + Work with PRDOH and their designated representatives in the development of project selection criteria for the ER2 and CEWRI-CI Programs in compliance with CDBG-DR and CDBG-MIT requirements, Program Guidelines, HUD's Electrical Systems Eligible Activities, and Program priorities. Other criteria such as reliability, resilience, high-impact areas, cascading impacts, critical facilities, feasibility, operation and maintenance plans, or other criteria based on the Program Manager's expertise and experience may be included as part of the project selection methodology.
- + Develop feasibility criteria for each project according to CDBG-DR Energy and CDBG-MIT requirements and the Program Guidelines. The criteria must account for, at a minimum, financial viability, risk, cost reasonableness, energy output, regulatory compliance, project implementation schedules, and project business models. Additionally, the Program Manager shall develop a feasibility review process and appropriate documentation for proposed projects and conduct application reviews for financial, technical, and associated programmatic requirements.
- + Using the developed evaluation criteria and any feedback from stakeholders during the Outreach and Stakeholder Engagement process, develop, and get PRDOH concurrence on, formal Application documents for project selection, including but not limited to instructions, attachments, and exhibits for the submission of Project Applications by prospective applicants.
- + Any other necessary task to complete the development of the Project Selection Criteria and Methodology, as well as its associated documentation.

#### **4.3.2 Technical Assistance During the Application Period**

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- + Provide technical assistance to prospective applicants regarding eligibility and project application requirements during the application submission and project selection processes, including but not limited to:
  - Eligible activities;
  - National objectives;
  - Supplanting of funds;
  - Duplication of benefits;
  - CDBG regulatory requirements;
  - Energy and/or water regulatory requirements; (as applicable)
  - Permitting requirements;
  - Procurement requirements;
  - Environmental review requirements;
  - Section 3, M/WBE, Davis-Bacon and related acts requirements;
  - Project Operations and Maintenance Plan requirements;
  - Uniform Relocation Act requirements;
  - Technical requirements and industry standards and codes
- + Ensure that prospective applicants understand the requirements for project submission, as well as the requirements and conditions for implementation if the project is selected.
- + Ensure complete application packages are submitted to PRDOH for project selection.
- + Any other necessary task to ensure that prospective applicants and beneficiaries have a full understanding of the requirements and conditions of projects implemented through the Programs.

#### **4.3.3 Technical Assistance on Project Selection**

- + Provide technical assistance to the PRDOH or its designated administrative body during the evaluation and project selection process. This includes, but is not limited to:
  - Development of a work plan and definition of the responsibilities.
  - Determination and application of the necessary evaluation criteria.
  - Evaluation and analysis of applications against established evaluation criteria according to regulations, codes, and specifications.
  - Scoring of applications based on evaluation criteria.
  - Analysis of the requirements and development of the evaluation criteria in the project selection process for each project.
  - Attendance to meetings and activities necessary to collect information and make the best decisions related to project selection.
  - Evaluation of applications individually and discussions with the PRDOH or its designated administrative body.
  - Shortlisting of applications for project selection.
  - Interviews with applicants to gather additional information on their application and due diligence to acquire any clarifications needed to conduct a responsible evaluation of the applications.
  - Preparation and submission of written recommendations for project selection containing all necessary justification for the recommendations made.

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- Answering requests for clarity or additional justification via thoroughly researched, written responses.
- + Any other necessary task to ensure quality technical assistance throughout the application and project selection process.

#### **4.3.4 Initial Project Application Review & Preliminary Project Selection**

- + Perform an initial review of all Project Applications received by PRDOH. This review will include an initial screening of the applications for completeness with application and Program Guidelines requirements. The Program Manager(s) shall request from applicants all missing or additional documentation necessary for the evaluation of applications.
- + For those applications that have completed all their documentation, perform an eligibility review of both the applicant and the project. The Program Manager(s) shall document and justify all determinations of eligibility regarding eligible entities, eligible projects, and other requirements set forth in the application and Program Guidelines.
- + Prepare a Preliminary Evaluation Report setting forth the results of the initial project application review for each project, as well as recommendations on project selection. The Preliminary Evaluation Report will be submitted by the Program Manager(s) to PRDOH or its designated administrative body for final determination on initial project selection. The Program Manager(s) shall discuss the recommendations on project selection with PRDOH or its designated administrative body and, if required, apply all necessary corrections prior to the PRDOH's or its designated administrative body's selection of projects.
- + Upon the PRDOH's or its designated administrative body's decision on preliminary project selection, duly notify all applicants of the project selection determinations. For projects not selected by PRDOH or its designated administrative body the Program Manager shall include guidance for reconsideration in the notification.
- + Any other necessary task for the initial project application review and preliminary projects selection.

#### **4.3.5 Preliminarily Selected Projects Implementation Plan Development**

- + After preliminary project selection, provide technical assistance to preliminarily selected applicants for the development and submission to PRDOH of a Project Implementation Plan for final project selection. The Project Implementation Plan shall include, at minimum, the following:
  - Budget for capital, operations, and maintenance costs of the Project, including the identification of all funding sources to be used for project implementation;
  - Implementation schedule for the project;
  - Anticipated permit requirements for the project;
  - Pre-Environmental evaluation of the project, including its potential impacts, required environmental mitigation measures, and expected level of environmental review;
  - Compliance of the project with CDBG and other regulatory requirements;
  - Business model or regulatory framework for the operation of the proposed project; and

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- Cost-benefit analysis to determine project feasibility.

#### **4.3.6 Projects Implementation Plan Review and Final Project Selection**

- + Upon Project Plan submissions for preliminarily selected projects, evaluate each Project Plan for compliance with Application submission and Program Guidelines requirements. This review shall include, but will not be limited to, an analysis of:
  - The project's capital, life-cycle, maintenance, and operation costs, as well as its projected energy output to determine the Levelized Cost of Energy (LCOE) of the project;
  - The preliminarily proposed technical specifications for the project and its proposed equipment and systems useful life;
  - The project's proposed business model or regulatory framework;
  - The potential impacts of climate change for the project to increase the resilience of the electric power system to future disasters, including the preparation of standards for elevations due to sea level rise during the project's useful life.
  - The project's compliance with the provisions of Act No. 82-2010, known as the Puerto Rico Energy Public Policy on Energy Diversification by Means of Sustainable and Alternative Renewable Energy, Act No. 17-2019, known as the Puerto Rico Energy Public Policy Act, Act. No. 33-2019, known as the Puerto Rico Climate Change Mitigation, Adaptation, and Resilience Act, and any other applicable law or regulation.
  - The project's renewable energy requirement and carbon footprint reduction based on Puerto Rico's current state of law.
  - The project's long-term financial viability;
  - The risk mitigation potential of the project;
  - Any other factor deemed necessary for project selection.
- + Prepare a Feasibility Analysis and Project Selection Recommendation Report setting forth the results of the Project Implementation Plans review for each project, as well as recommendations on project selection. The Feasibility Analysis and Project Selection Recommendation Report will be submitted by the Program Manager(s) to PRDOH or its designated administrative body for final determination on project selection. The Program Manager(s) shall discuss the recommendations on project selection with PRDOH or its designated administrative body and, if required, apply all necessary corrections prior to the PRDOH's or its designated administrative body's selection of projects.
- + Upon the PRDOH's or its designated administrative body's decision on project selection, duly notify all applicants of the project selection determinations. For projects not selected by PRDOH or its designated administrative body the Program Manager(s) shall include guidance for reconsideration in the notification.
- + Any other necessary task for the Project Implementation Plan review and final project selection.

#### **4.3.7 Capacity Assessment Support**

- + Provide all necessary support to PRDOH in performing applicant assessments to determine areas for improvement in terms of administrative structure,

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procedures, policies, and personnel capacity to implement the project in compliance with CDBG-DR and CDBG-MIT requirements.

- + Provide technical assistance to the applicant to gather the required documentation for the Capacity Assessment Evaluation.
- + Any other services required by PRDOH for the capacity assessment of applicants.

#### **4.3.8 Underwriting**

- + Perform grant underwriting based on PRDOH-established underwriting criteria, and in conformance with the requirements of 24 C.F.R. § 570, Appendix A for economic development activities, inclusive of:
  - Reasonableness of project costs;
  - Verifying that all project funding sources are accurate and committed;
  - To the extent practicable, CDBG funds are not substituted for Non-Federal financial support;
  - That the project is financially feasible;
  - To the extent practicable, the return on the owner's equity investment will not be unreasonably high;
  - That to the extent practicable, CDBG funds are disbursed on a pro rata basis with other finances provided to the project.
- + The project underwriting shall be based on, but will not be limited to, an evaluation of the following:
  - Eligibility of the proposed activity;
  - Ability to achieve National Objectives;
  - Applicant-entity type (i.e. municipality, non-profit entity, state agency, for profit entity, etc.);
  - Project complexity;
  - Applicant-entity capacity and experience in administering projects of similar scope and scale under CDBG or other federal programs;
  - Amount of funding requested;
  - Market study and feasibility analyses of proposed projects to determine the economic viability of the project in the context of the market, business, or industry being served;
  - Compliance with HUD guidelines at 24 C.F.R. § 570.209 as the financial underwriting framework for evaluating feasibility or applications, and adheres to Program Guidelines and procedures; and
  - Appropriateness of the proposed project for the location and demographics.
- + Provide technical assistance to the applicant to gather the required documentation to verify compliance with underwriting requirements.
- + Continuously improve underwriting efficiency and ensure staffing capacity to successfully execute project underwriting performance targets.
- + Any other task required by PRDOH to ensure proper project underwriting.

#### **4.3.9 Environmental Review**

- + Prior to executing an agreement to fund the project, applicants must complete an environmental review in accordance with the scope of work of each

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project. The Program Manager(s) shall oversee and provide technical assistance to applicants in the development of an Environmental Review for the project in compliance with 24 C.F.R. Part 58 and any other applicable federal, state, or local law or regulation.

- + Review the projects' Environmental Review Record to confirm compliance with all applicable laws and regulations.
- + Coordinate all communications and meetings with applicants to obtain necessary information and documentation in support of the environmental review process.
- + Review and submit to PRDOH all required forms for environmental reviews and provide all required documentation to support the environmental findings for exempt activities, activities requiring a Categorical Exclusion Not Subject to 58.5, activities requiring a Categorical Exclusion Subject to 58.5, activities requiring an Environmental Assessments, and activities requiring an Environmental Impact Statement.
- + Review applicants' activities in accordance with 24 CFR 58.22 regarding "choice-limiting actions." Inform applicants of the need to cease any work that could be determined as "choice-limiting" at the time of application and monitor adherence to established requirements.
- + Any other task to assure the environmental clearance for projects is obtained prior to execution of an award between applicants and PRDOH.

#### **4.3.10 Agreement Execution**

- + Provide all necessary support to PRDOH in the execution of the Subrecipient/Loan/Grant Agreement or Amendment(s) to implement the project in compliance with CDBG-DR and CDBG-MIT requirements.
- + Any other services as required by PRDOH for execution of agreements for projects execution.

#### **4.4. Task 03: Project Implementation**

Upon project selection, the applicant will be responsible for the coordination and performance of all design, permitting, environmental review, and construction activities and services necessary to implement and place the project in operation, from beginning to end. The Program Manager(s) will be responsible for the oversight of all design, permitting, environmental, and construction work performed by the applicant. To achieve this, the Program Manager(s) must develop and implement a monitoring plan to review and validate the project's progress and compliance with CDBG-DR and CDBG-MIT Program Guidelines, and any other applicable federal, state, and local laws, regulations, and code requirements.

##### **4.4.1 Award Management and Scheduling**

- + Become familiar with the applicant's project and the terms and conditions of CDBG-DR and/or CDBG-MIT funding provided for the project through the Agreement to be able to properly monitor and ensure compliance to PRDOH.
- + Serve as PRDOH's representative for the project and administer and enforce the terms and conditions of the Agreement for CDBG-DR and/or CDBG-MIT funding.

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- + Develop and submit for PRDOH approval a Project Implementation Monitoring Plan setting forth the activities to be performed by the Program Manager for the monitoring of the projects funded by the ER2 and CEWRI-CI Programs.
- + Establish and maintain a contact list for each applicant and its project implementation team (consultants, designers, construction contractors, inspectors, etc.), as well as of any other pertinent stakeholders of the project.
- + In conjunction with the applicant and its project implementation team, develop and maintain a detailed Project Schedule setting forth a reasonable representation of the activities – including durations, start dates, end dates, and sequencing – necessary to achieve project completion within agreed-upon timeframes.
- + Monitor the Project Schedule and update the status of the activities, at the very least, on a monthly basis. The Program Manager(s) shall duly inform the applicant and its project implementation team of any delayed activities that could have a negative impact on the project's target completion. The Program Manager(s) shall also propose solutions to get the project back on schedule whenever necessary.
- + Whenever necessary, review the schedule to add, delete, or modify baseline activities and temper the schedule to approved changes in the project's implementation.
- + Be aware of the applicant's intention or need to amend any of the contracts executed for project implementation. For each proposed amendment, the Program Manager(s) shall perform a review of the cause, need, and feasibility of proposed changes and coordinate appropriate actions regarding:
  - Eligibility and compliance with CDBG-DR and CDBG-MIT funding
  - Consistency with the Environmental Review Record
  - Whether change order requires applicant performance statement and/or ERR amendments
  - Budgetary shortfalls
  - Cost reasonableness
  - Schedule overruns
  - Sign-off recommending approval.
- + Review pending project implementation contract documents and any amendments to existing contracts prior to execution to ensure applicants, contractors, and subcontractors are in compliance with CDBG-DR and/or CDBG-MIT requirements.

#### **4.4.2 Property Acquisition Monitoring & Technical Assistance**

- + Provide technical assistance to applicants regarding requirements for acquisition activities, including development and dissemination of guidance documents regarding the Uniform Relocation Assistance and Real Property Acquisition Act (**URA**), Commonwealth of Puerto Rico, PRDOH, and local rules for property acquisition.
- + Coordinate with and support PRDOH Monitoring Team efforts in monitoring applicant property acquisition activities, including providing project- and applicant-specific information.
- + Ensure that property acquisition is in connection with the CDBG-DR and/or CDBG-MIT funded project. Applicants must ensure ownership with the proper

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documentation for every property involving a CDBG-DR and/or CDBG-MIT project.

- + Ensure property acquired for a CDBG-DR and/or CDBG-MIT project is legally recorded and properly filed with the Puerto Rico Property Registry.
- + Monitor that all property acquisition activities comply with all requirements of 49 C.F.R. Part 24 – Uniform Relocation Assistance and Real Property Acquisition, HUD rules at 2 C.F.R. 200.311, and HUD Tenant Assistance, Relocation and Real Property Acquisition Handbook (1378.0). At the appropriate checkpoints, the Program Manager(s) must provide oversight and review of acquisition documents and activities, including but not limited to: Voluntary Real Property Acquisitions, Involuntary Real Property Acquisitions, Relocation and Tenant Assistance, Recordkeeping and Reporting.
- + In cases where the applicant decides to lease rather than purchase a property:
  - Obtain from the applicant the terms of the proposed lease and an estimate of the Property value prior to project execution;
  - Evaluate in consultation with PRDOH's Legal Division, the lease agreement based on:
    - Duration – The lease should be for a duration that is, at minimum, as long as the anticipated life of the project.
    - Cost – The cost of the lease must be reasonable and will be compared to the cost of an outright purchase.
    - Compliance with the URA – If the duration of the lease is less than fifteen (15) years, PRDOH will determine that the duration was not established for the intentional purpose of avoiding the requirements of URA.
- + When the applicant sends the property owner a Written Offer to Purchase, along with the written Statement of the Basis of the Determination of Just Compensation and the property is tenant- or owner-occupied:
  - Ensure that the applicant issues a written Notice of Displacement within thirty (30) days of the date specified for the initiation or negotiation; and
  - Confer with the applicant to determine the appropriate relocation procedures to be followed.
- + At the time of the conclusion of Final Negotiations prior to execution of the property acquisition agreement:
  - Review the agreement to ensure any amount exceeds fair market value can be reimbursed under the CDBG-DR and/or CDBG-MIT programs; and
  - Issue written documentation of Authorization or Denial to the applicant which includes the date and initials of the Program Director or his authorized representative.

#### **4.4.3 Project Procurement Monitoring**

- + Become familiar with the provisions and requirements of PRDOH's (i) Procurement Manual for the CDBG-DR Program, (ii) procurement standard operating procedures, and (iii) the procurement requirements of 2 CFR 200. The Program Manager(s) is expected to be proficient in providing technical assistance and guidance to Applicants on their procurement processes.

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- + Provide technical assistance prior to and during procurement processes undertaken by Applicants to ensure that such processes are compliant with applicable procurement requirements and procedures.
- + Review documentation generated by Applicants throughout the procurement process to assess compliance with applicable procurement requirements and procedures.

#### **4.4.4 Project Design Development Monitoring**

- + Ensure that all design work is performed by licensed engineers in Puerto Rico with the proper knowledge and expertise to perform the design services.
- + Review design documents delivered by applicant and prepare reports of the review to determine completeness of documentation, fatal flaws, and consistency with the project scope in the approved application and Environmental Review Record. For each review, the Program Manager(s) must provide review comments and cause the applicant to address such comments for subsequent design submittals. The Program Manager(s) must provide the applicant with feedback of results and provide guidance and recommendations to be implemented in the project.
- + Review cost estimates prepared by the applicant and coordinate with the applicant any revision or clarification to assure the cost estimate complies with CDBG-DR and CDBG-MIT requirements.
- + Provide the applicant and its project implementation team (consultants, designers, construction contractors, inspectors, etc.) with technical assistance and program guidance regarding CDBG-DR and/or CDBG-MIT requirements.
- + Review the applicant's Architect/Engineer's (A/E) design documentation and provide technical assistance, as necessary, regarding:
  - Quality of Architectural and/or Engineering drawings, Contract documents and technical specifications to ensure generally accepted design practices are utilized.
  - Fatal flaws in the project design, permitting, schedule, or procurement methods.
  - Consistency with the project performance statement in the Agreement or Scope of Work to determine whether an amendment to either document is required.
  - Consistency with the project's environmental review record.
  - Whether the project development documents contain all relevant federal and local requirements that the contractor must abide by, and the plans and specifications include the appropriate prescriptive and performance specifications to describe the desired results for project construction.
  - Conformity with the relevant CDBG-DR and CDBG-MIT grant.

#### **4.4.5 Project Permitting Monitoring**

- + Prepare and submit reports to PRDOH on the status of all permits and endorsements required for the execution of the project. Regulatory Agencies that normally need to be consulted include, but are not limited to:
  - The Office of Permit Management (**OGPe**),
  - The Department of Natural and Environmental Resources (**DNER**),
  - The Puerto Rico Fire Department (**PRFD**),

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- The Puerto Rico Police Department (**PRPD**),
  - The Puerto Rico Department of Health (**PRDOHe**),
  - The Puerto Rico Department of Sports and Recreation (**PRDSR**),
  - The Puerto Rico Aqueduct and Sewer Authority (**PRASA**),
  - The Puerto Rico Department of Transportation and Public Works (**DTPW**),
  - The Puerto Rico Electric Power Authority (**PREPA**),
  - The Puerto Rico Telecommunications Board (**PRTB**),
  - The Fish and Wildlife Service (**FWS**),
  - The State Historic Preservation Office (**SHPO**),
  - The Puerto Rico Institute of Culture (**PRIC**),
  - The U.S. Army Corps of Engineers (**USACE**),
  - The U.S. Environmental Protection Agency (**EPA**), and
  - Municipalities
- + Due to the type of projects to be funded under the ER2 and CEWRI-CI Programs, consultations with the Puerto Rico Energy Bureau (**PREB**) and other federal, state, and local regulatory entities related to power generation may be required for projects.
  - + Guide the applicant and its project implementation team with the submission of requests for permits and endorsements to Regulatory Agencies as soon as the necessary documents for submission are ready, during any phase of the design process and avoiding negative impacts to the project schedule.
  - + Follow up with the applicant and its project implementation team to assure that all notifications and recommendations from regulatory agencies for the project are obtained and that the recommendations are implemented in the project's design. The Program Manager(s) shall obtain copies of all communications with regulatory agencies regarding permits and endorsements.
  - + Ensure the applicant and its project implementation team obtains all required permits and endorsements for the project prior to completion of the project's design and the commencement of construction activities; and that such permits and endorsements are maintained so long as they are required to undertake project activities.
  - + Ensure the applicant and its project implementation team close all permits and endorsement obtained for the project with the corresponding Regulatory Agency. The Program Manager(s) shall obtain evidence of each permit's closure.

#### **4.4.6 Environmental Compliance Monitoring**

- + Oversee the federal and state environmental process for each project in compliance with Puerto Rico Environmental Public Policy Act (Act 416) and the National Environmental Policy Act (NEPA) for each project.
- + Monitor each project's compliance with the requirements of the Environmental Review Record. Any deviations from the Environmental Review Record shall be duly informed to all parties by the Program Manager(s). If required, the Program Manager(s) shall cause the applicant to perform an environmental re-evaluation and/or mitigation activities to ensure compliance.
- + Coordinate all environmental related activities with PRDOH and its designated representatives and regulatory agencies such as HUD, SHPO, and the Puerto Rico Department of Health (PRDOH).

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- + Validate the environmental impacts of each project based on the data provided by applicants and local and federal agency evaluations.
- + Monitor and determine the necessity for the completion of necessary survey, engineering, and construction requirements for flood zones, regulated Coastal Barrier Resource Areas, and National Wetlands Inventory wetlands.
- + Review applicants' activities in accordance with 24 CFR 58.22 regarding "choice-limiting actions." Inform applicants of the need to cease any work that could be determined as "choice-limiting" at the time of application and monitor adherence to established requirements.
- + Monitor the implementation and compliance of any environmental mitigation requirements (wetlands, historic preservation, abatement, etc.) necessary for the project in accordance with the requirements of the Environmental Review Record.

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#### **4.4.7 Construction Monitoring**

- + Monitor that the applicant has, whenever required, a Resident Inspector on site, who is a licensed engineer in Puerto Rico, to ensure compliance of the construction works with the project's design and specifications.
- + Become familiar with applicant's construction contract and schedule to establish a plan for monitoring activities. Once a Notice to Proceed is issued for construction, the Program Manager(s) must be prepared to implement the monitoring plan, develop all necessary monitoring reports, and submit reports to PRDOH.
- + Assure that all contractors, subcontractors, and other participants of the project fully understand the project's design and requirements at every stage, including any permitting or endorsement condition, prior to the beginning of construction.
- + Review selected project submittals for Project Execution Plan, Quality Plan, Safety Plan, Construction Waste Management Plan, Sustainability Plan, Monthly Reports, and Schedule Updates, among others to be selected by PRDOH.
- + Review and provide recommendations for change orders submitted to PRDOH or its authorized representative, including technical evaluation of cost reasonableness and time impact analysis.
- + Conduct monitoring site visits to, amongst other things:
  - Review construction progress meeting minutes, punch lists, and outstanding issues.
  - Attend periodic construction meetings to discuss progress and outstanding issues of the project.
  - Walk the project site to inspect the work, document it, and corroborate progress made and the overall project compliance with the design, the environmental review record, and any applicable laws, regulations, and codes.
  - Review contractor and subcontractor files to assure compliance with cross-cutting requirements, including insurance, Section 3, M/WBE, and Wage Compliance requirements.
  - Identify and document unforeseen conditions, resolve issues early, and keep the work flowing.
  - Corroborate that work milestones are being met.

- Monitor that all materials and equipment incorporated into the project comply with the design and technical specifications, and that such materials and equipment have been evaluated and approved by the designer for incorporation into the project.
  - Monitor the project's compliance with applicable green building standards as required by CDBG-DR and/or CDBG-MIT. The Program Manager will clearly communicate the appropriate standards in use for each project to PRDOH and all other relevant stakeholders and validate project's compliance.
  - Oversee compliance with electric power system industry standards (such as North American Electric Reliability Corporation (NERC) and Institute of Electrical and Electronics Engineers (IEEE)) related to resiliency, quality, durability, efficiency, and sustainability for each project.
- + Deliver timely and clear weekly and monthly reports both for the program and each project concerning construction progress, milestones, and other elements, as required by PRDOH. The format of the weekly and monthly reports will be agreed to between the Program Manager(s) and PRDOH during the provision of services.
  - + Participate in the project's Substantial Completion/Punch List inspection and provide feedback to the applicants regarding the project's completion and minor deficiencies that need correction. The Program Manager(s) shall review the results of the Substantial Completion inspection.
  - + Participate in the project's Final Completion inspection and provide feedback to the applicant regarding the project's completion. The Program Manager(s) shall review the results of the Final Completion inspection.

#### **4.4.8 Commissioning, Operations and Maintenance**

- + Be aware of any commissioning processes planned for the project and ensure that such commissioning processes are performed by qualified professionals and in accordance with the applicable industry standards and the project's technical specifications.
- + Review all commissioning reports issued for the project and corroborate that all systems are working in accordance with the design intent.
- + Review the applicant's Operations and Maintenance Plans, system manuals, commissioning requirements, plans, and documentation related to service start-up and long-term operations and maintenance.

#### **4.4.9 Section 3, M/WBE, Davis Bacon, Fair Housing, and Occupational Safety and Health**

- + Provide training to, and monitor the compliance of, applicants and their project implementation team (consultants, designers, construction contractors, inspectors, etc.) with Section 3 of the Housing and Development Act of 1968, Minority/Women-Owned Business Enterprise, Davis-Bacon Act, Work Hours and Safety Standards Act, Copeland "Anti-Kickback" Act, Fair Housing and Equal Opportunity Standards, and all other applicable federal, state, and local laws and regulations.
- + Assure that the project provides a safe workplace and must validate that applicant includes provisions in the construction contract documents that stipulates that the contractor must develop and implement a Health and

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Safety Plan in compliance with Occupational Safety and Health Administration (OSHA) requirements. The Program Manager shall review, become familiar with, provide feedback on, and monitor the implementation of the project's Health and Safety Plan.

#### **4.4.10 Review and Recommendation of Payment Requests**

- + Provide technical assistance to the applicant and its project implementation team on the preparation and submission of a duly complete and justified invoice for work completed to the PRDOH for disbursement.
- + Upon submission by the applicant, promptly review, validate, and recommend for payment all invoices submitted by the applicant in relation to the project's implementation.
- + Upon PRDOH's or its authorized representative's request, address and/or cause the applicant to address any issues or requests for clarification needed for the disbursement of funds to the applicant.

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#### **4.5. Task 04: Administrative Closeout**

Upon the applicant's project meeting all programmatic, regulatory/legal, and operational requirements to be placed in service and verification that service has begun, the Program Manager(s) will proceed with administrative closeout of the project. This task shall include the following:

- + Conduct Project Closeout, verifying completion of, at a minimum, the following:
  - Certificate of Substantial Completion.
  - Completed Punch List.
  - Design Team Approvals.
  - Permit Approvals and Closeouts.
  - Inspection Certificates.
  - Lien Waivers.
  - Final Pay Application.
  - Any other relevant documentation of the Project Closeout stage.
- + Ensure that all supporting documentation is included in the application file and obtain any missing documents to complete the application file.
- + Prepare, review, and submit project closeout checklist.
- + Ensure compliance with 2 CFR 200 Subpart F, 24 CFR §570.509, CPD Closeout Notices, CDBG-DR and CDBG-MIT Closeout Process, as applicable.
- + Any other tasks necessary to ensure the proper closeout of the Program(s) applications.

#### **4.6. Additional Services**

Some projects may require additional services, surveys, studies, or tests than those established in this Scope of Service. These are considered Additional Services by PRDOH. For such services, the Contract will include an allowance.

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

Service for need and cost reasonableness and, if determined to be of need and in the best interest of the project, approve the performance of the services by the Program Manager(s). No Additional Service shall be performed by the Program Manager(s) without the written approval of PRDOH. For each Additional Service approved, the contract budget allowance amount will be reduced by the amount approved.

If the cost of any Additional Services is more than \$10,000 (the micro-purchase procurement threshold) then the Program Manager(s) shall submit to PRDOH at least three (3) economic proposals for the Additional Services. These three (3) economic proposals must be from different Subcontractors for the performance of the Additional Service. One of the economic proposals may consider the performance of the Additional Service with the Program Manager(s)' own staff if the Program Manager(s) has the internal capacity to perform them.

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Additional Services may include, but are not limited to:

#### **4.6.1 Environmental Surveys and Assessments**

The services required under this task include, but are not limited to, the completion of environmental site assessments.

- + A field observation report will be required on every project structure/location to assess the visible aspects of the structure. This includes obtaining a GPS location (to six figures after the decimal point), photographs to assist in defining the structure, a visual determination if there are any potential environmental concerns, and other items of interest.
- + Perform hazardous materials Environmental Site Assessments (ESAs) and prepare hazardous waste remediation plans.
- + Perform a record review to obtain and review records that will help identify recognized environmental conditions in connection with the property.
- + Perform field observations and testing to determine if a project site is contaminated from past or present on-site and/or off-site activities, including, at minimum, undertaking Phase I consistent with applicable American Society for the Testing of Material protocols.
- + Where contamination is present, identify the appropriate mitigation measure, the contaminant of concern, and the location of the contaminant.
- + Notify PRDOH of any other requirements, studies, reviews, and/or assessments.

#### **4.6.2 Environmental Review**

For some projects, the Program Manager(s) may need to conduct environmental reviews. To perform the projects' environmental reviews the Program Manager(s) must initiate meetings with PRDOH and project owner/sponsor staff, as well as any other pertinent stakeholders, and will be responsible for preparation of required publication notices on an as-needed basis with the required level of clearance. The Program Manager(s) will coordinate with PRDOH on the publication of notices.

Environmental reviews must, at minimum, comply with the requirements of the Supplemental Appropriations for Disaster Relief Requirements, 2017 (Public Law

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115-56), the National Environmental Public Policy Act (including implementation regulations at 40 C.F.R. 1500, 24 C.F.R. 55 and 25 C.F.R. 58), the Environmental Public Policy Act of Puerto Rico, as amended (Act No. 416-2004), and the Puerto Rico Permit Process Reform, as amended (Act No. 161-2009) along with any other local environmental review requirements. The Program Manager(s) will create an Environmental Review Record (**ERR**) meeting the aforementioned legal requirements and documenting PRDOH's review and compliance with the federal authorities listed in 24 C.F.R. 58. This will include structure verification of dates of construction with aerial images, and the preparation of forms, as needed, by staff meeting the Secretary of Interior's (**SOI**) Professional Qualifications Standards for Architecture or Architecture History for submission to the State Historic Preservation Office (**SHPO**) to comply with consultation requirements set forth in the Programmatic Agreement between SHPO, FEMA, HUD, COR3, and PRDOH.

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The Program Manager(s) will evaluate the feasibility of the proposed project in relation to the required level of environmental review and make recommendations to PRDOH as to the appropriate level of review (e.g. Exempt, Categorically Excluded, Environmental Assessment, Environmental Impact Statement, etc.). The Program Manager(s) will be responsible for coordinating with the PRDOH, the project owner/sponsor, and the regulatory agencies to assure permits and/or compliance documentation is obtained for each ERR.

The Program Manager(s) will evaluate comments and questions received during the public comment period of ERRs and support in addressing such comments, modifying, and updating the ERR documentation accordingly. The Program Manager(s) shall also prepare and submit to PRDOH the Requests for Release of Funds (**RROF**).

The Program manager(s) shall assure that any requirement or conditions resulting from the Environmental Review process of each project is clearly communicated to bidders during the construction procurement process.

#### **4.6.3 Outreach Materials and Digital Content Production and Event Coordination**

In performance of Task 01: Outreach Strategy and Stakeholder Engagement, it may be necessary for the Program Manager(s) to create, produce, and disseminate outreach materials and digital content and coordinate logistics for outreach and stakeholder engagement events. These additional services may include, but are not limited to:

- + Production of outreach and event materials.
- + Acquisition and supply of outreach and stakeholder engagement event space, event furniture, and audiovisual equipment.



## 5. Deliverables<sup>1</sup>

Deliverables shall be considered those tangible and resulting work products which are to be delivered to the PRDOH. All deliverables and resulting work products from this contract will become the property of the PRDOH. The Proposer(s) shall certify the accurateness of its deliverables to the PRDOH.

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

- + Under the General Program Management and Administration Task, the following deliverables will be required for submission to PRDOH:
  - Training Plan on all topics for which training to Applicants to be submitted within thirty (30) calendar days from the execution of the contract and updated and resubmitted as needed as the contract is implemented;
  - Communications Plan to be submitted within thirty (30) calendar days from the execution of the contract and updated and resubmitted as needed as the contract is implemented;
  - Contractor Organization Chart to be submitted within thirty (30) calendar days from the execution of the contract and updated and resubmitted as needed as the contract is implemented;
  - Monthly Program Progress report to be submitted within five (5) days of the closing of the previous month; and
  - Any other deliverable required by PRDOH.
- + Under the Outreach Strategy and Stakeholder Engagement Task, the following deliverables will be required for submission to PRDOH:
  - Outreach and Stakeholder Engagement Plan to be submitted within thirty (30) calendar days from the execution of the contract and updated and resubmitted as needed as the contract is implemented;
  - Monthly Stakeholder Meeting Calendar to be submitted on a monthly basis every fifth (5<sup>th</sup>) day of the month;
  - Monthly Stakeholder Engagement Reports to be submitted on a monthly basis every fifth (5<sup>th</sup>) day of the month;
  - Stakeholders Key Staff and Contact Information to be submitted within thirty (30) calendar days from the execution of the contract and updated and resubmitted as needed as the contract is implemented;
  - Any other deliverable required by PRDOH.
- + Under the Project Selection Task, the following deliverables will be required for submission to PRDOH:
  - Project Feasibility Criteria to be submitted within ninety (90) calendar days from the execution of the contract and updated and resubmitted as needed as the contract is implemented;
  - Project Underwriting Procedure to be submitted within ninety (90) calendar days from the execution of the contract and updated and resubmitted as needed as the contract is implemented;
  - Preliminary/Pre-Qualified Application Review Reports to be submitted within sixty (60) calendar days from the closing of application intake;
  - Feasibility Analysis/Technical Review Reports to be submitted within ninety (90) calendar days from the submission of Project Plans by Applicants;

<sup>1</sup> The deliverable submission timeframes specified in this Scope of Services are estimates based on similar services performed and deliverables submitted during the implementation of previous PRDOH contracts. Precise deliverable submission timeframes will be determined by PRDOH once a Program Manager(s) has been selected.

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- Recommended Project Packages to be submitted within ninety (90) calendar days from the submission of Project Plans by Applicants;
  - Any other deliverable required by PRDOH.
- + Under the Project Implementation Task, the following deliverables will be required for submission to PRDOH:
- Quality Control and Assurance Plans to be submitted within thirty (30) calendar days from the execution of the grant agreement and updated and resubmitted as needed as projects are implemented;
  - Design and Permitting Monitoring Plans to be submitted within thirty (30) calendar days from the execution of the grant agreement and updated and resubmitted as needed as projects are implemented;
  - Monthly Project Progress and Compliance Reports setting forth the overall status of projects and the compliance of the project with applicable requirements (design, permitting, environmental, procurement, construction, Section 3, M/WBE, wages, safety, green building standards, etc.) to be submitted within seven (7) calendar days of the closing of the previous month;
  - Determination Reports on Payment Request to be submitted to the Applicant and the PRDOH within seven (7) calendar days of the Applicant submitting its payment requests;
  - Change Order Request and Review Reports to be submitted to the Applicant and the PRDOH within ten (10) calendar days of the Applicant submitting change orders to the Program Manager; and
  - Any other deliverable required by PRDOH.
- + Under the Administrative Closeout Task, the following deliverables will be required for submission to PRDOH:
- Monthly Project Closeout Reports to be submitted within seven (7) calendar days of the closing of the previous month for projects that have achieved Final Completion and until such time when Administrative Closeout of the Project is achieved;
  - Any other deliverable required by PRDOH.
- + Should the Additional Services: Environmental be required and the Allowance granted, the following deliverables will be required for submission to PRDOH within timeframes determined by PRDOH once a Program Manager(s) has been selected:
- Site Investigation and Inspection Reports;
  - Testing Reports;
  - Publication Notices;
  - Hazardous Waste Remediation Plans;
  - Hazardous Waste Remediation Activity and Compliance Reports; and
  - Any other deliverable required by PRDOH.

The Program Manager(s) shall be responsible for completing the activities outlined in this Scope of Services. The Selected Program Manager(s) shall assist PRDOH by providing additional resources to accomplish assignments authorized by the PRDOH.

**END OF SCOPE OF WORK**

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**ATTACHMENT C**  
**COMPENSATION SCHEDULE**  
**Innovative Emergency Management, Inc.**  
**Program Management Services for ER2**  
**Request for Proposals No. CDBG-DRMIT-RFP-2022-08**

The following section contains cost information that considers the quantity of resources, maximum hours, and rate per hour provided by the Program Management Services firm through their Price Form in compliance with the Request for Proposals (RFP) CDBG-DRMIT-RFP-2022-08.

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Positions	Qty.	Hours	Rate Per Hour	Total Cost
<b>Key Staff</b>				
Program Manager	1	4275	\$210.00	\$897,750.00
Environmental Compliance Officer	1	4275	\$153.00	\$654,075.00
Regulatory Compliance Officer	1	4275	\$160.00	\$684,000.00
Energy Regulatory Compliance Officer	1	4275	\$185.00	\$790,875.00
Outreach & Stakeholder Engagement Coordinator	1	4275	\$105.00	\$448,875.00
Operations Manager	1	4275	\$172.00	\$735,300.00
Financial Manager	1	4275	\$126.00	\$538,650.00
<b>Additional Staff</b>				
Deputy Program Manager	1	4,275	\$175.00	\$748,125.00
Quality Control Managers	2	2,775	\$125.00	\$346,875.00
Program Closeout Specialist	1	3,150	\$205.00	\$645,750.00
Construction Oversight Managers	3	2,775	\$140.00	\$388,500.00
Project Closeout Specialists	3	3,150	\$195.00	\$614,250.00
Federal Funds Closeout Specialist	1	2,775	\$150.00	\$416,250.00
GSI Manager	1	1,162	\$125.00	\$145,250.00
Architects/Engineers	8	2,629	\$165.00	\$433,785.00
Program Advisors	6	309	\$225.00	\$69,525.00
Electrical/Energy Specialist	1	475	\$175.00	\$83,125.00
New Ventures/Finance/Operations Consultant	1	606	\$90.00	\$54,540.00
PMO/Strategic Consultant	1	606	\$75.00	\$45,450.00
Subject Matter Experts – Energy	2	357	\$250.00	\$89,250.00
Subject Matter Experts	13	608	\$275.00	\$167,200.00
Technical Lead – Environmental/PRASA	1	427	\$165.00	\$70,455.00
Program and Project Management Consultants	3	392	\$275.00	\$107,800.00

Positions	Qty.	Hours	Rate Per Hour	Total Cost
Subject Matter Experts – Project Management	2	368	\$125.00	\$46,000.00
Technical Leads – A/E and Microgrids	4	748	\$165.00	\$123,420.00
Subject Matter Experts – Energy Legal	5	375	\$275.00	\$103,125.00
Subject Matter Expert – Energy and Energy Regulations	1	285	\$250.00	\$71,250.00
Senior Project Director	1	356	\$160.00	\$56,960.00
Subject Matter Expert – Preparedness	1	274	\$200.00	\$54,800.00
Grantwise Manager	1	281	\$135.00	\$37,935.00
Environmental and Permit Consultants	2	570	\$140.00	\$79,800.00
<b>Total Cost Per 36 Months – Key Staff</b>				<b>\$4,749,525.00</b>
<b>Total Cost Per 36 Months -Additional Staff</b>				<b>\$4,999,420.00</b>
<b>Total Allowance</b>				<b>\$620,000.00</b>
<b>TOTAL COST OF STAFF AND ALLOWANCES FOR 36 MONTHS</b>				<b>\$10,368,945.00</b>

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The following Price Form notes will apply to all recommended distribution mentioned above.

#### Notes on Key Staff Costs

- 1) Key Staff are expected to work for the ER2 Program.
- 2) Estimated Quantity of Hours represents the expected level of effort in hours for each position during the initial three (3) year contract term. Should not be interpreted as a cap on the allowed level of effort per position.
- 3) Rate Per Hour includes overhead, profit, royalties, reimbursements, travel, fringe benefits, taxes, as well as any other additional fees and administrative costs applicable to the services.
- 4) Estimated Total Cost Per Position represents the estimated cost of positions based on the Estimated Quantity of Hours per Month and the Rate Per Hour proposed. Should not be interpreted as a cap on the allowed billing per position.
- 5) Key Staff Estimated Sub-Total Cost represents the maximum amount that the Contractor is allowed to invoice for the Key Staff positions. An individual position may invoice for an amount greater than that established in the Estimated Total Cost Per Position; but the total amount to be invoiced for the group of positions may not exceed the Key Staff Estimated Sub-Total Cost.

#### Notes on Additional Staff for ER2 Program Costs

- 1) Additional Staff are expected to work for the ER2 Program. The quantities and amounts in the Additional Staff for the ER2 Program Cost Table are those pertaining to the expected efforts on the ER2 Program.
- 2) Estimated Quantity of Resources represents the quantity of Additional Staff that is expected to be assigned to work on the ER2 Program. This includes Additional Staff working on a full- or part-time basis for the ER2 Program. Should not be interpreted as a cap on the allowed quantity of staff per position.



- 3) Estimated Quantity of Hours represents the expected level of effort for the ER2 Program, in hours, for each position during the initial three (3) year contract term. Should not be interpreted as a cap on the allowed level of effort per position.
- 4) Rate Per Hour includes overhead, profit, royalties, reimbursements, travel, fringe benefits, taxes, as well as any other additional fees and administrative costs applicable to the services.
- 5) Estimated Total Cost Per Position represents the estimated cost of positions based on the Estimated Quantity of Hours and the Rate Per Hour proposed. Should not be interpreted as a cap on the allowed billing per position.
- 6) Key Staff Sub-Total Cost represents the maximum amount that the Contractor is allowed to invoice for the Additional Staff positions of the Program Management Services for the ER2 Program. An individual position may invoice for an amount greater than that established in the Estimated Total Cost Per Position; but the total amount to be invoiced for the group of positions may not exceed the ER2 Additional Staff Estimated Sub-Total Cost.
- 7) Sub-Total Proposal Cost for ER2 Program represents the total maximum cost for Program Management Services under the ER2 Program if the Proposer is awarded a contract by PRDOH, assuming that Key Staff positions employ their allotted time in the ER2 Program and including Additional Services Allowances for the ER2 Program.
- 8) Total Proposal Cost represents the total cost for Program Management Services for the ER2 Program, including contract allowances for Additional Services.

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**END OF COMPENSATION SCHEDULE**

## ATTACHMENT D

### PERFORMANCE REQUIREMENTS

Program Management Services

Electrical Power Reliability and Resilience Program (ER2)

Request for Proposals No. CDBG-DRMIT-RFP-2022-08

#### INTRODUCTION

This document represents performance metrics and requirements for Program 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 with 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's responsibilities. The Contractor is responsible for compliance with all aspects of the Scope of Work included as Attachment B of the Contract.

Through contract amendment, the requirements and metrics included in these Performance Requirements may be modified, including the addition of new requirements based on the Program's development and implementation, at the discretion of PRDOH for the Program's Benefit.

#### LIQUIDATED DAMAGES & PENALTIES

The Contractor shall pay to PRDOH, as liquidated damages, \$150.00 for each calendar day that a required deliverable is late until deemed in compliance, subject to a maximum of \$1,500.00 per deliverable. 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 amount of liquidated damages due to the PRDOH, the Contractor shall be liable to pay the difference.

#### PERFORMANCE METRICS

TASKS	SUBTASK	TIMEFRAME	DELIVERABLES
2.0 Project Selection	Development of Project Selection Criteria and Methodology	No later than <b>ninety (90) calendar days</b> from the execution of the contract.	Project Feasibility Criteria
	Initial Project Application Review and Preliminary Project Selection	No later than <b>sixty (60) calendar days</b> from application intake.	Preliminary/Pre-Qualified Application Review Reports
	Projects Implementation Plan Review and Final Project Selection	No later than <b>ninety (90) calendar days</b> from the submission of Project Plans.	Feasibility Analysis/Technical Review Reports
	Projects Implementation Plan Review and Final Project Selection	No later than <b>ninety (90) calendar days</b>	Recommended Project Packages

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TASKS	SUBTASK	TIMEFRAME	DELIVERABLES
	Underwriting	No later than <b>ninety (90) calendar days</b> from the execution of the contract.	Project Underwriting Procedure
	Environmental Review	No later than <b>ten (10) calendar days</b> after a complete set of documents have been delivered.	Environmental Review Record Review
<b>3.0 Project Implementation</b>	Project Design Development Monitoring	No later than <b>fifteen (15) calendar days</b> after a complete set of documents have been delivered.	Design Review Report
	Construction Monitoring	No later than <b>five (5) calendar days</b> after end of month.	Monthly Oversight Report
	Review and Recommendation of Payment Requests	No later than <b>seven (7) calendar days</b> of the Contractor's Submission of payment requests.	Payment Request Recommendation

- End of Attachment -



## INSURANCE REQUIREMENTS

### Program Manager Services

Electric Power Reliability and Resilience Program (ER-2) and

Community Energy and Water Resilience Installation

Community Installations Subprogram (CEWRI-CI)

Community Development Block Grant-Disaster Recovery Energy

Community Development Block Grant-Mitigation

Puerto Rico Department of Housing

## SPECIAL INSURANCE SPECIFICATIONS

### For Professional Services

#### Request for Proposals CDBG-MIT-RFP-2022-08

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- A. The successful proposer before commencing to work, or receiving a written notice to proceed with, or being allowed to start to work, must submit to the **Puerto Rico Department of Housing (\*PRDOH)**, original and two (2) certified copies of the hereafter mentioned insurance policies and/or bonds, thus including all endorsements as agreements required under the special contractual conditions as per the following:

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

In accordance with the Puerto Rico Workmen's Compensation Act No. 45, to facilitate its acquisition, the **\*PRDOH** shall provide a letter to the successful proposer addressed to the State Insurance Fund.

2. **(X) Commercial General Liability (Special Form) including the following insurance coverage**

COVERAGE	LIMIT
<b>I. Commercial General Liability:</b>	
• Each Occurrence	\$2,000,000
• General Aggregate	\$2,000,000
• Products & Complete Operations	\$2,000,000
• Personal Injury & Advertising	\$2,000,000
• Fire Damage	\$500,000 (Any one Fire)
• Medical Expense	\$20,000 (Any one person)
• Personal Property under Care Custody and control	\$1,000,000
• Garage Liability and Garage-Keeper Legal Liability Form	\$1,000,000



**INSURANCE REQUIREMENTS**  
**Program Manager Services**  
**Electric Power Reliability and Resilience Program (ER-2) and**  
**Community Energy and Water Resilience Installation**  
**Community Installations Subprogram (CEWRI-CI)**  
**Community Development Block Grant-Disaster Recovery Energy**  
**Community Development Block Grant-Mitigation**  
**Puerto Rico Department of Housing**

<b>II. Employer's Liability Stop Gap:</b>	
• Bodily Injury by Accident	\$2,000,000
• Each Employee	\$2,000,000
• Each Accident	\$2,000,000
• Bodily Injury by Disease	\$2,000,000
• Each Employee	\$2,000,000
• Each Accident	\$2,000,000

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

<b>LIMIT</b>	
• Auto Liability -	\$3,000,000
• Physical Damages -	\$3,000,000
• Medical Payments -	\$ 20,000
<b>The Commercial Auto cover must be applied to the following symbols:</b>	
• Liability Coverage -1	
• Physical Damages – 2 and 8	
• Hired – Borrowed Auto – 8	
• Non-Owned Auto Liability – 9	

**4. (X) Professional Liability for and not limited to Program Manager, Operations Manager, Financial Manager, Environmental Compliance Officer, Regulatory Compliance Officer, Energy Regulatory Compliance-Officer, Outreach & Stakeholder Engagement Coordinator and any subcontractor related to the Program Management Services.**

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

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

**(X) A. 2 Limits:**

(X) each occurrence	\$3,000,000
(X) Aggregate	\$3,000,000
(X) Deductible	\$ 20,000

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

**INSURANCE REQUIREMENTS**  
**Program Manager Services**  
**Electric Power Reliability and Resilience Program (ER-2) and**  
**Community Energy and Water Resilience Installation**  
**Community Installations Subprogram (CEWRI-CI)**  
**Community Development Block Grant-Disaster Recovery Energy**  
**Community Development Block Grant-Mitigation**  
**Puerto Rico Department of Housing**

**5. (X) Cyber Liability**

Limit - \$3,000,000

**6. (X) Umbrella**

Limit - \$10,000,000

**7. (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***.

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

**8. (X)** The insurance carrier or carriers, which will present said certificates of insurance, must have at least a B+ rating according to the AM 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 the following:

1. Be authorized to do business within the Commonwealth of Puerto Rico and have the corresponding license issued by the Commissioner of Insurance.
2. To be enjoying a good economic situation and to be classified under the Category of B+ Rating according by the "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.

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**INSURANCE REQUIREMENTS**  
**Program Manager Services**  
**Electric Power Reliability and Resilience Program (ER-2) and**  
**Community Energy and Water Resilience Installation**  
**Community Installations Subprogram (CEWRI-CI)**  
**Community Development Block Grant-Disaster Recovery Energy**  
**Community Development Block Grant-Mitigation**  
**Puerto Rico Department of Housing**

4. Avoid sub-contractual obligations of premium financing or any other kind, which may be detrimental to the public interest.
5. 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.
6. Follow all Federal Bail and Acceptance Insurance Regulations, when applicable.
7. Indicate in the appropriate place of all insurance policies and/or bonds, the full description of the project, work or service to be rendered.
8. Not to make any amendments to insurance policies and bonds issued under the special conditions mentioned above, unless approved by the Insurance Section of the **\*PRDOH**.
9. 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, and also to eliminate those exclusions in accordance with our request.
10. Clarify any questions regarding insurance requirements by any means of communication with the Insurance Section of the **\*PRDOH** under the Secretary for Legal Affairs.

**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 or subcontractor 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, we emphasize that prior to commencing work or receiving written notice to proceed with such work, or being authorized to commence work the **successful proposer** has the responsibility to provide the **\*PRDOH** with all the certifications of insurance and/or bonds required under the special conditions approved by the Contract Division, Insurance Section of the **\*PRDOH**.

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**INSURANCE REQUIREMENTS**  
**Program Manager Services**  
**Electric Power Reliability and Resilience Program (ER-2) and**  
**Community Energy and Water Resilience Installation**  
**Community Installations Subprogram (CEWRI-CI)**  
**Community Development Block Grant-Disaster Recovery Energy**  
**Community Development Block Grant-Mitigation**  
**Puerto Rico Department of Housing**

All insurance policies shall remain in effect for the entire contractual period, in case of any order of change and/or amendment resulting in alteration of the original project completion date or total original cost; the **successful proposer** 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.

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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 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.***

**E. CERTIFICATE OF CONTRACT DIVISION**

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

**INSURANCE REQUIREMENTS**  
**Program Manager Services**  
**Electric Power Reliability and Resilience Program (ER-2) and**  
**Community Energy and Water Resilience Installation**  
**Community Installations Subprogram (CEWRI-CI)**  
**Community Development Block Grant-Disaster Recovery Energy**  
**Community Development Block Grant-Mitigation**  
**Puerto Rico Department of Housing**

**DESCRIPTION OF THE SERVICES:**

**Professional Services**

**PROGRAM MANAGER SERVICES FOR**

**Electric Power Reliability and Resilience Program (ER-2) and**  
**Community Energy and Water Resilience Installation**  
**Community Installations Subprogram (CEWRI-CI)**  
**Community Development Block Grant-Disaster Recovery Energy**

**And**

**CEWRI-CI Subprogram**

**June 29, 2022**

**Date Review 04-10-2023**

*Sonia Damaris Rodríguez*

**Sonia Damaris Rodríguez**  
**Insurance Specialist**  
**CDBG-DR Program**

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GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

## 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.hudexchange.info/resource/2490/hud-form-4010-federal-labor-standards-provisions/>.

The CONTRACTOR shall include these terms and conditions in all subcontracts or purchase orders directly servicing the Contract.

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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.

### 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 when possible. Steps include, but are not limited to:

- (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

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

Additionally, for contracts of **\$10,000 or more**, the CONTRACTOR shall file Form HUD 2516 (Contract and Subcontract Activity) with the PRDOH on a quarterly basis.

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#### **8. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT**

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

#### **9. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

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

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

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



that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

**11. SECTION 504 OF THE REHABILITATION ACT OF 1973**

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

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

**12. AGE DISCRIMINATION ACT OF 1975**

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

**13. DEBARMENT, SUSPENSION, AND INELIGIBILITY**

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

**14. CONFLICTS OF INTEREST**

The CONTRACTOR shall notify the PRDOH as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as defined at 24 C.F.R. §578.95; 24 C.F.R. §570.489(g) and (h); and 24 C.F.R. §570.611, if applicable). The CONTRACTOR shall explain the actual or potential conflict in writing in sufficient detail so that the PRDOH is able to assess such actual or potential conflict. The CONTRACTOR shall provide the PRDOH any additional information necessary to fully assess and address such actual or potential conflict of interest. The CONTRACTOR shall accept any reasonable conflict mitigation strategy employed by the PRDOH, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

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## 15. SUBCONTRACTING

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

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

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

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

## 16. ASSIGNABILITY

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

## 17. INDEMNIFICATION

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

## 18. COPELAND "ANTI-KICKBACK" ACT

### (Applicable to all construction or repair contracts)

Salaries of personnel performing work under this Contract 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

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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 shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions 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.

**19. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**

**(Applicable to construction contracts exceeding \$2,000 and contracts exceeding \$2,500 that involve the employment of mechanics or laborers)**

The CONTRACTOR shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by CONTRACTORS or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act, and the CONTRACTORS and subcontractors shall comply with all regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

**20. DAVIS-BACON ACT**

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

The CONTRACTOR shall comply with the Davis Bacon Act (40 U.S.C. §§ 3141, *et seq.*) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by CONTRACTORS or subcontractors, including employees of other governments, on construction work assisted under this Contract, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

On a semi-annual basis, the CONTRACTOR shall submit Form HUD 4710 (Semi-Annual labor Standards Enforcement Report) to PRDOH.

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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.

## **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:

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- (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

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.



- 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.

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

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

- 1) A stipulation by the CONTRACTOR or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to 40 C.F.R. Part 32 or on the List of Violating Facilities issued by the Environmental Protection Agency (**EPA**) pursuant to 24 C.F.R. Part 58, as amended.
- 2) Agreement by the CONTRACTOR to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified

in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

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

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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:

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- 1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.
  - 2) A performance bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in connection with a contract to secure the fulfillment of all the CONTRACTOR's obligations under such contract.
  - 3) A payment bond on the part of the CONTRACTOR for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by the law of all persons supplying labor and material in the execution of the work provided for in the contract.

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

- 1) The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (**Section 3**). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

- 2) The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75 which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
- 3) The CONTRACTOR agrees to send to each labor organization or representative of workers with which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONTRACTOR's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- 4) The CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 75. The CONTRACTOR will not subcontract with any subcontractor where the CONTRACTOR has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.
- 5) The CONTRACTOR will certify that any vacant employment positions, including training positions, that are filled: (1) after the CONTRACTOR is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the CONTRACTOR's obligations under 24 C.F.R. Part 75.
- 6) Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- 7) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian

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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) For contracts exceeding \$100,000, the CONTRACTOR shall submit Form HUD 60002 (Section 3 Summary Report) to PRDOH on a quarterly basis, notwithstanding the annual reporting requirement set forth in that form's instructions.

### **30. FAIR HOUSING ACT**

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

### **31. ENERGY POLICY AND CONSERVATION ACT**

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

### **32. HATCH ACT**

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

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

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

### **33. HEALTH AND SAFETY STANDARDS**

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

#### **34. PERSONNEL**

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

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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.

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

### **39. INTEREST OF CERTAIN FEDERAL OFFICERS**

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

### **40. INTEREST OF CONTRACTOR**

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

### **41. POLITICAL ACTIVITY**

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

#### **42. RELIGIOUS ACTIVITY**

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

#### **43. FLOOD DISASTER PROTECTION ACT OF 1973**

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

#### **44. LEAD BASED PAINT**

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

#### **45. VALUE ENGINEERING**

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

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

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

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

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

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

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

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

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

#### **48. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)**

The Federal Funding Accountability and Transparency Act of 2006 (**FFATA**), as amended, was signed with the intent of reducing wasteful government spending and providing citizens with the ability to hold the government accountable for spending decisions. 2 C.F.R. § Part 170 outlines the requirements of recipients' in reporting information on subawards and executive total compensation under FFATA legislation. Any non-Federal entity that receives or administers Federal financial assistance in the form of grants, loans, loan guarantees, subsidies, insurance, food commodities, direct appropriations, assessed and voluntary contributions; and/or other financial assistance transactions that authorize the non-Federal entities' expenditure of Federal fund, is subject to these requirements.

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Prime contract awardees and prime grant awardees are required to report against subcontracts and subgrants awarded in the FFATA Subaward Reporting System (FSRS), the reporting tool for Federal prime awardees. This information reported will then be displayed on a public and searchable website: [www.USASpending.gov](http://www.USASpending.gov).

### **33. 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.

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### **34. 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.

### **45. LIMITED ENGLISH PROFICIENCY**

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

#### **46. 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.

#### **51. PROCUREMENT OF RECOVERED MATERIALS**

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

**END OF DOCUMENT**

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**APPENDIX C**  
**CONTRACTOR CERTIFICATION**  
**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO**  
**CONTRACTS REVIEW POLICY**

**Innovative Emergency Management, Inc.**

The following is hereby certified to the Oversight Board regarding the request for authorization for **Program Management Services for ER2 and CEWRI CI** contract by and between the **Puerto Rico Department of Housing** and **Innovative Emergency Management, Inc.:**

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

Firm	Principal	Ownership	Proposed Contract Amount	Contractual Relationship	Role
Northstar Management, LLC	<b>SS LLC</b>  Principals: Antonio Luis Ferrer Rangel María Luisa Ferrer Rangel Carlos G. Martínez Xavier Torres Craig Lemasters Carey Bongard Jossi Fresco Miguel Osorio	100%	\$1,895,000.00	Subcontractor	Strategic Communication, Public Outreach, Call Center Support
Nu Energy Consulting Group, LLC	Angel R. Rivera de la Cruz	100%	\$1,125,000.00	Subcontractor	Subject Matter Expert in energy and energy regulatory matters
Ximena, LLC	Jose Humberto Roman, Principal.	100%	\$89,000.00	Subcontractor	Energy Regulatory Compliance expertise

2. Neither the contractor nor any of its owners<sup>2</sup>, partners, directors, officials, or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in

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

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

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connection with the procurement, negotiation, execution or performance of the contract.

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

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

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

6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract, and the contractor must reimburse immediately to the Commonwealth any amounts, payments, or benefits received from the Commonwealth under the proposed contract.

I hereby certify under penalty of perjury that the foregoing is complete, true, and correct on this 12th day of April 2023.

  
signature

April 12, 2023

Date

Brad Tiffie

Printed Name

Chief Administrative Officer

Position



## ATTACHMENT H NON-CONFLICT OF INTEREST CERTIFICATION INNOVATIVE EMERGENCY MANAGEMENT, INC.

The CONTRACTOR certifies that:

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

"I hereby certify under penalty of perjury that the foregoing is complete, true, and correct."

  
\_\_\_\_\_  
Signature

Keith Reynolds  
\_\_\_\_\_  
Printed Name

April 12, 2023  
\_\_\_\_\_  
Date

Manager, Contract  
Administration  
\_\_\_\_\_  
Position