



GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

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

**AGREEMENT FOR  
COST ESTIMATING SERVICES  
FOR THE COMMUNITY ENERGY AND WATER RESILIENCE INSTALLATIONS PROGRAM (CEWRI)  
&  
THE INFRASTRUCTURE MITIGATION PROGRAM (INFRA-MIT)  
BETWEEN THE  
PUERTO RICO DEPARTMENT OF HOUSING  
AND  
CPM PR, LLC**



THIS AGREEMENT FOR COST ESTIMATING SERVICES FOR THE COMMUNITY ENERGY AND WATER RESILIENCE INSTALLATIONS PROGRAM (CEWRI) & THE INFRASTRUCTURE MITIGATION PROGRAM (INFRA-MIT), (hereinafter referred to as the "**Agreement**") is entered into in San Juan, Puerto Rico, this 7 of September, 2022, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, "**PRDOH**"), a public agency created under Law No. 97 of June 10, 1972, as amended, 3 L.P.R.A. § 441 *et seq.*, known as the Department of Housing Governing Act 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 San Juan, Puerto Rico, in his capacity as Secretary; and **CPM PR, LLC** (hereinafter, the "**CONTRACTOR**"), with principal offices in Corporate Office Park, CPM Plaza 44 Road 20 Suite 201 Guaynabo, Puerto Rico 00966-3326, herein represented by José Raúl Torres Morales, PE, Esq., in his capacity as Vice-President Projects & Risk Management, engineer, of legal age, married, and resident of San Juan, Puerto Rico, 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 structure and infrastructure damage to family homes, businesses and government facilities triggering the displacement of thousands of residents of the Island from their homes and jobs.

**WHEREAS**, under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017, signed into law 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 CDBG-DR. These funds are intended to provide financial assistance to address unmet needs that arise and that are not covered by other sources of financial aid.

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

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

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

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

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

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

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

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

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

**WHEREAS**, the PRDOH is interested in contracting a cost estimating firm that will aid PRDOH to generate, compare, and scrutinize costs, to ensure the reasonableness and fairness of project costs. 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 and CDBG-MIT related activities.

**WHEREAS**, on May 20, 2022 the PRDOH issued a small purchase to acquire cost estimating services for the Home Energy and Water Resilience Installations Subprogram (**CEWRI-HEWRI**) and the Incentive Subprogram (**CEWRI-IP**) of the Community Energy and Water Resilience Installations Program (**CEWRI**) (collectively referred to as **CEWRI-HH** or **CEWRI-HH Subprograms**) and the Infrastructure Mitigation Program (**INFRA-MIT**) with CDBG-DR and CDBG-MIT funds. The Procurement Division sent an email to five (5) entities in order to invite them to participate in the process. They were identified and selected because they are related to cost estimating services. On June 16, 2022, the Procurement Division sent seventeen (17) additional emails of invitation to participate in this process. The small purchase was also published in the purchase section of the CDBG-DR website. Through this procurement process, PRDOH was able to reach twenty-two (22) qualified firms listed for their capacity and experience with federal grants to deliver qualified services.

**WHEREAS**, on June 23, 2022, the CONTRACTOR submitted a proposal (hereinafter referred to as the "**Proposal**"), which fully complied with the requirements set forth by the PRDOH.

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**WHEREAS**, CPM PR, LLC was chosen to perform the required services at a reasonable proposed cost to assist PRDOH in the Puerto Rico's recovery efforts according to the award criteria established in the Small Purchase.

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

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

**I. TYPE OF CONTRACT**

**Contract Type:** This is a fixed-fee contract. Under this Agreement, CONTRACTOR shall submit monthly invoices to the PRDOH based on the Cost Form (**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:

<b>Attachment A</b>	Proposal
<b>Attachment B</b>	Scope of Work
<b>Attachment C</b>	Cost Form
<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

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. Should any inconsistency appear between the Attachments and this Agreement, the Agreement shall prevail.

**II. TERM OF AGREEMENT**

- A.** This Agreement shall be in effect and enforceable between the parties from the date of its execution. The Term of this Agreement will be for a performance period of **twenty-four (24) months**, ending on September, 6, 20<sup>24</sup>.
- B. Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term for two (2) 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 CONTRACTOR's sole cost.

### IV. COMPENSATION AND PAYMENT

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- 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 **EIGHTY THOUSAND DOLLARS (\$80,000.00); Account Number MITM11CEW-DOH-UN / R02H14HER-DOH-LM 4190-10-000.**
  - 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 and CDBG-MIT grant. If the CONTRACTOR performs ineligible activities under the CDBG-DR and CDBG-MIT grant or program, the CONTRACTOR cannot include them in the invoice for payment to the CONTRACTOR.

- I. CONTRACTOR shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement. CONTRACTOR shall reimburse such disallowed costs from funds other than those CONTRACTOR received under this Agreement.
- J. The CONTRACTOR acknowledges and agrees to repay any CDBG-DR and CDBG-MIT funds used for ineligible costs.
- K. In order for the CONTRACTOR to receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOH for payment:

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

**V. REIMBURSABLE EXPENSES**

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

**VI. ADDITIONAL SERVICES**

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

**VII. OWNERSHIP AND USE OF DOCUMENTS**

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

#### VIII. DOCUMENTATION AND RECORDERKEEPING

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- 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 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 and CDBG-MIT program; Records required to determine the eligibility of activities; Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG-DR 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.
- 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 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

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- 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.
- C. Return Documents:** Upon receipt of written request from the PRDOH, CONTRACTOR will return to PRDOH all copies or samples of Confidential Information which, at the time of the notice are in CONTRACTOR's or its agent's possession. CONTRACTOR reserves the right to retain a set of its work papers.
- D. Equitable Relief:** The CONTRACTOR acknowledges and agrees that a breach of the provision of subparagraph B and C of this Section will cause PRDOH to suffer irreparable damage that could not be remedied or compensated adequately only by mere monetary retribution. The CONTRACTOR further agrees that money damages may not be a sufficient remedy for any breach of this Section. Accordingly, the CONTRACTOR agrees that PRDOH shall have the right to seek injunctive relief and the specific performance of the provisions of this Section to enjoin a breach or attempted breach of the provision hereof, such right being in addition to any and all other rights and remedies that are available to PRDOH by law, equity, or otherwise.

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

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- 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 and CDBG-MIT Program by virtue of any breach of the Agreement by the CONTRACTOR. The PRDOH may withhold any payments to the CONTRACTOR, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the PRDOH by the CONTRACTOR. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.
- B. Termination for Convenience:** The PRDOH may terminate this Agreement, in whole or in part, whenever the PRDOH determines that such termination is necessary or convenient to the Agency. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar day** 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 the Agreement, should the CONTRACTOR breach the Agreement by unilateral abandonment. For the purposes of this Section, Abandonment shall mean that CONTRACTOR voluntarily and intentionally disavows its contractual duties in a manner that is overt and without question a relinquishment of said contractual duties.
- D. Unilateral Termination:** The PRDOH may terminate this Agreement, in whole or in part, at PRDOH's sole discretion, with or without cause, at any time. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar**

**day** 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, 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 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.
  - 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**

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The CONTRACTOR shall pay to PRDOH, as liquidated damages, \$100.00 for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of \$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.

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.

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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.

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The CONTRACTOR shall require all subcontractors or consultants to carry the insurance required herein or 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 CONTRACTOR shall notify, as soon as possible, the PRDOH of the occurrence of the *Force Majeure* event and describe in reasonable detail, the nature of the *Force Majeure* event.

#### **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.

9B— 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.

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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.

## XX. NOTICES

9B— 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, PR 00918

To: CONTRACTOR

Héctor Javier Rivera  
President  
CPM PR, LLC  
P.O. Box 9024051  
San Juan, P.R. 00902-4051

## 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.

**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:** CONTRACTOR shall notify and provide a copy of any and all subcontracts related to this Agreement and CDBG-DR funds to the Contract Administration Area of the PRDOH CDBG-DR Legal Division within **three (3) business days** of its execution.

### 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 the following provisions:

**A. Compliance with Executive Order 24:** Pursuant to Executive Order 24 of June 18, 1991, the CONTRACTOR certifies and guarantees that at the signing of this Agreement it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last **five (5) years**. The CONTRACTOR further certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will be given a specific amount of time by the PRDOH to produce said documents. During the term of this Agreement, the CONTRACTOR agrees to pay and/or to remain current with any repayment plan agreed to by the CONTRACTOR with the Government of Puerto Rico.

**B. Compliance with Executive Order 52:** Pursuant to Executive Order 52 of August 28, 1992, amending EO-1991-24, the CONTRACTOR certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The CONTRACTOR accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every CONTRACTOR and subcontractor whose service the CONTRACTOR

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has secured in connection with the services to be rendered under this Agreement and shall forward evidence to PRDOH as to its compliance with this requirement.

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

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

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

**F. Compliance with Act No. 45 of April 18, 1935, as amended, 11 L.P.R.A. § 1, et seq.:** The CONTRACTOR certifies and guarantees that at the signing of this Agreement has valid insurance issued by the State Insurance Fund Corporation (CFSE, for its Spanish Acronym), as established by Act No. 45, *supra*, known as the "Puerto Rico Workers' Accident Compensation Act".

**G. Government of Puerto Rico's Agency for the Collection of Child Support (ASUME, for its Spanish acronym):** The CONTRACTOR certifies and guarantees that at the signing of this Agreement that the CONTRACTOR nor any of its Partners, if applicable, have any debt or outstanding debt collection legal procedures with regards to child support payments that may be registered with the Government of Puerto Rico's Child Support Administration. The CONTRACTOR 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.

**H. Compliance with Act No. 168-2000, as amended, 8 L.P.R.A. § 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."

**I. Compliance with Act No. 1-2012, as amended, 3 L.P.R.A. § 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 "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.

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**J. 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.

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

**L. 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 Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico, which prohibits the award of Offers or government contracts to those convicted of fraud, misappropriation of public fund.
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 Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico, which prohibits awarding Offers for government contracts, to those convicted of fraud, embezzlement or misappropriation of public funds.
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.

**M. 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.

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

**XXIV. ACT NO. 18 OF OCTOBER 30, 1975, as amended, 2 L.P.R.A. secs. 97-98**

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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 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. 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, CDBG-MIT and CDBG Program services. This includes without limitation, applicable Federal Registers; 2 C.F.R. part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Housing and Community Development Act of 1974; 24 C.F.R. part 570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. Part 35, 24 C.F.R. Part 58, 24 C.F.R. Part 135; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards, and the environment; and Action Plan amendments and HUD's guidance on the funds. Also, CONTRACTOR shall comply, without limitation, those set forth in **Attachment F** and in compliance with all the requirements described in **Attachment G**.

## **XXVII. 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 integral part of this Agreement, as they may be updated from time to time, and reporting requirements as established by the PRDOH.

## **XXVIII. 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 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.

#### **XXIX. 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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### **XXX.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 considerations 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 Executive Order 11246 of September 24, 1965, as amended by Executive Order 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 Executive Order 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 Executive Order 11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- 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 Executive Order 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

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#### **XXXI.SOLID WASTE DISPOSAL ACT**

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

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

#### **XXXII. 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 is convicted of a criminal drug offense in the workplace no later than **ten (10) days** after such conviction.

#### **XXXIII.SUSPENSION AND DEBARMENT**

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

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

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 can impact obligations and payments under this Agreement.

#### **XXXV. 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.

**XXXVI. 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.

**XXXVII. 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.

**XXXVIII. 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 written document signed by both PRDOH and the CONTRACTOR.

**XXXIX. 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.

**XL. 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.

**XLI. 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.

**XLII. 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

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construed as a waiver of such terms and conditions or the right to enforce compliance with such terms and conditions.

#### **XLIII. 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 Cost Form (Attachment C), and lastly, the CONTRACTOR's proposal (Attachment A).

#### **XLIV. 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.

#### **XLV. 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

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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.

**XLVI. 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.

**XLVII. 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.

**XLVIII. RECAPTURE OF FUNDS**

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

**XLIX. OVERPAYMENT**

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

**L. 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.

LI. 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.

LII.SURVIVAL OF TERMS AND CONDITIONS

9B— 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, CDBG-MIT and state funding, recapture of CDBG-DR, CDBG-MIT and/or state funds, overpayment of CDBG-DR, CDBG-MIT and/or state funds; ownership and intellectual property, copyright; records retention methods and time requirements; inspection, monitoring and audit; confidentiality; public records; indemnification and liability; infringement of intellectual property rights; independent contractor relationship; compliance with laws; notices; choice of law and venue; severability; dispute resolution; consolidations, merger, change of name, and dissolution. Terms and conditions that, explicitly or by their nature, evidence the Parties' intent that they should survive the termination or expiration of this Agreement shall so survive.

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

PUERTO RICO DEPARTMENT OF  
HOUSING

CPM PR, LLC

William O. Rodríguez Rodríguez  
William O. Rodríguez Rodríguez (Sep 7, 2022 16:07 EDT)  
**William O. Rodríguez Rodríguez, Esq.**  
Secretary

José Raúl Torres Morales  
**José Raúl Torres Morales, PE, Esq.**  
Vice-President Projects & Risk  
Management

# ATTACHMENT A

DEPARTAMENTO DE LA  
**VIVIENDA**  
Estado Libre Asociado de Puerto Rico

## SMALL PURCHASE COST ESTIMATOR SERVICES

Proposal #22-0133

June 23, 2022

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## ① Project Understanding

It is CPM's understanding that the Department of Housing of Puerto Rico is seeking to select a cost estimating firm that will aid PRDOH to generate, compare, and scrutinize costs, to endure the reasonableness and fairness of project costs. These services are associated with the implementation of the Home Energy and Water Resilience Installations Subprogram (CEWRI-HEWRI), the Incentive Subprogram (CEWRI-IP) and the Infrastructure Mitigation Program (INFRA-MIT) of the Community Development Block Grant for Mitigation (CDBG-MIT).

## ② Services

CPM's Cost Estimating Department will be engaged to provide the requested services to the PRDOH. An experienced team will be assigned to prepare detailed, itemized construction cost estimates and comply with the key deliverables required by the RFP. These deliverables include cost estimates of probable costs, reconciliation of the cost estimates with any other source of available costs, and recommendations as to the suggested cost of action.

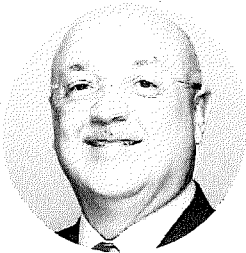
CPM understands the relevance of these CDBG's programs to the commercial and economic activity of Puerto Rico and will commit to contribute with our services, as per this RFP, to achieving the objectives of the PRDOH.

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## ③ Proposed Resources

CPM's proposed resources has vast experience in construction cost estimating and project/construction management and are qualified to provide the required services.

### VP, Finance and Construction Services

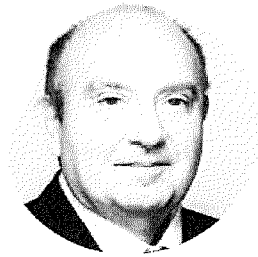


**Otto Bayona, EITA** has **thirty (30) years** of experience in construction management for projects in both the private and public sectors. He is responsible to oversee the company's financial growth.

In addition, he leads the company's planning and consulting services, including design, development, estimating, budget procurement, scheduling, permitting, and bidding efforts for CPM's headquarters and international offices during the planning phases of capital projects.

Mr. Bayona will oversee the efforts of this assignment and will monitor quality control standards. Otto's effort associated with this service is non-billable.

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**Site / Civil Senior Estimator  
(Team Leader)**

**Ángel Gurrea** is CPM's Senior Civil Estimator with over **forty (40) years** of experience in estimating and cost control for the construction industry, for both public and private projects.

He has been responsible for preparing and evaluating cost estimates, preparing cost code breakdowns, quantity takeoffs, cost control and bid estimates. He is the Chief Estimator of CPM's Estimating Department providing services to clients of CPM Headquarters, CPM North America, CPM Panama & CPM Builders.

Mr. Gurrea will be supported by estimators **Raúl Velázquez, Iván Rosado** and **Pedro Pablo Rosa** in their areas of expertise, being electrical-mechanical, finishes, and civil-structural respectively.

These resources will contribute with their experience within their areas of expertise.

Refer to **Attachment I** for qualifications and experience

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**MEP Senior Estimator**

**Raúl Velázquez** is an industrial engineer and cost estimator with **twenty-five (25) years** of experience mainly in cost estimating. He has been responsible for thorough breakdown of Civil, Mechanical & Electrical activities for project bids. Accountable for evaluation and comparison of

subcontractors and suppliers' quotes for final adjudication. In addition, he has overseen scheduling, validation, and supervision of personnel.



**Junior Estimator**

**Iván Rosado** has **thirty-four (34) years** of experience in cost estimating and drafting for a variety of projects in the public and private sectors. He has been responsible for preparing cost estimates and take-offs, bill of material, evaluation of change orders, and shop drawings, among others.



#### Junior Estimator

**Pedro Pablo Rosa** is a civil engineer with **thirty (30) years** of experience in construction management for projects in the private and public sectors. He has been responsible for coordination of construction activities, daily jobs, supervising field employees, project documentation, quality assurance inspections and revision of shop drawings. He has a strong background in civil projects and cost estimates and provides support as part of CPM's Estimating Department. In addition, he supports CPM Academy as instructor of the Project Management Professional (PMP) 35-hr. course.

## 4 Selected Cost Estimating Project Experience

### 2010 Central American & Caribbean Games Sport Facilities

Several Municipalities, Puerto Rico

**Owner** Puerto Rico Infrastructure Financing Authority (PRIFA)

**Role** Program Manager, Inspector, and Advisor

**Services** Design Management, Permitting, Scheduling, Land Acquisition & Relocation Assistance, Estimating, Bid Process Management, Program Management

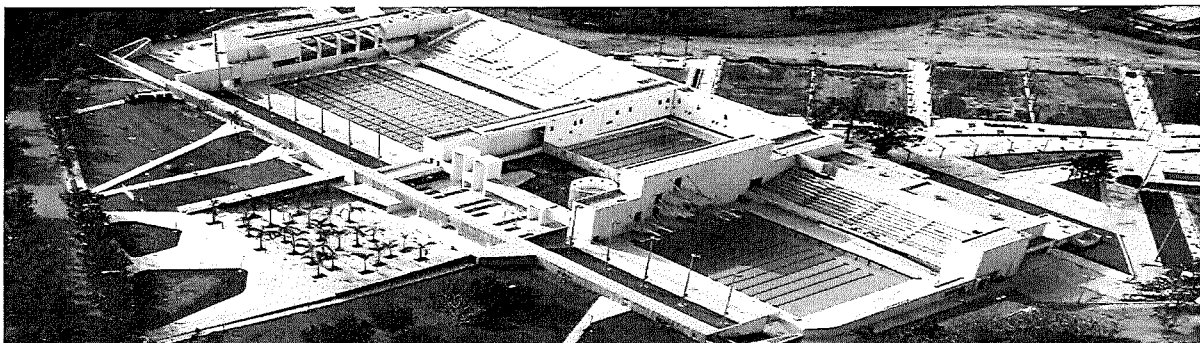
**Project Delivery Method** Design-Bid-Build

**Project Completion** 2010

**Contract Amount** \$12.7 million

**Capital Investment** \$168.4 million

Program Manager responsible for managing the development and construction of numerous sports facilities which required significant cost estimation and scheduling capabilities. Accountable for managing the construction of Athletic & Soccer Stadium, new Baseball Stadium, Natatorium, Waterfront Park, Tennis Complex, and other sports facilities for a total of 19 projects. CPM was asked to play a leading role in the operation of the facilities during the Games. The program included demolition work and debris removal specifically for the Isidoro García Baseball Stadium.



**Schools Modernization Program for the 21<sup>st</sup> Century** Island-wide, Puerto Rico

**Public Buildings Project**

**Owner** Puerto Rico Public-Private Partnership Authority (PRPPPA) / Puerto Rico Infrastructure Financing Authority (PRIFA)

**Role** Technical and Procurement Advisor & Program Manager

**Services** Schools Field Assessment, Permitting and Procurement, LEED Certification Support, and Program Management

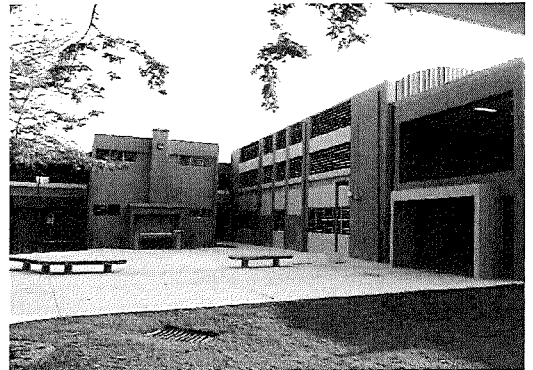
**Project Completion** March 2013

**Contract Amount** \$19.2 million

**Capital Investment** \$756 million

This project delivered significant infrastructure improvements that benefited approximately 50,000 students and generated notable cost savings. After identifying and making a pre-selection of the schools to be modernized, CPM was selected by the PRPPPA as Technical and Procurement Advisor for the project. CPM's role evolved into that of Program Manager, overseeing the successful implementation of the entire Program.

As Technical and Procurement Advisor, CPM was responsible for providing assistance in the formulation of PPP structure; development of procurement documents, including technical specifications; procurement of school packages; assistance with proponents' evaluation, selection, and award; and, construction management, among other responsibilities CPM served as Technical/Procurement Advisor & Program Manager for one of the largest modernization programs of public schools in the US. CPM was selected by the Government of Puerto Rico to formulate, procure, and implement a Design-Build-Maintenance project for 100 public schools. This project amounted to \$756 million in investment and required extensive cost estimation and scheduling given the diversity of school facilities, contractors, and the fact that it was a high-profile project for the Government.



*Basilio Milán School, Toa Baja*



**Department of State Damage Assessment**

**Public Buildings Project**

**Owner** Goodman-Gable-Gould/Adjuster International

**Role** Project Manager, Chief Estimator, CSA Estimator, Electrical and Mechanical Estimator

**Services** Project Management, Cost Estimating

**Project Completion** 2018

**Contract Amount** \$11,920.00

**Capital Investment** \$2.9 million

### **Damage Assessment to Downtown Development Properties**

Caribbean Tower, San Juan, Puerto Rico, FDR1500, Guaynabo Puerto Rico, Nacional Plaza, San Juan Puerto Rico

**Owner** Downtown Development Corp.

**Role** Project Manager, Project Coordinator, Chief Estimator, CSA Estimator, Electrical and Mechanical Estimator

**Services** Project Management, Cost Estimating

**Project Completion** 2018

**Contract Amount** \$26,100

**Capital Investment** \$2.9 million

These damage assessment projects consisted of data gathering through a visual inspection of the interior and exterior of the facilities. The data was used to determine the conditions and deficiencies of the facilities in the aftermath of Hurricane María. The data was analyzed, and findings of the assessment were provided. CPM prepared a final report containing a description of the facility, a detailed description of damages, and photo illustration of the damages. CPM also delivered cost opinion and cost estimate in relation to the damage and for the reconstruction and/or repair of the facilities.

### **Hurricane María Damage Assessments**

#### **Public Buildings / Disaster Recovery Project**

University of Puerto Rico (UPR), Río Piedras and Humacao, Campuses, Puerto Rico

**Owner** UPR / Hanscomb Consulting, LLC (Owner Representative)

**Role** Project Manager, Cost Estimator, and Inspector

**Services** Damage Assessments, Project Coordination Support, Project Management Support, Cost Estimating

**Project Completion** 2018

**Contract Amount** \$420,000



Provided coordination, inspection, and cost estimating services of damages caused by Hurricane María to the University of Puerto Rico, Humacao, and Río Piedras Campuses. Scope of work comprised coordination with campus officials to perform building and facility inspections to assess and quantify damages caused by Hurricane María at each campus. Performed site visits and inspections of 21 buildings in the Humacao Campus and 8 buildings at the Río Piedras Campus. Qualified and quantified damages and prepared cost estimates for repair, replacement, or reconstruction of damages. Prepared assessments report integrating observations, notes, and assumptions with the cost estimate. Subcontracted by Hanscomb Consulting, LLC.

Project deliverables: Assessments Reports with Cost Estimates for 23 buildings; in addition, 6 cost estimates were all provided in a period of two months.

- Project Started: June 2018
- Project Completion: August 2018
- Duration: 2 months

## 5 Reimbursable Expenses

Reimbursable expenses are those incurred by CPM, its employees, or consultants, and are directly related to the project as described:

- Mileage and tolls associated with traveling to the project or project related trips will be invoiced portal to portal per IRS standard mileage rate and the PRDOT mileage calculator, with 0% markup. Any yearly modifications made to this rate by the IRS will be applied.
- Consultants and any other expenses directly related to the project will be billed at cost, plus 10%.

## 6 Clarifications

- All relevant documentation must be submitted by the client to CPM within 5 days of award of contract.
- A representative of the client must give CPM's resources access and accompany them during the tour of the housing complexes.

## 7 Terms

- Invoice upon delivery.
- Payment terms are Net 30 days.
- This proposal is valid for a period of 30 days.
- A 1.5% interest per month shall apply on unpaid balances over 30 days.

## 8 Release of Liability

CPM shall not be liable to any client in connection with the Work for which it is engaged. Clients each release and hold-harmless CPM for any work performed hereunder.

## 9 Non-solicitations by Client

During the period of time CPM performs its services to Client, and for a period of **one (1) year** from the date of termination of services resulting from this proposal, neither the Client nor any subsidiary or affiliated company of the Client shall directly or indirectly solicit or encourage any employee of CPM or any of its subsidiaries or affiliated companies to leave the employment of CPM. During this period, neither Client nor any of its subsidiaries or affiliates shall employ or contract the services directly or indirectly of any of CPM's employees.

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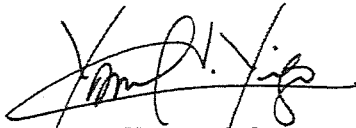
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We appreciate being considered for this assignment.

Please let me know if we can be of further assistance, or if you have any questions related to this proposal.

You can contact me via email at [ycirino@cpmintl.com](mailto:ycirino@cpmintl.com) or via phone call at 939-640-6935.

Cordially,



**Yamil D. Cirino, PE, PMP, CCM**  
VP, Projects and Corporate Standards

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## OTTO BAYONA LABOY, AE

### VP FINANCE & CONSTRUCTION SERVICES



Mr. Bayona has thirty-five (35) years of experience in construction management for projects in both the private and public sectors. He is responsible to oversee the company's financial growth. In addition, he leads the company's planning and consulting services, including design, development, estimating, budget, procurement, scheduling, permitting & bidding efforts for CPM's headquarters and international offices during the planning phases of capital projects. Mr. Bayona is also accountable for leading CPM Builders which provides Construction Management as Constructor.

### Relevant Experience

**CPM PR, LLC, Guaynabo, PR (1994-Present)**

#### Vice President, Finance & Construction Services

Responsible for CPM's headquarters and international offices financial growth, planning and consulting services, as well as construction services' administration & operations in Puerto Rico and abroad.

#### Vice President, Finance & CPM Builders, Guaynabo, PR

Responsible for CPM Builders' administration & operations, and CPM's headquarters and international offices financial growth, planning and consulting services.

### Education

**Bachelor of Science -  
Mechanical Engineering,**  
University of Puerto Rico-RUM

### Areas of expertise

- Banking
- Commercial
- Defense Facilities / Federal Government
- Educational Facilities
- Healthcare
- Hospitality
- Medical Devices
- Pharmaceutical
- Retail
- Sports & Recreation
- Transportation

### Professional Licenses

- AE Number 18963

### Memberships

- Member of the Professional College of Engineers and Surveyors of Puerto Rico

### Training & Certifications

- OSHA 10-hour Construction Safety & Health Training Course

#### Álvarez-Díaz & Villalón (AD&V)

**Banco Popular de Puerto Rico**

**Daniel Espinosa Jewelry**

**Fundación Banco Popular**

**Grupo Episcopal San Lucas**

**Inditex**

**JC Penney**

**Microsoft**

**Nestlé Puerto Rico**

#### Patronato Monumentos de San Juan

**Puerto Rico Convention Center District Authority**

**Puerto Rico Army National Guard**

**Siemens Transportation Corp.**

**Taubman Centers, Inc.**

**Toyota de Puerto Rico**

**US Corps of Engineers**

**Warner Chilcott**

**Zara Puerto Rico**

Formerly, as VP of CPM Builders, responsible for CPM Builders' administration and operations. The above-mentioned companies are among the clients who have received construction management services as Constructor. The company produced \$5MM in revenue during its first year of operation.

#### Vice President, Finance & Project Controls

Oversee the company's financial growth. Lead planning and consulting services, including design, development, estimating, budget, procurement, scheduling, permitting & bidding efforts for CPM's headquarters and international offices during the planning phases of capital projects.

#### VP, Planning & Project Controls

Government Development Bank: Comprehensive Cancer Center (\$90MM)  
Puerto Rico Infrastructure Financing Authority: 2010 Central American & Caribbean Games and Regional Projects, Mayagüez, Puerto Rico (\$168.3MM)  
Lema Developers: Bahía Plaza Project  
Lead planning and consulting services, including design, development, estimating, budget, procurement, scheduling, permitting & bidding efforts for CPM's headquarters & CPM's Panama regional office clients during the planning phases of capital projects.

#### Vice President, Field Operations

Abbott Pharmaceutical, Warner Chilcott, Wyndham Vacation Ownership, Pediatric Hospital-Medical Center (\$24.3MM), Walmart, Municipality of San Juan, Mendez Realty

Responsible for overseeing field operations to assure quality of services.

#### **Shared Services**

Coordination & execution of permits, estimates and safety efforts for all CPM projects.  
Abbott Biotechnology, Ltd., Barceloneta, PR: Humira Project (\$350MM)

Area Project Manager: Administration and Laboratory Building

Responsible for all design and construction activities for a new administration and laboratory building at the new biotechnology manufacturing campus. Areas of responsibilities included schedule development and enforcement, quality controls, record management, resource management, coordination of trades and contract management.

#### **Pfizer Global Manufacturing (formerly Pharmacia Corporation), Arecibo, PR**

Work Center A Project (\$12MM), Valdecobix Registration Project (\$4MM), New Acetone Distillation Column, Reactor Replacement (\$0.6MM), New HCL Scrubber Installation

Responsible for scheduling, budgeting, and construction quality controls to comply with project design parameters and owner requirement. Inspection and coordination of construction activities, project documentation, record control, and daily logs for progress tracking. Coordination of construction activities involving or affecting other areas. Supervised electrical, mechanical and civil disciplines to minimize project conflicts.

#### **Auxilio Mutuo Hospital, Río Piedras, PR**

West Wing Annex to La Milagrosa Building (\$22MM), New Medical Offices Tower (\$25MM), Spiral CT Scanner Facilities

Provide executive updates to the owner representative for multiple projects at the Auxilio Mutuo Hospital site. Specific responsibilities included budget management and control, contract management, facility start-up and testing, progress monitoring, quality control and project reporting, including executive updates to the Board of Governor's Physical Plant Committee.

#### **Project Manager CPM Construction Services, Guaynabo, PR**

Construction of Baskin Robbins and McDonald's Corp. stand-alone restaurants in P.R.

Control of the schedule, budget and construction quality to comply with project design parameters and owner requirement. Inspection and coordination of construction activities.

#### **CPM Construction Services, Guaynabo, PR**

##### **Senior Project Coordinator**

**Banco Popular de PR, Island Wide      Abbott Laboratories, Inc., Barceloneta, PR**  
**Alcon Laboratories, Inc., Humacao, PR      Warner Lambert, Inc., Vega Baja, PR**

Coordination and daily inspection of construction projects focused on mechanical equipment & systems. Performed overall preventive/corrective maintenance programs for selected equipment.

Bermúdez and Longo, S. E., San Juan, PR (1989-1994)

##### **Project Manager**

**Colgate Palmolive Co., Guayama**

**Merck Sharp & Dohme, Barceloneta**

**Condado Beach Hotel, San Juan**

**Paseo del Sol Walk-ups, Río Piedras**

**DuPont Pharmaceuticals, Manatí**

**Paseo San Juan Development, San Juan**

**El Nuevo Día Bldg., Guaynabo**

**Puerto Rico Ports Authority (Pier 4),  
San Juan**

**Judicial Center Building, Arecibo**

**Santander Bank Computer Center, Hato  
Rey**

**Lederle Parenterals, Inc., Carolina**

**Warner Lambert, Fajardo**

**OTTO BAYONA LABOY, AE**  
VP FINANCE & CONSTRUCTION SERVICES



Supervised construction crews on multiple projects throughout Puerto Rico. Scope of work included the installation of mechanical equipment such as cooling towers, pumps, water treatment equipment, air conditioning systems and double containment piping. Responsible for all project management activities such as project cost control, procurement, contract management and estimating.

**Puerto Rico Cement Co., Ponce, PR (1987-1988)**

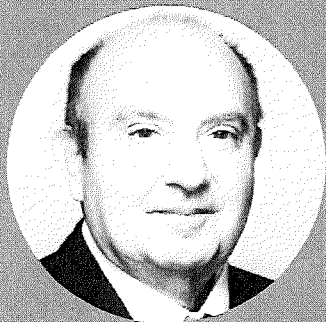
**Project Engineer**

Assisted in the design, evaluation and execution of multiple projects.

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## ANGEL J. GURREA ROSA

### SITE/CIVIL SENIOR COST ESTIMATOR



Mr. Gurrea has forty-two (42) years of experience in estimating and cost control for the construction industry, for both public and private projects. He has been responsible for preparing and evaluating cost estimates, preparing cost code breakdowns, quantity takeoffs, cost control and bid estimates. He is currently the Chief Estimator of the CPM Estimating Department providing services to clients of CPM Headquarters, CPM North America, CPM Panama, CPM Builders & CPM in El Salvador.

#### Relevant Experience

**CPM PR, LLC** Guaynabo, PR (2002-Present)

#### Cost Estimating Manager

3R Management  
Abbott Laboratories  
Affordable Care, Inc.  
Amgen Manufacturing  
Arcos Dorados S.A. (McDonald's)  
Archbishopric of San Juan  
Alliance Consulting Group  
ASA Carlton  
Bacardi  
Banco Popular de PR  
Boston Scientific  
Bristol-Myers Squibb  
Camuy Health Service  
Colegio Médicos Cirujanos  
Comprehensive Cancer Center  
Covidien  
Curtis Instruments  
Dept. of Correction & Rehabilitation  
Department of the Army  
Dept. of Transportation and Public Works  
Designer Eyes  
Econo Supermarkets  
Ediciones SM Cataño  
Eli Lilly Pharmaceutical  
Ethicon Pharmaceutical  
General Services Administration  
Golden Arch Development  
Government Development Bank  
GGG - Goodman-Gable-Gould  
Hanscomb - UPR Assessment  
Hewlett Packard  
HDR Inc.  
Honeywell Aerospace Building, Moca  
Inditex  
The Sembler Company  
TJMaxx  
Torremilano, Inc.  
Toyota de Puerto Rico  
United Surety and Indemnity Company  
University of Puerto Rico  
US Coast Guard  
US Department of Defense  
Vornado Realty Trust  
Warner Chilcott  
Wyndham Vacation Ownership  
US Customs & Border Protection

JC Penney  
Karu Ederly, Inc.  
King's College  
Lema Developers, Inc.  
Luis Muñoz Marín Int'l Airport-Carolina  
Mall Of San Juan  
Marketing International Center  
Marshall Stores  
Medtronic  
Microsoft  
Nestlé  
Neva Development  
Notre Dame Elementary School  
Open Mobile  
Pavía Health  
Pfizer Global Manufacturing  
Pioneer Hi-Bred International  
Puerto Rico Aqueduct & Sewer Authority  
Puerto Rico Air National Guard  
Puerto Rico Army National Guard  
Puerto Rico College of Physicians  
Puerto Rico Industrial Development Co.  
Puerto Rico Infrastructure Financing  
Authority  
Puerto Rico Public-Private Partnerships  
Authority  
Puerto Rico Tourism Company  
Rincon Health Center  
Roche Diagnostics  
Sachse Construction  
San Lucas Episcopal Hospital  
Sartorius Stedim  
Sears Holding Company  
Sistema Universitario Ana G. Mendez  
Siemens Transportation Partnership  
SPS Specialty Pharmacy  
PRHTA - Puerto Rico Highway  
Transportation Authority

#### Education

**Bachelor of Science -  
Civil Engineering**, University  
of Puerto Rico Mayagüez  
Campus

#### Software Skills

9/13 - Procore  
- On-screen takeoff  
- Estimating program  
- Sage 300  
**WORR** Project Manager  
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#### Professional Licenses

- Estimator License Number  
CEC-105

#### Certificates and Training

- On-Screen Takeoff Estimating  
Program  
- Sage 300 (Former  
Timberline) Estimating  
Program  
- Cost Estimator Seminar  
(Bortech Technology  
Institute for Certified  
Professional Estimators)  
- OSHA 10 Hour Training in  
Construction Safety & Health  
- Record Keeping Training (29  
CFR 1904)  
- CPR Training  
- Basics of Corrosion Training  
- IS-01012 FEMA Direct  
Administrative Costs

**ANGEL J. GURREA ROSA**  
**SITE/CIVIL SENIOR COST ESTIMATOR**



- IS-01013 FEMA Costing-  
Estimates and the Cost  
Estimating Format

**Areas of Expertise**

- Commercial
- Correctional Facilities
- Educational Institutions
- Federal Government
- Financial
- Healthcare
- Hospitality

**Morgan and Morgan**

Responsible for the evaluation of cost estimates, based on drawings, specifications, and other information, submitted by A/E firms, contractors and sub-contractors to ensure accuracy and completeness. Prepare cost estimates for projects being developed in-house. Assist in the preparation of construction bid packages. Work in the analysis and evaluation of proposals and quotations from contractors or suppliers. In addition, responsible for estimate quantity takeoffs, item analysis/pricing for bid estimates, change orders evaluations, project visits and meetings for all related activities.

**Among the projects:**

APP - Academia De La Policía De Pr, Gurabo.  
APP - ATM (Autoridad De Transporte Marítimo).  
APP - Student Life.  
APP 6- New Parkings, at Rum Mayaguez.  
APP 15 - Parkings Restoration Area Metro.  
APP - Darlington Bldg Restoration Mayaguez.  
APP - San Juan Cruise Ports.

**University of Puerto Rico (UPR),** Río Piedras & Humacao Campuses, PR  
Damage Assessment and Cost Estimates Project (2018)

Prepare cost estimates for buildings and facilities at the UPR's Río Piedras and Humacao Campuses affected during 2018 hurricane season. These campuses consist of over 100 buildings with different types of educational facilities such as classrooms, laboratories, living quarters, theatres, and office buildings, among others.

**Department of Veterans Affairs** (Owner) - HDR Architecture, Inc. (Client)  
Building One Seismic Corrections Phase 3 Project, San Juan, Puerto Rico (2018)  
Provided detailed project cost estimates for the construction activities as per drawings, specifications, and general conditions information.

**Puerto Rico Public-Private Partnerships Authority**  
**Cruise Ports,** San Juan, Puerto Rico (2018)

Provided cost estimating services for this public-private partnership project with an estimated construction cost of \$200 million.

**US Army Corps of Engineers (USACE),** Jacksonville District –  
Custom and Border Patrol Ramey Sector and Station Improvements & Dog Kennel,  
Aguadilla, Puerto Rico (2014)

Provided cost estimating services for this Design-Bid-Build project of \$4.6 million.

**Redondo Construction Corp.** Guaynabo, PR (1978-2002)

**Engineering Cost Department Manager**

**Puerto Rico Highway Authority, Corp of Engineers, Aqueduct Authority,** Puerto Rico  
Municipalities

**Manager of Engineering Cost Dept.** (1981 - 2002)

Organize and manage cost department for 15 concurrent projects with value of over \$150MM. Responsible for providing historical cost data to estimating department for bidding, preparing cost code breakdowns on new jobs, supervise cost data entries and keep track of subcontractors, pay estimates, change orders and modifications to each project. Also, in charge of the preparation and analysis of monthly cost reports and providing cost data for presentations and claims.

**Estimator Engineer** (1978 -1981)

Responsible for quantity takeoffs & pricing for company bids. Assisted in final pricing strategies.

**ANGEL J. GURREA ROSA**  
SITE/CIVIL SENIOR COST ESTIMATOR



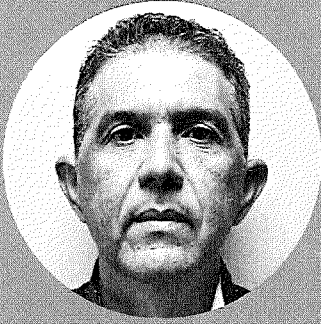
**Project Superintendent (1978)**

Coordinate field construction activities and administrative works. Supervise work progress, personnel, and daily reports for Río Lajas Project.

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## RAÚL VELÁZQUEZ VÁZQUEZ

### MEP SENIOR ESTIMATOR



Mr. Velázquez is an industrial engineer and cost estimator with twenty-five (25) years of experience mainly in cost estimating. He has been responsible for thorough breakdown of Civil, Mechanical & Electrical activities for project bids. Accountable for evaluation and comparison of subcontractors and suppliers' quotes for final adjudication. In addition, he has been in charge of scheduling, validation and supervision of personnel.

### Relevant Experience

**CPM PR, LLC** Guaynabo, PR (2019-Present)

#### Estimating Specialist

Conduct preliminary damage assessments (PDAs) in the field with federal, state and local officials. Write Project Worksheets (PWs) for the purposes of determining project eligibility, scopes of work and estimating costs to repair or replace a facility or structure to restore it to its pre-disaster design. Provide technical, cost estimating, disaster recovery and/or management services with an emphasis on estimating costs to repair or replace a facility or structure to restore it to its pre-disaster design. Review applicant's insurance policies to determine coverage with a special emphasis on interpreting multilevel policies.

**Atlantic Coast Mechanical Services** Miami, FL (2016 – 2019)

#### HVAC Project Manager/Cost Estimator

Field superintendents to generate RFI's, provide installation guidance and design interpretation. Estimate Mechanical, Plumbing, Piping, and HVAC work from plans and specifications. Issue subcontracts to subcontractors & purchase orders to vendors. Complete job buyout process of materials & equipment for new projects. Ensure field installations conform to code requirements, and adhere to all project design documents, while maintaining project profitability.

**CPM PR, LLC** Guaynabo, PR (2007-2016)

#### Electro-Mechanical Estimator

Sartorius-Stedim Filters, Inc. Campus Expansion (\$100MM)  
Bristol-Myers Squibb Restrooms Upgrade; Electrical Substation # 1 Replacement  
Amgen Juncos - AML Storage Fire Protection Upgrade  
Honeywell Aerospace de Puerto Rico, Aguadilla, PR (\$25 MM)  
Intensive Care Center, "Hospital Cristo Redentor de Guayama", PR (\$2MM)  
Promotores del Este SA: Mega Mall, Panamá  
Puerto Rico Infrastructure Financing Authority: Schools for the 21<sup>st</sup> Century Program;  
Pediatric Hospital's New Tower, Medical Center, Río Piedras, PR; 2010 Central American and Caribbean Games, Mayagüez, PR (\$157MM)  
Government Development Bank: Comprehensive Cancer Center  
Siemens  
Rincón Health Center  
Notre Dame Elementary School  
Wyndham Vacation Ownership  
Curtis Instruments: New Facility Project, Luquillo, PR  
Warner Chilcott: Hormone Expansion Project, Fajardo, PR (\$5MM)

Evaluate, estimate, and present cost estimates in order to prepare project's prices. Provide information to suppliers to obtain cost proposals and/or quotations. Evaluate and approve change orders. Visit project sites to evaluate cost estimates and bid process. Work in the analysis and evaluation of cost estimates, based on drawings, specifications, and other information, submitted by the A/E firms, contractors and sub-contractors to ensure accuracy and completeness. Works Estimates / Budgets up to \$110,000,000.

**Caguas Mechanical Contractor (CMC), Inc.** Caguas, PR (1999 – 2007)

#### Chief Estimator

Analyze projects' scope of work, plans and specifications. Create a thorough breakdown of all activities concerning to Civil, Mechanical & Electrical disciplines for the project bid. Evaluate and compare all quotes from subcontractors and suppliers for final adjudication. Perform estimation closing and supervision tasks. Establish the Estimating Department.

### Education

**Bachelor of Science - Industrial Engineering,**  
Polytechnic University of Puerto Rico, Hato Rey, PR

**Associate Degree - Electrical Technology,** Huertas Junior College, Caguas, Puerto Rico

### Areas of Expertise

- Industrial
- Educational Institutions
- Healthcare
- Hospitality
- Retail
- Sports & Recreation
- Transportation

### Certificates and Training

- FEMA Public Assistance
- FEMA Logistics
- Incident Command System
- ICS for Single Resources and Initial Action Incidents
- FEMA Environmental and Historic Preservation Review Responsibilities
- Hurricane Mitigation Basics
- Flood Mitigation Basics

**RAÚL VELÁZQUEZ VÁZQUEZ**  
MEP SENIOR ESTIMATOR



- Hazard Mitigation
- National Incident Management System
- National Response Framework

**Software Skills**

- MS Office Suite
- Estimation & Proest
- On-screen Take-off
- AutoCAD
- MS Project
- Primavera
- Logic System

**Project Coordinator & Safety Consultant**

Development of master project schedules, coordination of daily activities with field engineers and superintendent. Train personnel on a daily basis on safety procedures.

**Bristol-Myers Squibb Humacao, PR (1998 – 1999)**

**Validation Specialist**

In charge of the search & development for new products and product transferences. Design all Validation Protocol related to the new product equipment.

**PCI TRI Line Manatí, PR (1994 – 1998)**

**Production Supervisor, Coordinator**

Scheduling and supervision of all production activities and special projects (Time Studies, Process Standardization, Cost Analysis, Ergonomics, Plant Layouts & Validations). Perform evaluation of workers and group leaders.

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## IVAN ROSADO PADILLA

### JUNIOR ESTIMATOR



Mr. Rosado has thirty-four (34) years of experience in cost estimating and drafting for a variety of projects in the public and private sectors, including pharmaceutical. He has been responsible for preparing cost estimates and take-offs, bill of material, evaluation of change orders, and shop drawings, among others.

#### Education

Graduated from Tomás C. O'ngay Vocational High School - **Construction Drawing Course**, Bayamón, Puerto Rico

#### Software Skills

- MS Office Suite: Excel
- AutoCAD
- On-Screen Take Off

#### Certificates and Training

✓ **Respiratory Protection 29 CFR 1910.134**, June 2018

#### WORK AREAS OF EXPERTISE

- Comercial & Rental
- Educational Facilities
- Federal Government
- Healthcare
- Pharmaceuticals
- Recreational Facilities
- Residential
- Roads Infrastructure

#### Relevant Experience

**CPM PR, LLC** Guaynabo, PR (2018-Present)

##### ESTIMATING SPECIALIST

Puerto Rico Highways and Transportation Authority - Salinas Weigh Station PR-25 (Hurricane Maria Damages)  
Bristol-Myers Squibb, Manati - Revision of Ornamental Fence Command Post #1  
Premium Outlets, Barceloneta - Kipling Store Suite #905  
Evaluate, estimate, and present cost estimates to prepare projects' budget. Provide information to suppliers to obtain cost proposals and quotations. Evaluate and approve change orders. Visit project sites to evaluate cost estimates and bid process.

**Steel Services & Supplies, Inc.** Toa Baja (2015-2018)

##### Estimator

Prepare cost estimates of structural steel projects.

**Professional Services** (2012-2015)

Schools for the 21st Century Modernization Program  
Comprehensive Cancer Center (structural, concrete and finishes cost estimating)

**Auxilio Mutuo Hospital** (analysis of change orders)

Provided professional services in cost estimating for a variety of projects including above mentioned; contracted by Design-Build and JM Caribbean.

#### Steel & Pipes

Coordinator in charge of material supplies for structural steel projects and cost estimates of miscellaneous steel.

#### Steel Services

Preparation of structural shop drawings and cost estimates.

#### Renewable & Integrated Solution Inc.

Preparation of shop drawings for photovoltaic systems and sales.

**Three O Construction, SE** Naranjito, PR (1998 – 2012)

##### Estimator/Draftsman

Department of Defense at Fort Buchanan, Air National Guard Radar Facilities, USGC Communication Buildings, police station and equipment maintenance building, multistory parking, theaters, hospitals, schools, dwellings, scientific research center and universities  
Prepared shop drawings for the above-mentioned facilities. Preparation of Take-Off for auctions. Preparation of shop drawings for manufacturing steel structures and furniture, among others. Specialty in structural steel and analysis for purchases (Bill of Material). Preparation of construction drawings in the following areas: site works, roads, parking lots, pipelines, storm and sanitary, retaining walls, A/C systems, electrical distribution, concrete and finishes, among others.

**Felipe Nazario & Asociados** San Juan, PR (1993 – 1998)

##### Chief Draftsman

Preparation of environmental engineering and landfills shop drawings. Preparation of shop drawings for residential development projects, as well as for demolition of structures after the unfortunate explosion of Humberto Vidal building. As Chief Draftsman from 1997 - 1998, in charge of personnel supervision and administrative work.

**IVAN ROSADO PADILLA**  
JUNIOR ESTIMATOR



**Villate & Associates (1988 – 1993)**

**Draftsman** Department of Defense, Puerto Rico Highways and Transportation Authority

Preparation of construction drawings for military facilities. Preparation of shop drawings for roads.

**Puerto Rico Housing Department (1987 – 1988)**

**Draftsman**

Preparation of construction drawings and modernization of public housing.

**Zoraida Purzell Interiores & Sanz Interior (1985 – 1987)**

**Draftsman**

Preparation of shop and models for furniture and decoration of commercial and residential interiors.

**José L. Ortiz & Asociados**

Preparation of electrical shop drawings.

**Arq. Pablo Ojeda / Arq. Miguel Acarón**

Preparation of shop drawings for preservation of historical structures. Preparation of architectural drawings for residential, commercial, and institutional projects. Preparation of mockups for projects.

**Modules Manufacturing / Gutiérrez & Gutiérrez Architects**

Preparation of shop drawings for prefabricated commercial and residential projects.

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## PEDRO P. ROSA CAMPUSANO, PMP, EIT

### JUNIOR ESTIMATOR



Mr. Rosa is a civil engineer with thirty (30) years of experience in construction management for projects in the private and public sectors. He has been responsible for coordination of construction activities, daily jobs, supervising field employees, project documentation, quality assurance inspections and revision of shop drawings. He has a strong background in civil projects and cost estimates and provides support as part of CPM's Estimating Department. In addition, he supports CPM Academy as instructor of the Project Management Professional (PMP) 35-hr. course.

## Relevant Experience

### CPM PR, LLC Guaynabo, PR (1996-Present)

#### Senior Estimating Specialist

- Abbot Pharmaceuticals
- Baldwin School
- BMS: San Patricio Office Interiors; Humacao Vernon Product Transfer; Manatí Finished Product Refrigerated Warehouse Expansion & PVA Mfg. Suite #2
- BPPR: Buildings & Branches Hurricane Maria Damage Assessments; Popular Center Urban HUB 2015; Sparta Wrestling Club, San Juan, PR; Lares Branch; Cooperativa Rafael Carrión, Centro Europa, San Juan, PR; Mayagüez Suau Branch Bldg. Remodeling, Mayagüez, PR
- Camp Santiago Readiness Center, Salinas
- Ciracet, Healthcare Innovation Center, Ponce
- Comprehensive Cancer Center
- Copamarina Beach Resort, Guánica, PR
- Downtown Development Hurricane Maria Buildings Assessments
- Econo Warehouse, Canóvanas, PR
- Fine Arts Center, Fajardo
- Ft. Buchanan: Const. of Joint Headquarters
- Goodman-Gable-Gould, Hurricane Maria Assessments for State Department Bldg.
- Hewlett Packard: Project's Budget for Proposed Warehouse
- Honeywell Aerospace, PR
- HSBC Building (Panamá)
- IL Mercato Restaurant, Mall of San Juan
- King's College New Facilities Budget Cost for 50% Design, Panamá
- Medtronic Fall Protection, Villalba, PR
- Meridian Zenillo Tower (Panamá)
- Miami Palmetto Senior High School
- Miami-Dade Gov. Center, Boundary Protection Barrier, Florida
- Miami-Dade WWTP Basin Clean-Up at South District, Florida
- Microsoft: New Guaynabo Office Facilities
- Morgan & Morgan - MMG Bldg. (Panamá)
- Navy Operation Support Center, Ft. Buchanan
- Notre Dame Catholic School
- Feasibility and Technical Studies of "Pasos Fronterizos" Public-Private Partnership Projects, El Salvador
- Old Navy, Plaza del Sol, Bayamón, PR
- Open Mobile Stores Improvements
- PRASA: Minor Construction Works
- PR Army National Guard: Custom & Border Protection Sector 722, 723 & Dog Kennel
- PR College of Physicians: New Building
- PRIFA: Schools for the 21<sup>st</sup> Century Program and Central American & Caribbean Games 2010
- PR Public-Private Partnership Authority: New Beginning Juvenile Treatment Facility Complex
- PR Public-Private Partnership Authority (PRPPPA): Women Correctional Facility Assessment
- PRPPPA: Academia de la Policía de PR, Gurabo; Student Life, UPR Mayaguez, PR; Student Center BLDG Renovation, UPR Mayaguez, PR
- Río Mar Luxury Beach (Panamá)
- Sachse: Pottery Barn, Mall of San Juan
- Sachse: Williams Sonoma, Mall of San Juan
- San Lucas Hospital, Ponce
- Sartorius-Stedim: Campus Expansion, Filters FMT & MC Facilities, Yauco, PR
- Science City Urban Infrastructure Earthwork
- Siemens, "Tren Urbano"
- Gap Store Prime Outlet, Barceloneta, PR
- Toyota Facilities Drainage Improvement and Toyota Fall Protection, Toa Baja, PR
- Toyota Facilities Remodeling, Muñoz Rivera Ave., San Juan, PR
- Toyota Branch New Image Budget, Río Piedras
- US Coast Guard Housing Maintenance & Repair-Phase 2, Aguadilla, PR
- US Custom & Border Protection, Ceiba, PR: New Marine Unit in Ceiba
- University of Puerto Rico Buildings Branches Hurricane Maria Damage Assessments
- Univ. del Este, Carolina, PR: Innovative Incubator for Food, Hospitality & Technology
- Veterans Affairs Heroes Domiciliary, San Juan, PR
- Warner Chilcott
- Wyndham
- Zara New Stores: Mall of San Juan-PR, Perimeter Mall & Lennox Square Mall-GA

### Education

#### Bachelor of Science - Civil Engineering,

University of Puerto Rico,  
Mayagüez Campus

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### Professional Licenses

- EIT License 13282

### Areas of Expertise

- Banking
- Commercial
- Defense Facilities
- Educational Institutions
- Fast Food Restaurants
- Hospitality
- Pharmaceuticals
- Residential
- Sports & Recreation
- Transportation
- Water & Wastewater Infrastructure

### Memberships

- Member of the Professional College of Engineers and Surveyors of Puerto Rico

**PEDRO P. ROSA CAMPUSANO**  
**JUNIOR ESTIMATOR**



**Certificates and Training**

- Project Management Professional (PMP) #2172642
- Procore Certification #2wabi2ncy2if
- 30-Hour Construction Industry Outreach Training, CPM Academy, 2016
- Introduction to the Incident Command System, CPM Academy, 2017
- OSHA 10 Hours for Construction Safety & Health
- The Inspector's Role for the Government Agencies, CPM Academy, 2017
- IS-01012 FEMA Direct Administrative Costs
- IS-01013 FEMA Costing-Estimates and the Cost Estimating Format

Evaluate, estimate, and present civil cost estimates in order to prepare the project's budget. Provide information to suppliers to obtain cost proposals and quotations. Evaluate and approve change orders. Visit project sites to evaluate cost estimates and the bid process. Above is a partial list of clients for which he provided or provides these services.

**Construction Coordinator** Puerto Rico Aqueduct and Sewer Authority (PRASA)

North Region Capital Improvement Program (CIP):

Waste Water Treatment Plant Project, Jayuya, PR

Negros New .20 MGD Tanks Project, Corozal, PR (\$1.6MM)

Rehabilitation of La Virgencita Filtration Plant - Phase I, Toa Baja, PR (\$0.7MM)

Perform the quality assurance inspections during the construction phase of the projects as part of the North Region CIP with a cost of \$238MM for a 5-year period. Evaluate contractors' compliance with the contractual agreements, agencies regulations, design specifications, planned progress and milestones deliverables. Coordinate activities between the designer, contractor, PRASA, government agencies & third parties. Maintain updates and control of budget and schedules for each project. Develop the necessary analysis for claims and change orders. Perform the final inspection and reports during projects' close-out.

**Project Coordinator**

Dept. of Transportation and Public Works, Barranquitas, PR

Underground Electrical Works (\$4.8MM), New Municipal Public Library (\$0.7MM), Parking Bldg. (\$1.7MM)

Lilly del Caribe, Inc.: Remodeling of Building Administration II

Puerto Rico Infrastructure Financing Authority

Banco Popular de Puerto Rico: Altamira Office Building, Guaynabo, PR (\$25MM)

Empresas Fonalledas, Hato Rey, PR - Several Projects: Relocation of Sanitary Line (72"Ø), Site Works, Rehabilitation of Parking Lot (Grouting System), and Rehabilitation & Luster (exteriors)

Responsible for project management, inspection and coordination of activities with the contractor, designers and owner.

**Project Coordinator** Banco Popular de Puerto Rico, Mc Donald's Corporation

Responsible of McDonald's and Banco Popular's remodeling projects island-wide. Accountable for equipment & materials coordination, supervision of field personnel and client's relationship.

**Project Coordinator** McDonald's Corporation and McDonald's Owners Operators

Managed & supervised remodeling works of 30 units in 6 months due to damages by Hurricane George.

**S&D Contractors, Inc., San Juan, PR (1992-1996)**

**Project Engineer**

Jardines de Vieques, Jardines de Monte Hatillo, Jardines de Vista Hermosa

**Delafon Construction Corp., San Juan, PR (1991-1992)**

**Project Engineer**

Baxter, Community Center "La Cerámica", Fomento Económico, Warner Lambert



GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

# ATTACHMENT B

## SCOPE OF WORK

### Small Purchases

### Cost Estimator Services

### Community Energy and Water Resilience Installations Program

### Infrastructure Mitigation Program

### Community Development Block Grant – Mitigation

### Puerto Rico Department of Housing

## 1. INTRODUCTION AND OVERVIEW

This document defines the cost estimator tasks that the Contractor must perform in order to support Puerto Rico Department of Housing (PRDOH) in the implementation of the Home Energy and Water Resilience Installations Subprogram (**CEWRI-HEWRI**) and the Incentive Subprogram (**CEWRI-IP**) of the Community Energy and Water Resilience Installations Program (**CEWRI**) (collectively referred to as **CEWRI-HH** or **CEWRI-HH Subprograms**) and the Infrastructure Mitigation Program (**INFRA-MIT**) of the Community Development Block Grant for Mitigation (**CDBG-MIT**). A description of the Programs is included in the CDBG-MIT Action Plan approved by the U.S. Department of Housing and Urban Development (**HUD**). A complete copy of the Action Plan is available at <https://cdbg-dr.pr.gov/en/download/cdbg-mit-action-plan-effective-on-april-19th-2021/>.

PRDOH seeks to select a Cost Estimating Firm that will aid PRDOH to generate, compare, and scrutinize costs, to ensure the reasonableness and fairness of project costs. The Contractor must understand CDBG-MIT regulations, including Federal Register Notices Vol. 84, No. 169 (August 30, 2019), 84 FR 45838 and Federal Register Vol. 85, No. 17 (January 27, 2020), 85 FR 467, 86 FR 561. Contractors must be familiar with the Department of Housing and Urban Development's (**HUD**) latest acronyms, glossary, laws, policies, guidelines, and design standards applicable to the services. The Contractor is fully responsible for determining if the information mentioned before has been revised or updated.

The PRDOH reserves the right, without limitations, to: (i) cancel this solicitation and reissue the SP or another version of it, if it deems that doing so is in the best interest of the Public Interest; (ii) amend the contract(s) of the Contractor to, among others, extend its original duration or to extend the scale of its scope to include work under subsequent CDBG-MIT action plans as related to the services requested herein, or to reduce the scale of its scope to decrease work as a consequence of underperformance or inexcusable delays related to the services requested herein; and (iii) to contract with one or more qualified Contractors for Independent Cost Estimator Firms as result of the selection of qualified Contractors or the cancellation of this Small Purchase (**SP**). The PRDOH will not be obligated to any minimum or maximum quantity of services under the SP.

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

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The PRDOH reserves the right to partially retain cost estimating services internally, to select one or more cost estimators, and distribute services required among Contractors in the manner PRDOH understands reasonable, without any particular services distribution guaranteed to any Cost Estimator. PRDOH reserves the right to conduct any additional procurement processes deemed necessary to complete the required services. After the execution of the contract, PRDOH may consider any amendments necessary to extend the services here described under the contract, considering budget availability and the need for additional services.

PRDOH is not obligated to accept proposals submitted by Contractors and is not responsible for costs incurred by Contractors in preparing and submitting their proposals. Prior to the execution of a contract for the services requested here, this SP may be canceled and terminated at its discretion without liability by the PRDOH, the Government of Puerto Rico, and HUD.

## **2. PROGRAMS DESCRIPTION**

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A description of the CEWRI and IMP Programs follows:

### **2.1. Community Energy and Water Resilience Installations Program (CEWRI)**

Will provide funds for the installation and construction of energy and water resiliency and efficiency measures for households and communities across the island. Implementation is conceptualized through three (3) distinct subprograms. Nonetheless, the Contractor will aid PRDOH on the following two (2) subprograms:

- **Home Energy and Water Resilience Installations Subprogram (CEWRI-HEWRI)** – Will provide funds for the installation of photovoltaic systems (**PVS**) and/or battery storage systems (**BSS**) for Low- to Moderate-Income (**LMI**)<sup>1</sup> households. LMI households that own a single-family structure as their primary residence will be eligible to receive an incentive for the installation of photovoltaic systems with battery storage backup of one hundred percent (100%) of the cost or \$30,000; whichever is the lowest.
- **Incentive Subprogram (CEWRI-IP)** – Will provide funds for the installation of photovoltaic systems and/or battery storage systems for non-LMI households. Non-LMI households that own a single-family structure as their primary residence will be eligible to receive an incentive for the installation of photovoltaic systems with battery storage backup of forty percent (40%) of the cost or \$20,000; whichever is the lowest.

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<sup>1</sup> Refers to the residents of Puerto Rico that are considered low- to moderate income; that is, below eighty percent (80%) of the Area Median Family Income (AMFI) as established by HUD. See HUD Modified Income Limits for CDBG-DR Puerto Rico at HUD website here: <https://www.huduser.gov/portal/datasets/cdbg-income-limits.html#2021>. These income limits apply to all municipalities in Puerto Rico and are amended annually.

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## **2.2. Infrastructure Mitigation Program (INFRA-MIT)**

Serves to address mitigation needs by improving the built environment in order to mitigate hazardous threats. The purpose of this program is to empower applicants and/or entities to identify risks and develop solutions to mitigate risk to infrastructure assets through innovative, eco-conscious, and self-sustaining solutions. PRDOH realizes that within the immense challenges Puerto Rico faces to recover from disastrous events, there also lie immense opportunities to institute true mitigation measures that protect the Island from future risks. With the CDBG-MIT allocation, HUD is providing Puerto Rico with a significant opportunity to implement strategic, transformative, and high-impact projects that will strengthen the Island's resilience to future disasters by reducing risks attributable to natural disasters, addressing repetitive property loss, and improving critical infrastructure.

As it relates to INFRA-MIT, the Contractor will aid PRDOH in the preparation and review of cost estimates for the completion of the PR-10 Highway connecting the north and south regions of Puerto Rico.

## **3. STAFF REQUIREMENTS**

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The Contractor shall have or will secure, at its own expense, all personnel required in performing the services under the contract. PRDOH expects the Contractor to provide competent and fully qualified staff that are authorized or permitted under federal, state, and local law to perform the scope of work under the contract. The PRDOH reserves the right to request the removal of any staff not performing to standard. Project tasks will be assigned to the Contractor by PRDOH, its Grant Manager, or the assigned Program Manager. All invoiced time by Staff members shall be billed to a specific project assignment.

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### **3.1. Staff Experience and Qualifications**

The Contractor shall provide detailed information about the experience and qualifications of all of the Contractor's staff, including the Contractor's principals, key personnel, and staff to be assigned, including degrees, certifications, licenses, and years of relevant experience. The Contractor shall specifically identify people currently employed by the Contractor who will serve as Key Staff. This includes the Contractor's own staff and staff from any subcontractors to be used. The Contractor 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.

Staff	Requirements	Roles & Responsibilities
<b>MEP Senior Estimator</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree in Engineering, Architecture, Cost Management, or a similar field</li> <li>+ Must have at least ten (10) years of experience in the construction of plumbing, electrical or mechanical systems.</li> <li>+ Must have experience preparing detailed estimate updates, including preparing variance summaries.</li> </ul>	<ul style="list-style-type: none"> <li>+ Supervises and assists in the preparation of cost estimates for plumbing, electrical and mechanical systems, and components</li> <li>+ Compares estimates for plumbing, electrical and mechanical systems</li> <li>+ Verifies detailed quantity surveys of plumbing, electrical and mechanical systems</li> <li>+ Evaluates cost models and databases for plumbing, electrical, and plumbing systems and components pricing</li> <li>+ Supervises budget development and compliance</li> <li>+ Performs and supervises progressive cost estimating</li> <li>+ Supervises change order analysis as related to plumbing, electrical and mechanical systems</li> </ul>
<b>Site/Civil Senior Estimator</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree in Civil Engineering or Construction Management</li> <li>+ Must have at least ten (10) years of experience in the construction industry</li> <li>+ Must have knowledge and understanding of unit costs and the factors that affect construction cost.</li> <li>+ Must have a thorough business knowledge of the construction industry as it relates to new constructions and rehabilitation of houses and infrastructure, among other construction projects.</li> <li>+ Must have experience preparing detailed estimate updates, including preparing variance summaries</li> </ul>	<ul style="list-style-type: none"> <li>+ Supervises and assists in the preparation of cost estimates for construction</li> <li>+ Compares estimates for construction</li> <li>+ Verifies detailed quantity surveys</li> <li>+ Evaluates cost models and databases for construction activities and components</li> <li>+ Supervises budget development and compliance</li> <li>+ Performs and supervises progressive cost estimating</li> <li>+ Supervises change order analysis as related to construction</li> </ul>
<b>Junior Estimator</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree in Engineering, Architecture, Construction Management or a related field.</li> <li>+ Must have at least two (2) years of experience in cost estimating</li> <li>+ Must have knowledge and experience in cost estimating</li> </ul>	<ul style="list-style-type: none"> <li>+ Prepares cost estimates</li> <li>+ Performs detailed quantity surveys</li> <li>+ Prepares budgets</li> <li>+ Performs progressive cost estimating</li> <li>+ Performs change order analysis</li> <li>+ Assist Senior Cost Estimator in benefit of the project</li> </ul>

The PRDOH reserves the right to request the removal of any staff not performing to standard. The Contractor agrees to defend, hold harmless, and indemnify the PRDOH and shall be liable and responsible for all claims, suits, actions, damages, and costs (including attorney's fees and court costs) made against the PRDOH, occurring on account of, arising from or in connection with the removal and replacement of any Contractor's personnel performing Cost Estimating Services hereunder at the behest of the PRDOH. Removal and replacement of any Contractor's personnel as used herein shall not require the termination and or demotion of such Suppliers personnel.

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No personnel may be assigned to the resulting contract without the written consent of the PRDOH.

**NOTE:** FALSE OR MISLEADING STATEMENTS REGARDING STAFF QUALIFICATIONS OR PRIOR PROJECTS WILL RESULT IN THE DISQUALIFICATION OF THE RESPONSE AND CANCELLATION OF ANY RESULTING CONTRACT IF DISCOVERED AFTER AWARD.

#### 4. TASKS

PRDOH as the Grantee of the CDBG-MIT funds allocated to Puerto Rico must comply with the Uniform Administrative Requirements outlined in 2 C.F.R. § 200 including 2 C.F.R. §200.323, among others, which require independent cost estimates (**ICE**).

The following are the tasks that shall be performed by the Contractor:

##### 4.1. Cost Estimates for PR-10 Highway Project

The Contractor will be required to prepare construction estimates for projects reflecting the specific development phase of the project to verify that the design and scope of the project are within the budget parameters. The cost estimating support shall include but is not limited to; verifying quantities, preparing Independent Cost Estimates, material/supplies cost forecasting, providing input on risks associated with the procured service, or comments that are evident during the course of the estimating work.

The cost estimation activities to be performed by the Contractor are anticipated but not limited to the below:

- + Reviewing previous estimates made by PRDOH or Applicants/Subrecipients for projects.
- + Preparing and delivering Independent Cost Estimates for construction projects, as solicited by PRDOH, and being available to answer questions associated with proposed costs.
- + Providing, with each estimate, a Basis of Estimate (**BOE**) report, which will include the following minimum components as applicable to the estimate:
  - Narrative including assumptions and clarifications
  - Unit prices
  - Labor rates
  - Equipment rates or prices
  - Material prices
  - Supplies prices
  - Subcontractor rates
  - Scope of assumptions and clarifications
  - Any market pricing received.
- + The Contractor shall produce narratives and charts to explain estimate variance reports, as solicited.
- + All reports to be provided in the English language.

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#### 4.2. CEWRI Reference Costs Determination

Plans for implementation of the CEWRI Program consider implementing the CEWRI-HERI and the CEWRI-IP Subprograms jointly. This joint implementation has been unofficially nicknamed the **CEWRI-HH Subprograms**. The draft Program Guidelines for the CEWRI-HH Subprograms establish that applications will be received through rounds, with each round having a set maximum number of applications and funds assigned for incentive awards. Those deemed eligible for the assistance (after evaluation of applicant/household eligibility criteria, duplication of benefits, project legibility criteria, and an environmental review) will have incentive funds reserved for their installation of a PVS and BSS. Applicants will have twelve (12) months for the installation of their PVS and BSS.

All awards under federally funded programs must be reasonable, meaning that they do not exceed what a prudent person would incur under similar circumstances as demonstrated by the market price for comparable goods and services. The CEWRI-HH draft guidelines establish that the maximum reasonable cost for CEWRI-HH incentive awards will be determined using a PVS Reference Cost and a BSS Reference Cost (collectively "the Reference Costs") coupled with system capacities. The Reference Costs must be based on reasonable criteria such as national market trends, local market statistics, local limitations, and particular conditions of a specific project site (such as systems for Vieques and Culebra). Reference Costs have been defined in the draft Program Guidelines as follows:

- **Photovoltaic System Reference Cost (PVS-RC):** The maximum acceptable cost per kilowatt of Photovoltaic System Capacity for the CEWRI-HH Subprograms. Photovoltaic System Reference Cost will take into consideration all required components of a Photovoltaic System without a Battery Storage System. Photovoltaic Reference Cost will vary by Program Round for the CEWRI-HH Subprograms to keep up with photovoltaic systems market trends. The Photovoltaic Reference Cost for each Program Round will be published in the Round Reference Guides. The Photovoltaic Reference Cost will be based on reasonable criteria such as national market reports, local market statistics, local limitations, and particular conditions of a specific project site (such as systems for Vieques and Culebra).
- **Battery Storage System Reference Cost (BSS-RC):** The maximum acceptable cost per kilowatt-hour of Energy Storage System Capacity for the CEWRI-HH Subprograms. Battery Storage System Reference Cost will take into consideration all required components for the addition of a battery storage system to a home. Battery Storage System Reference Cost will vary by Program Round for the CEWRI-HH Subprograms to keep up with battery storage system trends. The Energy Storage System Reference Cost will be based on reasonable criteria such as

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national market reports, local market statistics, local limitations, and particular conditions of a specific project site (such as systems for Vieques and Culebra).

The draft Program Guidelines also established that PRDOH will determine Reference Costs through a cost per capacity curve for PVS and BSS for each Program Round. The Reference Costs are to be published in Rounds Reference Guides prior to the start of applications' intake. The Reference Costs must consider the eligible costs of PVS and BSS components and related services. Eligible costs include:

- The cost of design and engineering services for the system;
- The cost of any required permits for the system;
- The cost of equipment, including photovoltaic modules or solar panels, inverters, metering equipment, balance equipment, batteries, charge controllers, transfer switches, as well as mounting, cabling, and other electrical accessories to set up a working system;
- The cost of mounting and anchoring structures such as racking systems and other structures that provide primary support for the system equipment;
- The cost of installation and commissioning of the system;
- The cost of training the end user on the operation and maintenance of the system; and
- Any power grid interconnection costs related to the typical requirements of a residential unit PVS.

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The Contractor will be required to determine the Reference Costs to be used by PRDOH for the implementation of the CEWRI-HH Subprograms. The Reference Costs Determination activities to be performed by the Contractor are anticipated but not limited to:

- + Acquiring and maintaining knowledge of PRDOH's Reference Costs and their use for the CEWRI award calculations, including knowledge of the equipment, accessories, and other components that are included as part of PRDOH's definition of the Reference Costs.
- + Analyze PVS and BSS market costs and trends in support of estimating the reference cost for the CEWRI Program.
- + Request information and/or quotes from Renewable Energy Installation Company (**REICs**) in support of estimating the reference cost for the CEWRI Program. Such information and/or quote request shall be made by the contractor without disclosing the purpose of the request to the REICs.
- + Prepare take-offs of representative PVS and BSS Systems with different capacities configurations in support of estimating the reference cost for the CEWRI Program.
- + Estimate the PVS and BSS Reference Costs to be used by PRDOH in CEWRI Program Rounds.
- + Prepare and submit a detailed report on the Reference Costs determination; the report includes at a minimum the following:
  - An explanation of the methods, assumptions, and support documents used in the determination of the Reference Costs

- Detailed calculations performed to arrive at the Reference Costs.
- The Reference Costs determine for the Project Round.
- Supporting documents (market reports, quotes, take-offs, etc.) used to determine the Reference Costs.
- Any special considerations related to the use of the reference Costs such as cost increase factors for specific site locations (eg. Vieques and Culebra).

## 5. KEY DELIVERABLES

Deliverables shall be considered those tangibles and resulting work products that are to be delivered to the PRDOH, such as draft documents, data, interim findings, schematics, meetings, presentations, and reports. Reports shall include a detailed narrative including assumptions and clarifications; unit prices; labor rates; equipment rates or prices; material prices; supplies prices; subcontractor rates (if applicable); scope of assumptions and clarifications; market pricing received; reference materials used; and any other information or documentation that was used to reach the conclusions as established in the reports. Reports must also establish each and every resource that participated in its development.

Deliverables shall be in an editable format such as Word, Excel, PowerPoint, or Visio and/or other formats. All deliverables and resulting work products from this contract will become the property of the PRDOH. The Contractor shall certify the accuracy of its deliverables to the PRDOH. Any work/information provided by PRDOH for use in the performance of the services and all work resulting from the services performed shall be held as confidential by the Contractor.

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

### 5.1. Cost Estimates

An estimate of probable cost or an Independent Cost Estimate. The unit prices will be a composite of labor, material, and equipment, and other items included in the proposal. The estimate will reflect prevailing rates in the location of the project and market conditions. These estimates shall also consider indirect costs such as taxes, utilities, insurance, and any other overhead and profit that may be part of the services being estimated.

### 5.2. Reconciliation

Reconciliation of the Contractor's estimate at the conclusion of each estimate with any other source for costs available for the services being estimated.

### 5.3. Recommendations

Recommendations to the PRDOH as to the suggested course of action based on the results of any of the previous deliverables set forth herein; and other items related to cost estimates as agreed upon by the Contractor and PRDOH.

The Contractor shall be responsible for completing the activities outlined in this Scope of Services. The Contractor shall assist CDBG-DR and CDBG-MIT by providing additional resources to accomplish assignments authorized by the PRDOH.

## **6. TIMEFRAMES OF PERFORMANCE**

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Timeframes of performance for each task will be as follows:

- The initial CEWRI Reference Cost Determination must be submitted by the Contractor to PRDOH within thirty (30) days of the Contract's execution.
- All other deliverable timeframes will be established by mutual agreement between the PRDOH and the Contractor.

## **7. CONTRACT TERM**

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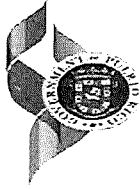
The PRDOH anticipates awarding the contract for an initial term of **two (2) year** with the option of two (2) annual extensions, upon mutual written agreement of the parties.

**END OF SCOPE OF WORK**

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# ATTACHMENT C



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## Exhibit 0

### COST FORM

#### Small Purchase

#### Cost Estimator Services

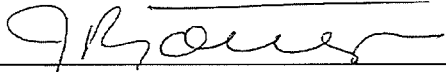
#### Community Development Block Grant - Disaster Recovery/ Mitigation

Name of Supplier: CPM PR, LLC

Services Description	Quantity (HOURS)	Cost Per Hour	Total
MEP Senior Estimator	400	\$ 50.00	\$ 20,000.00
Site/Civil Senior Estimator	400	\$ 60.00	\$ 24,000.00
Junior Estimator	800	\$ 45.00	\$ 36,000.00
<b>Total</b>			<b>80,000.00</b>

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Supplier's Signature

Jose R. Torres Morales

Supplier's Printed Name

6/23/2022  
Date



## ATTACHMENT D

### PERFORMANCE REQUIREMENTS

#### COST ESTIMATING SERVICES

#### COMMUNITY ENERGY AND WATER RESILIENCE INSTALLATIONS PROGRAM

#### INFRASTRUCTURE MITIGATION PROGRAM

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TASKS	TIMEFRAME DATES
Initial CEWRI Reference Cost Determination must be submitted by the Contractor to PRDOH	Within <b>thirty (30) calendar days</b> of the Contract's execution.
Cost Estimates for PR-10 Highway Project	Within <b>thirty (30) calendar days</b> after task requested.
Other Cost Determination/Estimate Deliverables	As established by mutual agreement between PRDOH and the Contractor.
Cost Determination/Estimate Revisions	Within <b>five (5) calendar days</b> after revisions requested.

The Contractor shall develop work plans, schedules, reports and/or any other document as may be requested by PRDOH or it's Representative in connection to the above timelines and performance goals. The Contractor shall submit any 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 to the Contractor regarding the services provided through this Contract.

#### Compensation details

- 1) Hourly Rates include overhead, profit, royalties, reimbursements, travel, fringe benefits, taxes, as well as any other additional fees and administrative costs applicable to the services.
- 2) Services will be provided on an on-call basis by the contractor. The contract is expected to function as a not-to-exceed maximum amount from which services will be invoiced based on actual hours worked by each resource.
- 3) Estimated costs for each position should not be interpreted as a cap of costs or hours that may be invoiced for a specific position. Invoicing shall be based on the actual needs of resources for the services requested by the PRDOH.
- 4) Key positions should not be interpreted as a cap on the allowed quantity of staff.
- 5) Services will be provided according to the existing need, in alignment with the Scope of Work, and never exceeding the allowable funds for these services.

END OF DOCUMENT



**INSURANCE REQUIREMENTS**  
**Request for Proposals**  
**Cost Estimating Services**  
**Community Energy and Water Resilience Installation Program**  
**Infra structural Mitigation Program**  
**Community Development Block Grant - Mitigation**  
**Puerto Rico Department of Housing**

**SPECIAL INSURANCE SPECIFICATIONS**  
**For Professional Services**

- A. The sub-recipient 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 Administration (\*PRDOH)**, original and two (2) certified copies of the hereafter mentioned insurance policies and/or bonds, thus including all endorsements as agreement 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 sub-recipient shall provide a valid Certification of Insurance Policy from the State Insurance Fund Corporation addressed to the **\*PRDOH**.

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

COVERAGE	LIMIT
<b>I. Commercial General Liability:</b>	
• Each Occurrence	\$1,000,000
• General Aggregate	\$1,000,000
• Products & Complete Operations	\$1,000,000
• Personal Injury & Advertising	\$1,000,000
• Fire Damage	\$100,000 (Any one Fire)
• Medical Expense	\$10,000 (Any one person)
<b>II. Employer's Liability Stop Gap:</b>	
• Bodily Injury by Accident	\$1,000,000
• Each Employee	\$1,000,000
• Each Accident	\$1,000,000
• Bodily Injury by Disease	\$1,000,000
• Each Employee	\$1,000,000
• Each Accident	\$1,000,000

**INSURANCE REQUIREMENTS**  
**Cost Estimating Services**  
**Community Energy and Water Resilience Installation Program**  
**Community Development Block Grant – Mitigation**  
**Infra Structural Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

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

LIMIT	
• Auto Liability -	\$1,000,000
• Physical Damages -	\$1,000,000
• Medical Payments -	\$ 10,000
<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 Errors & Omissions**

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

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

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

(X) each occurrence	\$1,000,000
(X) Aggregate	\$1,000,000
(X) Deductible	\$ 5,000

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

**5. (X) Umbrella**

Limit - \$1,000,000

**6. (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.***

**INSURANCE REQUIREMENTS**  
**Cost Estimating Services**  
**Community Energy and Water Resilience Installation Program**  
**Community Development Block Grant – Mitigation**  
**Infra Structural Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

- 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

7. (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.
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.

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**INSURANCE REQUIREMENTS**  
**Cost Estimating Services**  
**Community Energy and Water Resilience Installation Program**  
**Community Development Block Grant – Mitigation**  
**Infra Structural Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

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:**

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The **sub-recipient**, 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.

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Therefore, we emphasize that prior to commencing work or receiving written notice to proceed with such work, or being authorized to commence work the **sub-recipient** 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**.

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 **sub-recipient** shall take the necessary steps to request the insurer to include such changes in all related insurance policies and/or bond and to submit evidence by appropriate endorsements with effective dates. Cancellations without consent are not accepted.

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

**INSURANCE REQUIREMENTS**  
**Cost Estimating Services**  
**Community Energy and Water Resilience Installation Program**  
**Community Development Block Grant – Mitigation**  
**Infra Structural Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

**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.

**DESCRIPTION OF THE SERVICES:**

**Cost Estimating Services**  
**Community Energy and Water Resilience Installation Program**  
**Infrastructure Mitigation Program**  
**Community Development Block Grant - Mitigation**

May 12, 2022  
Date

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

## 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.

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

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

#### 2. STATUTORY AND REGULATORY COMPLIANCE

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

#### 3. BREACH OF CONTRACT TERMS

The Puerto Rico Department of Housing (**PRDOH**) reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of

this Contract, in instances where the CONTRACTOR or any of its subcontractors violate or breach any Contract term. If the CONTRACTOR or any of its subcontractors violate or breach any Contract term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the Contract documents, and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

#### **4. REPORTING REQUIREMENTS**

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

#### **5. ACCESS TO RECORDS**

9R — 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**

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#### **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.

#### **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**

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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 2 C.F.R. Part 215 and 24 C.F.R. § 85.36 or 84.42, if applicable). The CONTRACTOR shall explain the actual or potential conflict in writing in sufficient detail so that the PRDOH is able to assess such actual or potential conflict. The CONTRACTOR shall provide the PRDOH any additional information necessary to fully assess and address such actual or potential conflict of interest. The CONTRACTOR shall accept any reasonable conflict mitigation strategy employed by the PRDOH, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

**15. SUBCONTRACTING**

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

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- (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.

9B — **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 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

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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.

**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

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effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the CONTRACTOR under this Agreement shall, at the option of the PRDOH, become the PRDOH's property and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the CONTRACTOR shall not be relieved of liability to the Government of Puerto Rico and PRDOH for damages sustained by the Government of Puerto Rico and/or PRDOH by virtue of any breach of the Agreement by the CONTRACTOR, and the Government of Puerto Rico and/or PRDOH may withhold any payments to the CONTRACTOR for the purpose of set-off until such time as the exact amount of damages due to the Government of Puerto Rico and/or PRDOH from the CONTRACTOR is determined.

## **22. TERMINATION FOR CONVENIENCE**

### **(Applicable to contracts exceeding \$10,000)**

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

## **23. SECTION 503 OF THE REHABILITATION ACT OF 1973**

### **(Applicable to contracts exceeding \$10,000)**

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

Equal Opportunity for Workers with Disabilities:

- 1) The CONTRACTOR will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The CONTRACTOR agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:
  - (i) Recruitment, advertising, and job application procedures;
  - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
  - (iii) Rates of pay or any other form of compensation and changes in compensation;

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- (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

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CONTRACTOR will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

## **24. EQUAL EMPLOYMENT OPPORTUNITY**

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

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

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

- 1) The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The CONTRACTOR shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 2) The CONTRACTOR shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The CONTRACTOR shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- 4) The CONTRACTOR will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers representative of the CONTRACTOR's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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- 5) The CONTRACTOR will comply with all provisions of Executive Order 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 Executive Order 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 Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
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- 8) CONTRACTOR shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

## **25. CERTIFICATION OF NONSEGREGATED FACILITIES**

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

The CONTRACTOR certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control

where segregated facilities are maintained. The CONTRACTOR agrees that a breach of this certification is a violation of the equal opportunity clause of this Agreement.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

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

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

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 40 C.F.R. Part 15 and 32, 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 40 C.F.R. Part 15, as amended.
- 2) Agreement by the CONTRACTOR to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified

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

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

## **27. ANTI-LOBBYING**

### **(Applicable to contracts exceeding \$100,000)**

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

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

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

## **28. BONDING REQUIREMENTS**

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

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

- 1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.
- 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 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 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**

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### **32. HATCH ACT**

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

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

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

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

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

#### **34. PERSONNEL**

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

#### **35. WITHHOLDING OF WAGES**

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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.

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### **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.

9B— 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**

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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).

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## ATTACHMENT G

### CERTIFICATION

#### CPM PR, LLC

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

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

(Name of individual or firm)

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

(Amount of proposed contract payable to each subcontractor)

***CPM PR, LLC will not be hiring any subcontractors.***

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

***CPM PR, LLC will not agree to share or give a percentage of the contractor's compensation under the contract to any third party.***

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

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

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

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

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 (or subrecipient), nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.
6. Any incorrect, incomplete or false statement made by the contractor's (or subrecipient's) representative as part of this certification shall cause the nullity of the proposed contract and the contractor (or subrecipient) must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed contract.

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The above certifications shall be signed under penalty of perjury by the Chief Executive Officer (or equivalent highest rank officer) in the following form:

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

By : Héctor J. Rivera  
President

  
\_\_\_\_\_  
Signature

August 9, 2022  
\_\_\_\_\_  
Date











# CPM PR, LLC Agreement

Final Audit Report

2022-09-07

Created:	2022-09-02
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA-g0bwHnD-xMkpLYHPmkuFabLuLTeTyfL

## "CPM PR, LLC Agreement" History

-  Document created by Radames Comas Segarra (rcomas@vivienda.pr.gov)  
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-  Document emailed to jrtorres@cpmintl.com for signature  
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-  Signer jrtorres@cpmintl.com entered name at signing as José Raúl Torres Morales  
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-  Signer w.rodriguez@vivienda.pr.gov entered name at signing as William O. Rodríguez Rodríguez  
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-  Document e-signed by William O. Rodríguez Rodríguez (w.rodriguez@vivienda.pr.gov)  
Signature Date: 2022-09-07 - 8:07:20 PM GMT - Time Source: server- IP address: 196.28.53.20
-  Agreement completed.  
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