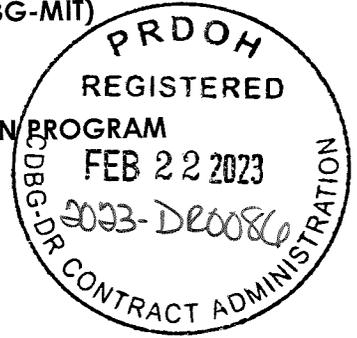




**COMMUNITY DEVELOPMENT BLOCK GRANT –MITIGATION (CDBG-MIT)**

**AGREEMENT FOR  
OVERSIGHT MANAGEMENT SERVICES FOR INFRASTRUCTURE MITIGATION PROGRAM  
BETWEEN THE  
PUERTO RICO DEPARTMENT OF HOUSING  
AND  
INNOVATIVE EMERGENCY MANAGEMENT, INC.**



This **AGREEMENT FOR OVERSIGHT MANAGEMENT SERVICES FOR INFRASTRUCTURE MITIGATION PROGRAM (Agreement)** is entered into in San Juan, Puerto Rico, this 22 of February 2023, by and between the **PUERTO RICO DEPARTMENT OF HOUSING (PRDOH)**, a public agency created under Act No. 97 of June 10, 1972, as amended, 3 LPR § 441, et seq., known as the "Organic Act of Department of Housing" with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by William O. Rodríguez Rodríguez, attorney, of legal age, single, and resident of San Juan, Puerto Rico, in his capacity as Secretary; and **INNOVATIVE EMERGENCY MANAGEMENT, Inc. (CONTRACTOR)**, with principal offices 2801 Slater Road, Suite 200, Morrisville, North Carolina 27560-8477, herein represented by Keith Richard Reynolds, in his capacity as Manager of Contract Administration, of legal age, single, and resident of Baton Rouge, Louisiana duly authorized by Resolution date October 30, 2021, 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 Further Additional Supplemental Appropriations Act for Disaster Relief Requirements Act, 2018, (Division B, Subdivision 1 of the Bipartisan Budget Act of 2018, Pub. L. 115-123, approved February 9, 2018), \$8.285 billion were allocated by HUD for mitigation activities and assistance to the Government of Puerto Rico under the Community Development Block Grant – Mitigation (**CDBG-MIT**) Program. These funds are intended to provide financial assistance in areas impacted by recent disasters. Moreover, CDBG-MIT funds represent a unique and significant opportunity for Puerto Rico to carry out strategic and high-impact activities to mitigate disaster risks and reduce future losses.

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

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

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

**WHEREAS**, the PRDOH is interested in contracting a highly qualified and skilled firm to provide Oversight Management Services for the PRDOH as related to the CDBG-MIT Grant. This firm will support PRDOH's objectives of ensuring compliance with all CDBG-MIT, HUD and applicable federal and local requirements, rules and regulations, as well as

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in PRDOH's objectives of the Action Plan, as amended, and adequately coordinating and monitoring all CDBG-MIT related activities.

**WHEREAS**, on May 31, 2022, the PRDOH issued the Request for Proposal No. CDBG-MIT-RFP-2022-02 for Oversight Management Services for Infrastructure Mitigation. This request was published in the "Registro Único de Subastas del Gobierno" and the CDBG-MIT Program Website. The CDBG-DR & MIT Procurement Division received five (5) proposals. The proposals were evaluated by an Evaluation Committee (EC) appointed pursuant to Administrative Order No. 22-51 dated July 18, 2022. Upon evaluation of the recommendation issued by the CDBG-DR and CDBG-MIT Programs Procurement Division and the Evaluation Committee Report dated August 30, 2022, awarded the RFP-2022-02 to Innovative Emergency Management Inc. and Hunt, Guillot & Associates, LLC, whose approach, qualifications, and prices are most advantageous to the PRDOH.

**WHEREAS**, on July 5, 2022 the CONTRACTOR submitted a proposal (hereinafter referred to as the "Proposal"), which fully complied with the requirements set forth by the PRDOH.

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

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

#### I. TYPE OF CONTRACT

**Contract Type:** The Contractor will be compensated based on the hours worked and hourly rates. Under this Agreement, the CONTRACTOR shall submit monthly invoices to the PRDOH based on the **Compensation Schedule (Attachment C)** and as the services are rendered. Any and all changes and/or modifications to this Agreement shall be in writing and must be signed by both parties.

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

<b>Attachment A</b>	Proposal
<b>Attachment B</b>	Scope of Services
<b>Attachment C</b>	Compensation Schedule
<b>Attachment D</b>	Performance Requirements
<b>Attachment E</b>	Insurance Requirements
<b>Attachment F</b>	HUD General Provisions
<b>Attachment G</b>	Contractor Certification
<b>Attachment H</b>	Non-Conflict of Interest Certification

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

## II. TERM OF AGREEMENT

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- A. This Agreement shall be in effect and enforceable between the parties from the date of its execution. The Term of this Agreement will be for a performance period of **thirty-six (36) months**, ending on February, 22, 20<sup>26</sup>.
- B. **Contract Extensions:** PRDOH may, at its sole discretion, extend the Agreement's term with the option of annual extensions of up to two (2) years, upon mutual written agreement of the parties.
- C. The term of this Agreement shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD, unless the term of the initial Grant Agreement is extended by HUD, in which case the Agreement shall not exceed said extended period.

## III. SCOPE OF SERVICES

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

## IV. COMPENSATION AND PAYMENT

- A. The PRDOH agrees to pay the CONTRACTOR for allowable Services rendered under this Agreement in accordance with the rates and amounts described in **Attachment C** of this Agreement.
- B. The PRDOH will pay the CONTRACTOR, for allowable services performed during the term of this Agreement, a maximum amount not to exceed **THIRTEEN MILLION FOUR HUNDRED SEVENTY-FOUR THOUSAND FIVE HUNDRED FORTY DOLLARS (\$13,474,540.00)**; Account Number MITI04IMP-DOH-LM; MITI04IMP-DOH-UN; 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**.

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- 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-MIT grant. If the CONTRACTOR performs ineligible activities under the 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-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.

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- B. Proof of expenditures incurred by the CONTRACTOR on behalf of PRDOH shall be made available to PRDOH. The CONTRACTOR agrees to maintain accurate records and files of all contract documents, correspondence, book estimates, bills, and other information related to the CONTRACTOR account. These documents shall be open for the PRDOH examination at all reasonable times during the term of this Agreement, and up to **five (5) years** from the closeout of the grant to the state, or the period required by other local applicable laws and regulations.

### VIII. DOCUMENTATION AND RECORDKEEPING

- A. **Records to be Maintained:** The CONTRACTOR shall maintain records of the state and units of general local government, including supporting documentation, which shall be retained for the greater of **five (5) years** from the closeout of the grant to the state, or the period required by other local applicable laws and regulations. Such records include but are not limited to: Records providing a full description of each activity undertaken; Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-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-MIT assistance; Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG-MIT program regulations; Financial records as required by 24 C.F.R. § 570.506, and 2 C.F.R. part 200, including records necessary to demonstrate compliance with all applicable procurement requirements; and other records necessary to document compliance with this agreement, any other applicable Federal statutes and regulations, and the terms and conditions of PRDOH's Federal award.
- B. **Access to Records:** The CONTRACTOR shall permit the PRDOH and auditors to have access to the CONTRACTOR's records and financial statements as necessary for the PRDOH to meet its audit requirements under the Federal award.
- C. **Record Retention and Transmission of Records to the PRDOH:** Prior to close out of this Agreement, the CONTRACTOR must transmit to the PRDOH records sufficient for the PRDOH to demonstrate 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-MIT Personal Identifiable Information Policy, as found in the CDBG-MIT Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which is herein included and made an integral part of this Agreement, as it may be updated from time to time.

## IX. ACCESS TO RECORDS

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

## XI. PERFORMANCE WARRANTY

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

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

## XII. TERMINATION

- A. Termination for Cause or Default:** The PRDOH may terminate this Agreement, in whole or in part, because of CONTRACTOR's failure to fulfill any of its obligations. The PRDOH shall terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar day** notice of termination specifying the extent to which the performance of the service under this Agreement is terminated, the reason therefor and the effective date of termination. CONTRACTOR shall, upon written notice, be provided a **ten (10) calendar day** opportunity to cure the alleged defect that resulted in the perceived default. If the defect is not cured within that period of time, CONTRACTOR shall immediately discontinue all such services being terminated and deliver to the PRDOH all information, notes, drafts, documents, analysis, reports, compilations, studies and other materials accumulated or generated in performing the services contemplated in this Agreement, whether completed or in process. Notwithstanding the above, the CONTRACTOR shall not be relieved of liability to the PRDOH for damage sustained to PRDOH CDBG-MIT Program by virtue of any breach of the Agreement by the CONTRACTOR. The PRDOH may withhold any payments to the CONTRACTOR, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the PRDOH by the CONTRACTOR. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.
- B. Termination for Convenience:** The PRDOH may terminate this Agreement, in whole or in part, whenever the PRDOH determines that such termination is necessary or convenient to the Agency. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination. PRDOH shall make payment, in accordance with the terms of this Agreement, of any amounts due to CONTRACTOR for allowable services rendered prior to the termination notice.
- C. Termination by Unilateral Abandonment:** The PRDOH will consider this Agreement immediately terminated, in the event that the CONTRACTOR unilaterally and without prior notice, chooses to abandon (in any shape, form or fashion) cease and desist in the specific performance of its general and particular duties and responsibilities as

agreed in this Agreement. Upon the knowledge of such event, the PRDOH will not be held liable and will immediately, automatically and retroactively deduct from any future reimbursement, all funds from the day such unilateral abandonment took place. The PRDOH will not be compelled to continue the performance of this Agreement, should the CONTRACTOR breach this Agreement by unilateral abandonment. For the purposes of this Section, Abandonment shall mean that CONTRACTOR voluntarily and intentionally disavows its contractual duties in a manner that is overt and without question a relinquishment of said contractual duties.

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- D. **Unilateral Termination:** The PRDOH may terminate this Agreement, in whole or in part, at PRDOH's sole discretion, with or without cause, at any time. The PRDOH will terminate this Agreement by delivering to the CONTRACTOR a **thirty (30) calendar days'** notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the CONTRACTOR shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination.
- E. **Suspension:** The PRDOH may suspend this Agreement in whole or in part at any time for the PRDOH's convenience. The PRDOH shall give the CONTRACTOR **five (5) business days'** written notice of such suspension. Upon receipt of said notice the CONTRACTOR shall immediately discontinue all Services affected.
- F. **Immediate Termination:** In the event the CONTRACTOR is subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the CONTRACTOR shall be subject to an order, judgment, or opinion, issued by any federal or local authority, a court of applicable jurisdiction, or any governmental agency, in connection with the execution, delivery, and performance by the CONTRACTOR of this Agreement or the CONTRACTOR of this Agreement has been noncompliant, breach, inaccuracy of any representation, warranties, covenants, or the certifications provided herein, whether the noncompliance, breach or inaccuracy takes place before or after the execution of this Agreement, the PRDOH shall have the right to the immediate termination of this Agreement notwithstanding, any provisions to the contrary herein. This Section will apply in the event of any judgment that may obligate the PRDOH to terminate the Agreement pursuant to Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico.
- G. **Period of Transition:** Upon termination of this Agreement, and for **ninety (90) consecutive calendar days** thereafter (the Transition Period), CONTRACTOR agrees to make himself available to assist the PRDOH with the transition of services assigned to CONTRACTOR by the PRDOH. CONTRACTOR shall provide to the PRDOH the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the Services to the PRDOH or a third party designated by the PRDOH. PRDOH reserves the right to provide for the execution of a Transition Services Agreement for the Transition Period. In such instance, the CONTRACTOR will be paid at a reasonable, agreed upon, hourly rate for any work performed for the PRDOH during the Transition Period. Moreover, during that Transition Period, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH.

### XIII. PENALTIES AND LIQUIDATED DAMAGES

#### A. Penalties

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

#### B. Liquidated damages

The CONTRACTOR shall pay to PRDOH, as liquidated damages, **\$150.00** 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 **Attachments 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.

PRDOH will execute this Agreement conditioned to the submission, within **fifteen (15) business days** of the signing of this Agreement, of the insurance policies specified in **Attachment E. Failure to comply with the submission of the insurance policies may result in the termination of the Agreement.**

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

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

##### 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.

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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.

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**C. Related Requirements**

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

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

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

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

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

**XVI. HOLD HARMLESS**

The CONTRACTOR and its affiliates, its successors and assignees will indemnify the PRDOH from any damages and/or losses arising out of any breach of this Agreement by the

CONTRACTOR or against personal injuries or property damage resulting from any act of negligence or omission by the CONTRACTOR and its affiliates in connection with this Agreement.

#### **XVII. FORCE MAJEURE**

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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.

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

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

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

#### **XIX. INDEPENDENT CONTRACTOR**

The relationship of the CONTRACTOR to PRDOH shall be that of an independent CONTRACTOR rendering professional services. Neither the CONTRACTOR nor any personnel of the CONTRACTOR shall have any authority to execute contracts or make

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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 reasonable 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

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

Keith Richard Reynolds  
Manager of Contract  
Administration  
2801 Slater Road, Suite 200,  
Morrisville, North Carolina 27560-  
8477

## XXI. THIRD PARTIES

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

**XXII. SUBCONTRACTS**

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

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

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

**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-MIT funds to the Contract Administration Area of the PRDOH CDBG-MIT 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 following provisions:

**A. Compliance with Executive Order No. 24:** Pursuant to Executive Order No.24 of June 18, 1991, the CONTRACTOR certifies and guarantees that at the signing of this Agreement it has filed all the necessary and required income tax returns to the

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

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- B. Compliance with Executive Order 52:** Pursuant to Executive Order No. 52 of August 28, 1992, amending Executive Order No. 1991-24, the CONTRACTOR certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. The CONTRACTOR accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every CONTRACTOR and subcontractor whose service the CONTRACTOR has secured in connection with the services to be rendered under this Agreement and shall forward evidence to PRDOH as to its compliance with this requirement.
- C. Compliance with Circular Letter No. 1300-16-16 of the Puerto Rico Department of Treasury:** The CONTRACTOR accepts and acknowledges its responsibility of acquiring the certifications required in the Puerto Rico Department of Treasury Circular Letter No. 1300-16-16 issued on January 19, 2016. All certifications must be submitted during their term of validity, in accordance with applicable laws. Certifications expired or issued more than **sixty (60) calendar days** prior to the contract date will not be accepted. The last payment to be made under the contract will only be issued if the 'Debt Certifications' by the Puerto Rico Department of Treasury indicate that the CONTRACTOR has no debt with the Department of Treasury. The CONTRACTOR agrees to cancel any debt that cannot be clarified with the Department of the Treasury through a withholding made by PRDOH from the payments to which it is entitled to receive under the contract.
- D. Social Security and Income Tax Retentions:** The CONTRACTOR will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income from this Agreement.
- E. Government of Puerto Rico Municipal Tax Collection Center (CRIM, for its Spanish acronym):** The CONTRACTOR certifies and guarantees that at the signing of this Agreement it has no current debt with regards to property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center. The CONTRACTOR further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The CONTRACTOR shall hand out, to the satisfaction of the PRDOH and whenever requested by the PRDOH during the term of this Agreement, the necessary documentation to support its compliance of this clause. The CONTRACTOR will deliver upon request any documentation requested under this clause as per request of PRDOH. During the Term of this Agreement, the CONTRACTOR agrees to pay and/or to remain current with any repayment plan agreed to by the CONTRACTOR with the Government of Puerto Rico with regards to its property taxes.

- F. Income Tax Withholding:** The PRDOH shall retain the corresponding amount from all payments made to the CONTRACTOR, as required by the Puerto Rico Internal Revenue Code. The PRDOH will advance such withholdings to the Government of Puerto Rico's Treasury Department (known in Spanish as *Departamento de Hacienda del Gobierno de Puerto Rico*). The PRDOH will adjust such withholdings provided the CONTRACTOR produces satisfactory evidence of partial or total exemption from withholding.
- G. Compliance with Act No. 45 of April 18, 1935, as amended, 11 LPRA § 1, et seq.:** The CONTRACTOR certifies and guarantees that at the signing of this Agreement has valid insurance issued by the State Insurance Fund Corporation (CFSE, for its Spanish Acronym), as established by Act No. 45, *supra*, known as the "Puerto Rico Workers' Accident Compensation Act".
- H. Government of Puerto Rico's Agency for the Collection of Child Support (ASUME, for its Spanish acronym):** The CONTRACTOR certifies and guarantees that at the signing of this Agreement that the CONTRACTOR nor any of its Partners, if applicable, have any debt or outstanding debt collection legal procedures with regards to child support payments that may be registered with the Government of Puerto Rico's Child Support Administration. The CONTRACTOR hereby certifies that it is a limited liability company organized and existing in good standing under the laws of the Government of Puerto Rico. The CONTRACTOR shall present, to the satisfaction of PRDOH, the necessary documentation to substantiate the same. The CONTRACTOR will be given a specific amount of time by PRDOH to deliver said documents.
- I. Compliance with Act No. 168-2000, as amended, 8 LPRA § 711, et seq.:** The CONTRACTOR is in full compliance with Act No. 168-2000, as amended, known as "Act for the Improvement of Elderly Support of Puerto Rico."
- J. Compliance with Act No. 1-2012, as amended, 3 LPRA § 1854, et seq.:** The PRDOH and the CONTRACTOR hereby certify that in signing this Agreement they are in compliance with Act No. 1-2012, as amended, known as the "Puerto Rico Government Ethics Act of 2011", in connection with the possibility of a conflict of interest.
- K. Clause of Governmental Ethics Certification of Absence of Conflict of Interests -** The CONTRACTOR certifies that: (1) No public servant of this executive agency has a pecuniary interest in this contract, purchase or commercial transaction. (2) No public servant of this executive agency has requested me or accepted from me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts, bonuses, favors, services, donations, loans or anything else of monetary value. (3) No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment. (4) No public servant has requested from me, directly or indirectly, for him (her), for any member of her family unit, or for any other person, business or entity, some of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity. (5) I have no kinship relationship, within the fourth degree of consanguinity and second by affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.
- L. Ethics.** CONTRACTOR also acknowledges receipt and agrees to obey the Anticorruption Code for the New Puerto Rico known in Spanish as "Código Anticorrupción para el Nuevo Puerto Rico".

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

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

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

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

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

**XXIV. ACT NO. 18 OF OCTOBER 30, 1975, as amended, 2 L.P.R.A. §§ 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. MEMORANDUM NO. 2021-029; CIRCULAR LETTER NO. 013-2021 OF THE OFFICE OF THE CHIEF OF STAFF OF THE GOVERNOR (SECRETARÍA DE LA GOBERNACIÓN) & THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO):**

- A.** The PRDOH certifies that the CONTRACTOR was selected as the provider of the services described in this agreement, pursuant to Executive Order No. 2021-029.
- B.** The Parties certify that they acknowledge the provisions stated in Executive Order No. 2021-029 and CC 013-2021. Any failure to comply with the requirements set forth in Executive Order No. 2021-029 and CC 013-2021 will result in the termination of this agreement.

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C. The CONTRACTOR certifies that it has informed PRDOH of any current contractual relationship with any government entities of the Government of Puerto Rico. Accordingly, the CONTRACTOR certifies, as of the date hereof, that it is in a contractual relationship with the following entities of the Government of Puerto Rico: Puerto Rico Public Buildings Authority. The CONTRACTOR also certifies that said entities are all the entities of the Government of Puerto Rico with which they maintain a contractual relationship. In addition, the CONTRACTOR recognizes and accepts that omitting any information regarding any current contractual relationship with any governmental entity could result in the termination of this agreement if so, required by PRDOH.

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D. The CONTRACTOR certifies that it has informed the PRDOH whether or not the entity is a public corporation whose shares are exchanged in a stock exchange properly regulated. In the event that the CONTRACTOR certifies that it is not a public corporation that exchanges shares in a stock change, the CONTRACTOR certifies it has completed the applicable certification as stated in CC-013-2021.

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

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

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

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

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

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

In compliance with the above, the CONTRACTOR represents and warrants that the information included in the Contractor Certification Requirement is complete, accurate

and correct, and that any misrepresentation, inaccuracy or falseness in such Certification will render the contract null and void and the CONTRACTOR will have the obligation to reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed Amendment and original Agreement.

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

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

**XXX. CDBG-MIT POLICIES AND PROCEDURES**

In addition to what is established in this Agreement, the CONTRACTOR shall comply with all CDBG-MIT program specific and general policies and procedures, including, but not limited to, the Contract and Subrecipient Agreement Manual, OS&H Guideline, MWBE Policy, Procurement Manual for the CDBG-MIT Program, URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Personally Identifiable Information, Confidentiality, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-MIT 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.

**XXXI. SECTION 3 CLAUSE**

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

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

**C.** The CONTRACTOR agrees to send to each labor organization or representative of workers with which the CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONTRACTOR'S commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the

Section 3 preference, shall set forth the minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

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

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

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

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

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

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

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

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

- A.** No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the

awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

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

### **XXXIII.EQUAL OPPORTUNITY**

- A.** The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- B.** The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C.** When applicable, the CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the CONTRACTOR's commitments under this Section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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- D. The CONTRACTOR will comply with all provisions of Exec. Order No. 11246 of September 24, 1965, as amended by Exec. Order No. 11375 of October 13, 1967, and as supplemented by the rules, regulations, and relevant orders of the United States Secretary of Labor.
  - E. The CONTRACTOR will furnish all information and reports required by Exec. Order No. 11246 of September 24, 1965, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
  - F. In the event of the CONTRACTOR's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Exec. Order No. 11246 of September 24, 1965, as amended, and such other sanctions as may be imposed and remedies invoked as provided in Exec. Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
  - G. The CONTRACTOR will include the portion of the sentence immediately preceding paragraph (A) and the provisions of paragraphs (A) through (F) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Exec. Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

#### **XXXIV. SOLID WASTE DISPOSAL ACT**

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

consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds ten thousand dollars (\$10,000) or the value of the quantity acquired during the preceding fiscal year exceeded ten thousand dollars (\$10,000);

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

**XXXV. DRUG FREE WORKPLACE**

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

**XXXVI.SUSPENSION AND DEBARMENT**

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

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

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

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

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

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

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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.

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**XL. BANKRUPTCY**

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

**XLI. ENTIRE AGREEMENT**

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

**XLII. MODIFICATION OF AGREEMENT**

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

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

**XLIII. BINDING EFFECT**

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

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

**XLIV. ASSIGNMENT OF RIGHTS**

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

**XLV. NON-WAIVER**

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

**XLVI. ORDER OF PRECEDENCE**

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

**XLVII. GOVERNING LAW JURISDICTION**

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

**XLVIII. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS**

**A. Consolidation or Merger**

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

Upon the consolidation or the merger becoming effective, and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. **No amendment to the Agreement will be necessary if the Subrecipient, Contractor, or Subcontractor becomes the surviving entity following a merger.**

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

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## **B. Change of Name**

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

Upon the change of name becoming effective, and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment.

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

## **C. Dissolution**

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

## **XLIX. HEADINGS**

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

## **L. FEDERAL FUNDING**

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

## **LI. RECAPTURE OF FUNDS**

PRDOH may recapture payments it makes to CONTRACTOR that (i) exceed the maximum allowable rates; (ii) are not allowed under applicable laws, rules, or regulations; or (iii) are otherwise inconsistent with this Agreement, including any unapproved expenditures.

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

**LII. OVERPAYMENT**

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

**LIII. SEVERABILITY**

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

**LIV. COUNTERPARTS**

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

**LV. SURVIVAL OF TERMS AND CONDITIONS**

The terms and conditions of this Agreement related to the following subjects shall survive the termination or expiration of this Agreement: interpretive provisions; consideration; warranties; general affirmations, federal assurances, federal and state certifications; CDBG-MIT and state funding, recapture of CDBG-MIT and/or state funds, overpayment of 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.

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

**PUERTO RICO DEPARTMENT OF  
HOUSING**

**INNOVATIVE EMERGENCY  
MANAGEMENT, INC.**

William O. Rodríguez Rodríguez

William O. Rodríguez Rodríguez (Feb 22, 2023 11:17 AST)

William O. Rodríguez Rodríguez, Esq.  
Secretary

Keith R. Reynolds

Keith Richard Reynolds  
Manager of Contract Administration

QUALIFICATIONS AND WORK APPROACH  
**EXECUTIVE SUMMARY**

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## EXECUTIVE SUMMARY

As Puerto Rico rapidly approaches the fifth anniversary of Hurricanes Irma and Maria, the path to full recovery and increased resilience is clearer than ever. The required funding has been allocated, the planning efforts are being finalized, and the construction has begun. Though it will still be several years before these efforts are complete, Puerto Ricans can now see tangible evidence of the hard work that has been done to this point to prepare for these projects to begin.

IEM is proud of the part that we have played in that work. Our teams at PRDOH, COR3, and LUMA work every day with the drive and desire to make Puerto Rico more resilient and deliver the outcome envisioned by the investment of tens of millions of dollars of government funds. In our more than 37 years as a company focused on assisting our customers to prepare for, respond to, recover from, and mitigate against natural and man-made disasters, we have learned how important it is to stay focused on the mission in order to achieve the ultimate objective.

That focus will be the cornerstone of our effort to assist PRDOH with the CDBG-MIT infrastructure program. We know that navigating through the complexities of HUD requirements is a daunting process, and that many subrecipients may encounter difficulties that put the project in jeopardy or behind schedule, or they may drop it entirely. To maximize the use of the federal funds allocated to infrastructure, PRDOH is taking the very prudent step of procuring a resource that can help subrecipients with every step of the process, from awareness to project closeout. This will assure that these worthy municipalities, agencies, NGOs, and others have access to this funding to create much-needed resiliency projects in every corner of the island.



## OVERVIEW OF THE PROJECT APPROACH

To meet that need, IEM has put together a staff and a team of partners that will meet and exceed every task outlined in the RFP. Our entirely Puerto Rico-based staff was chosen because they know the island, know the needs, know the programs, and will be completely dedicated to the success of this program. They are available to start immediately and will be supported.

AG Environmental PSC  
Environmental Science & Technology

**ATKINS**  
Member of the SNC-Lavalin Group

NORTHSTAR MANAGEMENT, LLC  
OF FINANCIAL

**CONSOLIDATED LEGAL SERVICES**

**LV**  
LEGISLATIVE VOUCHERS

**WAGGONER RESILIENCE**

GONZÁLEZ & ROIG, LLC  
www.gonzalezroig.com

**UNIPRO**  
Architects - Engineers LLP

That effort will start with the first task, assisting PRDOH in the **Outreach and Program Presentations** to make subrecipients aware of this funding opportunity and assisting in their decision-making process. At this point in recovery, they will have been inundated with information about HMGP, 428/406, BRIC, and other programs, and providing clear, consistent information about how this program interfaces with those and other potential funding streams will be vital to encouraging participation. Our partners in this effort, **NorthStar** and **Atkins**, both have substantial experience that will benefit this effort. NorthStar has worked with every municipality and mayor and many of the agencies, so they know the audience and their specific needs. And Atkins has been developing local mitigation plans for every municipality, so they are already aware of the types of projects that may be eligible for CDBG-MIT funding and would make the best projects to pursue.

As anyone involved in federally-funded resilience and mitigation efforts knows, the hardest part of the project is not the actual construction, but all of the steps required to get there. To get to HUD's 50% spent requirement by May 2027, PRDOH needs to ensure that subrecipients have access to industry-leading assistance from its chosen provider. IEM is confident that we are that team as we assist in the efforts described below.

Subrecipients may need assistance in developing their **Project Application**. IEM leads the nation in helping our clients choose effective mitigation programs that maximize the return on investment of their project. Our Vice President, Bryan Koon, was the Chairman of the Multi-Hazard Mitigation Council when they produced the study that indicated that federal investment in mitigation returned an average of 6 to 1 return on federal dollars. And our teaming partner Atkins already has detailed knowledge of potential mitigation projects across the island because of their work in developing local mitigation strategies.

As applications are submitted, IEM will assist PRDOH in the **Project Application Review**. This step is crucial to ensuring that Puerto Rico is maximizing the benefit of this funding and saving the most lives possible in future disasters. Our team will ensure that every application is complete and meets all requirements for consideration, assisting the applicant if portions require reworking. We will then conduct a project risk assessment to produce a risk mitigation score; this information will be captured in a project evaluation report and submitted to PRDOH with our recommendation for approval or denial. This robust, validated process will provide PRDOH and HUD that the projects it is funding will stand up to scrutiny and are the best possible options of those submitted.

The size and cost of some of these projects may challenge the subrecipient's capacity to oversee the work. Therefore, HUD requires PRDOH to conduct a **Capacity Assessment** and assist subrecipients in developing any processes or structure necessary to complete the project. IEM has a long history of doing just that in projects across the country and will bring those best practices to this project.

Achieving an appropriate and accurate **Benefit Cost Analysis** is one of the most difficult steps in any mitigation effort. The large, covered projects that are in the Governor's Priority Project list, as well as others that may be submitted, will all require BCA's. Conducting a BCA on these large, complicated projects is not easy nor done quickly. Fortunately, IEM has more qualified BCA analysts than any of our competitors, and we will assure that our work either conducting the BCA or assisting the subrecipient in their work will be done properly, timely, and our results will be above reproach. For those projects that require it, we will assist in demonstrating how the projects meet HUD's definition of benefits, such as economic development or improving public health.

As the projects continue through the process, IEM will assist PRDOH in ensuring that every subrecipient fully understands and is compliant with HUD requirements through the execution of a **Subrecipient Agreement**. This effort will also help ensure that there is no duplication of benefits with another funding stream. IEM will also work with assigned Subrecipients to conduct a **Project Plan Review** to ensure that they meet all requirements demonstrating that they are prepared to execute the project they have submitted and assisting in the correction of any identified issues.

For those subrecipients who need additional technical assistance, IEM is prepared to provide both **Project Plan Development Support** as well as **Third Party Cost Estimator** Support. IEM personnel has conducted numerous large construction projects over the years, and their experience in helping jurisdictions phase their projects to reduce their risk and their pre-development and construction activities together. Breaking these projects into phases will also help PRDOH meet its 50% spend requirement by 2027. Similarly, IEM can assist in the procurement and usage of cost estimators who best know local construction costs while ensuring that there is no conflict of interest with those performing the construction.

A comprehensive, detailed **Project Justification Report** that contains all necessary information about each project will

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be invaluable in submitting information to HUD and for the development of actional plan amendments. IEM will work with each subrecipient assigned to complete this report, developing a common format if one does not exist.

Procurement irregularities is the most cited finding in HUD OIG reports. IEM will ensure that assigned subrecipients receive **Procurement Process Support** and understand all CDBG=MIT regulations, PRDOH Procurement Manual Requirements, and any other applicable laws or regulations. Our team will assist them in how to incorporate those into their requirements and will provide ongoing training. Our Regulatory Compliance Officer and his team will review procurement documents for compliance and assist in situations where additional guidance is required. We will work with PRDOH's Grant Management team to assist subrecipients in completing all checklists and will develop a library or element-specific documentation that they can use in their procurements.

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Finalizing the **Project Design Development** and conducting the **Environment Review Process** are two of the most complicated factors in getting to project construction. IEM will assist subrecipients in both these areas as assigned, ensuring that they meet every requirement necessary to begin work. We work with their A/E firms to develop project plans and timelines that pass PRDOH and HUD's requirements, and are realistic and cost reasonable. The detailed master schedule produced in this process will allow PRDOH to closely monitor progress and provide detailed reports to HUD demonstrating the appropriate rate of progress.

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To ensure eligibility for federal funding, IEM will provide environmental professionals to assist or conduct the necessary review prior to the start of construction. These reviews can be the longest item to complete in the project schedule other than construction, so it is important that PRDOH chooses a company like IEM that can complete these accurately and on time; any rework or missing elements can add months to a project and seriously jeopardize the ability to complete the project. We are confident that our ability to help PRDOH get to a point where they can issue an Authorization to Utilize Grant Funds exceeds that of any other contractor.

Once construction starts, IEM is prepared to support in monitoring **Project Implementation and Construction**. Our monitoring plan and frequent communication and site visits will ensure that projects remain on schedule, on budget, and in compliance. If costs increase and change orders become necessary, IEM will conduct new BCAs as necessary to validate cost-effectiveness. We will review invoices for accuracy, completeness, and compliance, and will prepare reports that are streamlined so that they can be used for multiple purposes and agencies. Because there will be many construction projects occurring simultaneously across the island, our ability to surge and provide resources whenever and wherever necessary, PRDOH will have the assurance that work is being done properly.

Finally, IEM will be there through the end of the effort and the **Project Closeout**. Depending on the size of the project and the type of funding sources utilized, this complicated effort will require PRODH to assist the subrecipient in completing all appropriate reviews. IEM's personnel will work with PRODH and subrecipient staff to capture all documentation to validate completeness and compliance, and produce the final HUD quarterly report and update the HUD Disaster Recovery Grant Report system.

IEM is confident in our ability to provide all the above services in a manner and cost that is better than any other team. Our on-island resources are second to none, and our commitment to Puerto Rico is demonstrated in our long-term efforts at LUMA and elsewhere. We have the required experience, qualifications, and desire to excel in every task assigned to us and look forward to assisting PRDOH in the execution of this vital program.

# The IEM Team and Key Personnel



**Carlos Santana Vera**  
Program Manager

Mr. Santana is an experienced civil engineer with over 25 years' experience in managing multidisciplinary and heavy civil construction projects. His experience in the project management field involves buildings; industrial construction; water and wastewater; transportation; concrete and steel structures; and civil infrastructure works. He currently serves as a design and construction industry subject matter expert for FEMA's Individual Assistance (IA) Permanent Housing Construction (PHC) Program. Mr. Santana's 10 years of federal experience includes providing consultant services to the Federal Highway Administration and Eastern Federal Land for the Emergency Relief Funds for Highway Reconstruction for road reconstruction and land stabilization projects. **In service of this program, Mr. Santana will serve as Program Manager, managing the day to day operations of IEM's support team for PRDOH.**



**Gustavo Fusaro**  
Deputy Program Manager

Gustavo Fusaro has over 22 years of program and project management, strategic client and business development, and operations management experience. He has led in projects with local, state, and federal agencies with disaster preparedness, response, and recovery in Puerto Rico and CONUS. As a PMO Manager to the Atkins Caribe organization, Mr. Fusaro has strategically led the project teams in the execution of projects on the island ranging from a wide variety of sectors of state and federal clients. **In service of this program, Mr. Fusaro will serve as Deputy Program Manager, supporting the Program Manager in the daily operation of IEM's support team for PRDOH.**



**Wilther A. Avilés**  
Project Manager

Mr. Wilther Avilés has 20 years of experience in various engineering disciplines such as construction management, project management, geotechnical and inspection on multiple range of projects at different project stages. Over ten (10) years of his career have been dedicated specifically to Project and Construction Management for both private and public clients. His recent past professional experience was with the Puerto Rico Aqueduct and Sewer Authority (PRASA) leading multidisciplinary teams. **In service of this program, Mr. Avilés will serve as Project Manager, supporting the Deputy Program Manager of IEM's support team for PRDOH.**



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

Ms. Torres has more than 26 years of marketing and mass communication experience. She is highly skilled in public relations work and disseminating information to large audiences. Ms. Torres has spearheaded the development and distribution of news media efforts to multiple news channels and outlets. She is a licensed and accredited public relations practitioner with extensive knowledge of community and employee relations. **In service of this program, Ms. Torres will serve as our Outreach and Public Relations Coordinator, establishing and implementing a strategic plan for outreach CDBG-MIT program opportunities in coordination with our Program Manager and the PRDOH POC.**

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



**Juan P. Carro**  
Program Coordinator

Mr. Juan Pablo Carro has nine years of management and technology deployment and support experience. As a Technical Coordinator for Atkins, he serves on numerous projects across the Island of Puerto Rico. He has served as an Emergency Management Technician, a Project Quality Manager, a Production Manager, and a Project Controls Lead for various projects for PRDOH. **In service of this program, Mr. Carro will serve as our Program Coordinator, assisting the Key Staff and Project Team in record-keeping all data and documentation generated for the Program implementation.**



**Efrén Rotger**  
Regulatory Compliance Officer

Efrén Rotger, Founding Partner of CLS, has more than 17 years of experience in areas related to construction law and its litigation, and highly technical and specialized advice on public law. During the emergencies arising from Hurricanes Irma and María, the earthquakes in the South, and the recent pandemic, Atty. Rotger has been an avid legal advisor to his clients regarding the auction, contracting, and government regulation processes for obtaining ARRA, FEMA, PPDR, CARES Act, ARPA funds, among others. **In service of this program, Atty. Mr. Rotger will serve as our Regulatory Compliance Officer, monitoring program activities and contracts to validate compliance with all CDBG-MIT program policies.**

## THE IEM TEAM AT A GLANCE


**1,475+**  
Employees on the Island

Reach Back to Over  
**50,000+**  
Additional Employees Across the Team

A Collective  
**270+**  
Years in Business



## Amended for Addendum 01

### SCOPE OF SERVICES Request for Proposals (RFP) Oversight Management Services Community Development Block Grant – Mitigation Puerto Rico Department of Housing CDBG-MIT-RFP-2022-02

#### 1. Introduction and Overview

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

This document defines the oversight management tasks that the Selected Proposer(s) must perform in order to support PRDOH in the implementation and administration of the CDBG-MIT program. A detailed description of the CDBG-MIT programs is included in the Action Plan approved by 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/>.

The CDBG-MIT program that will be subject to and referred throughout this RFP, is identified and briefly described as follows:

##### 1.1. Infrastructure Mitigation Program (INFRA-MIT Program)

Mitigation is an opportunity for Puerto Rico to change reactive disaster spending toward a data-supported, proactive investment in community resilience. The Risk Assessment completed for the PRDOH CDBG-MIT Action Plan provides a sophisticated, up-to-date evaluation of the most significant weather-related and human-caused risks that pose a threat to Puerto Rico. 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. The Infrastructure Mitigation Program (Infra-MIT Program or Program) design is predicated on the understanding that risk is regional, and the impacts of disasters are extensive in nature due to the interconnection of critical lifeline infrastructure. 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. Infrastructure mitigation projects must support the stability in one or

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more of the seven (7) FEMA community lifelines to create a resilient infrastructure system for Puerto Rico. The critical service areas, or lifelines, include safety and security; communications; food, water, and sheltering; transportation; health and medical; hazardous material management; and energy (power & fuel). The ultimate goal of this Program is to mitigate the most risk for the greatest amount of people in a strategic and cost-effective manner by implementing transformative mitigation projects that not only address facility hardening or retrofits, but more importantly address the reduction of multiple threats to lifeline infrastructure, services, and citizens by mitigating the localized conditions that cause wide-scale destruction. This program design represents a practical approach to maximizing limited mitigation dollars to serve the greatest need possible.

### 1.1.1 Infra-MIT Budget

The INFRA-MIT Program total allocation is three-billion five-hundred sixty-six million four-hundred fifty-one-thousand one-hundred sixty-six dollars (\$3,566,451,166.00). Funding will be provided via two (2) venues of distribution: awards for directly selected strategic mitigation projects, and open competition process for localized mitigation projects. In addition, this Program includes a \$1 billion dollar Healthcare (Infra-Health) set-aside to strengthen healthcare facilities for the benefit of medically underserved Puerto Ricans, and to minimize, through accessible healthcare, the fatalities likely from a disaster event.

Selected Proposer(s) will support the PRDOH in the implementation and management of the CDBG-MIT program, therefore it is required to access the PRDOH's CDBG-MIT website to become familiarize with the available documentation about the program. Each Proposer is responsible to review requirements for the CDBG-MIT program and take awareness of subrecipients eligibility requirements and the eligible projects allowed under the CDBG-MIT Infrastructure Mitigation Program.

The PRDOH aims to contract, at its discretion and in the best interest of the overall programs' implementation, one (1) or more Oversight Manager as determined by PRDOH, under the CDBG-MIT grant(s) for a period of three (3) years with optional extensions of up to two (2) additional annual extension. Oversight Manager(s) may be assigned to regions or subrecipients or in a combined arrangement, at PRDOH's discretion, with the interest in implementing a timely and cost-efficient management structure.

The award of this proposal may be canceled at any time before the execution of a contract, without any responsibility whatsoever for PRDOH, the Government of Puerto Rico and HUD.

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

This RFP is subject to the availability of HUD CDBG-MIT funds to complete the scope of services described here. In the event of not receiving them, this RFP will be canceled and terminated

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without any liability whatsoever, including without limitation to pre-contractual expenses and non-contractual damages, from the PRDOH, the Government of Puerto Rico and HUD.

## 2. Staff Requirements, Roles and Responsibilities

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

### 2.1. Staff Requirement

The Selected Proposer(s) shall have or will secure, at its own expense, all personnel required to perform the services under the Oversight Management Services contract. Key Staff<sup>1</sup> are resources that must be ready to begin working within two (2) weeks after the contemplated contract execution date and may be working throughout the term of the contract. Selected Proposer(s) must always ensure that professional, architectural or engineering work services are performed by licensed professionals with the proper qualifications, skills and experience, necessary to perform such services, according to applicable federal and local rules and regulations. All Project Staff positions are to be contracted on an as needed basis, depending on project implementation and PRDOH's necessities.

The participation of any resource will require a written authorization from the PRDOH before they can commence work. No personnel may be assigned to the resulting contract without the written consent of the PRDOH, therefore any service performed without PRDOH's written authorization cannot be invoiced and will not be reimbursed. The PRDOH reserves the right to request the removal of any staff not performing to PRDOH's expectations.

**Figure 1** presents expected Oversight Manager Key Staff general organization. This chart includes the number of Full Time Equivalent (FTE) for each position based on a single selected Proposer. If multiple Oversight Managers are contracted, the PRDOH may require a reduced number of FTEs for some of the positions.

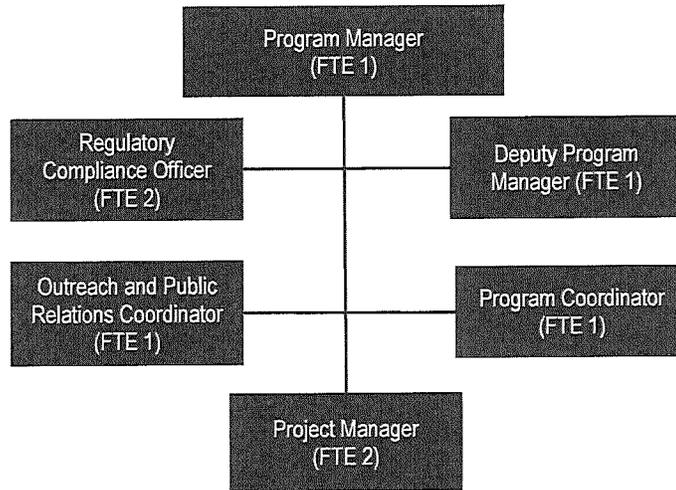
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<sup>1</sup> Staff resources availability must be coordinated with PRDOH before commencing to work.

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**Figure 1 Oversight Management Key Staff Organizational Chart**



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Note: Program Manager, Deputy Program Manager, Regulatory Compliance Officer, Outreach and Public Relations Coordinator, Program Coordinator, Project Managers, Project Assistant, and Construction Oversight Manager shall be considered positions that will be working locally from Puerto Rico.

**2.1.1 Staff Experience and Qualifications**

The Proposer(s) shall provide detailed information about the experience and qualifications of the entire staff to be assigned, including degrees, certifications, licenses and years of relevant experience. Proposer(s) shall specifically identify resources currently employed by the Proposer who will serve as Key Staff. This includes the Proposer's own staff and staff from any subcontractors to be used. The Proposer(s) should demonstrate that its staff (and/or subcontractor's staff) meet the desired requirements listed below and have the necessary experience and knowledge to successfully implement and perform the tasks and services. **Table 1** presents requirements for Staff, roles and responsibilities.

**2.1.2 Organizational and Staffing Plan**

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

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**Table 1 Key Team Members Requirements, Roles and Responsibilities**

Staff Member	Requirements	Roles & Responsibilities
<b>Program Manager</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education in Planning, Engineering, Architecture, or Project Management, <del>or similar degree.</del></li> <li>+ Must have professional licenses and/or certifications related to required degree, valid in Puerto Rico.</li> <li>+ Must have at least five (5) years of experience as Program Manager, including at least three (3) years of experience with federally funded program or project management.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> <li>+ Must be working locally from Puerto Rico</li> </ul>	<ul style="list-style-type: none"> <li>+ Act as point of contact between the PRDOH or representative and subrecipient(s) elected officials for highly sensitive issues.</li> <li>+ Lead coordination and control over execution of all program's activities.</li> <li>+ Assist and report to PRDOH or representative on overall and specific programs activities.</li> <li>+ Monitor program performance status and establish necessary tools for control over programs results.</li> <li>+ Participate in the development and implementation of strategies to successfully obtain programs objectives.</li> <li>+ Lead, coordinate and evaluate performance of all staff and, if necessary, contracted services under Program Manager direct and indirect supervision.</li> <li>+ Lead and manage the coordination of activities for controlling schedule, budget and scope of programs.</li> <li>+ Lead and coordinate the implementation of tools for program change management, risk management and quality assurance.</li> <li>+ Identify program issues and obstacles and develop and implement efficient solutions.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
		<ul style="list-style-type: none"> <li>+ Lead and review all program monitoring activities to prepare and present reports as required by the PRDOH.</li> <li>+ Identify and promote any other function in support of the successful achievement of program's objectives.</li> <li>+ Oversee the Program Management team and manage all necessary activities to obtain results on-time and on-budget, as required by the PRDOH.</li> <li>+ Lead, coordinate, and facilitate all necessary high profile, program-wide public presentations and meetings, subrecipient meetings and government or non-government stakeholders' meetings.</li> <li>+ Evaluate, estimate and proactively manage program-related workload requirements.</li> <li>+ Coordinate, support, and analyze performance measurement of subrecipients, and report results in coordination with PRDOH or representative.</li> <li>+ Maintain a complete understanding of all applicable Program policies, requirements, procedures, guidelines; and shall possess knowledge of regulatory and statutory compliance requirements for CDBG-MIT and similar programs/projects.</li> <li>+ Monitor all subrecipient procurement activities and keep PRDOH informed of compliance, regulatory and performance issues that may affect CDBG-MIT programs.</li> <li>+ Ensure all applicable CDBG-MIT policies and regulations are compliant and identify/promote all necessary corrective actions. Ensure all program participants, including subrecipients, vendors, and stakeholders are aware of all policy changes.</li> </ul>
<b>Deputy Program Manager</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education in Planning, Engineering, Architecture, or Project Management, <del>or similar degree.</del></li> <li>+ Must have professional licenses and/or</li> </ul>	<ul style="list-style-type: none"> <li>+ Support the Program Manager in daily operation and all the roles and responsibilities listed for Program Management.</li> <li>+ Direct and coordinate all daily activities related to training, communications, scheduling, deliverables, staffing designation and evaluation, risk assessment and management.</li> <li>+ Contact and manage relations with elected</li> </ul>
<b>[Key Staff]</b>		

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Staff Member	Requirements	Roles & Responsibilities
	<ul style="list-style-type: none"> <li>certifications related to required degree, valid in Puerto Rico.</li> <li>+ Must have at least three (3) years of experience as Program Manager, including at least two (2) years of experience with federally funded program or project management.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> <li>+ Must be working locally from Puerto Rico</li> </ul>	<ul style="list-style-type: none"> <li>officials for subrecipients or potential subrecipients of CDBG-MIT programs.</li> <li>+ Ensure review and compliance with all CDBG-MIT regulatory and statutory requirements in coordination with Regulatory Compliance Officer in the development and implementation of projects.</li> <li>+ Act as main point of contact with PRDOH or its representative.</li> <li>+ Oversee logistics management, ensuring that procedures are in place to align with the program's goals and objectives.</li> <li>+ Oversee standards of performance, safety policies, and procedures, CDBG-MIT compliance and adjust internal policies as necessary.</li> <li>+ Direct Human Resources and management activities on the operational side of the programs and may determine the staff needed to accomplish the operational tasks.</li> </ul>
<p><b>Project Manager</b></p> <p><b>[Key Staff]</b></p> <p>[One resource will be required as established in Section 2.1. Additional resources must be coordinated with PRDOH before commencing to work.]</p>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education in Engineering, Architecture, or Project Management, <del>or similar degree.</del></li> <li>+ Must have professional licenses and/or certifications related to required degree, valid in Puerto Rico.</li> <li>+ Must have at least two (2) years of project management experience.</li> <li>+ Experience in federally funded infrastructure projects, preferred.</li> <li>+ Experience with healthcare facilities and/or systems developments in Puerto Rico, is preferred.</li> <li>+ Must have fluent verbal and written communication skills in</li> </ul>	<ul style="list-style-type: none"> <li>+ Support the Deputy Program Manager in daily operation and identified responsibilities at the project level.</li> <li>+ Act as main point of contact between program and subrecipient team members for day-to-day project development and implementation.</li> <li>+ Coordinate all application submissions from subrecipients including the evaluation of the application until the selection of projects is fully developed.</li> <li>+ Prepare recommendation notifications and reports to communicate which projects will be funded and those that are not eligible for funding.</li> <li>+ Oversee and track executed subrecipients agreements with PRDOH to evaluate allocation of funds in coordination with PRDOH's Finance division.</li> <li>+ Coordinate all necessary reporting activities to communicate the status of all executed subrecipient agreements.</li> <li>+ Track and report status and performance of each subrecipient project.</li> <li>+ Provide and/or manage daily technical assistance to subrecipient team.</li> <li>+ Monitor, Identify, report, and recommend</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
	<p>English and Spanish.</p> <p>+ Must be working locally from Puerto Rico</p>	<p>solutions to resolve, issues related to, but not limited to, CDBG-MIT Infrastructure Programs compliance, schedule, scope, budget to Deputy Program Manager and subrecipient.</p> <p>+ Coordinate and lead all subrecipient and potential subrecipient meetings.</p> <p>+ Review, provide comments, and recommend approval of subrecipient Applications, Draw Requests, Change Orders, Subrecipient Agreement Amendments, Budget Revisions, and Closeout Documentation package.</p> <p>+ Responsible for review and recommend certifications for payment and construction change orders.</p> <p>+ Establish direct communications with subrecipients points of contacts during the Application evaluation and implementation of projects under CDBG-MIT programs.</p>
<p><b>Regulatory Compliance Officer</b></p> <p><b>[Key Staff]</b></p> <p>[One resource will be required as established in Section 2.1. Additional resources must be coordinated with PRDOH before commencing to work.]</p>	<p>+ Must have a bachelor's degree or higher education.</p> <p>+ Must have at least five (5) years of experience working in the regulatory compliance field.</p> <p>+ Must have compliance and monitoring experience in federally funded programs. (for example: applicability of federal, state, and local regulations; evaluation of eligibility of activities; validation of compliance with required National Objectives; validation of compliance with cross-cutting guides; validation with Section 3, Davis Bacon, URA, Environmental Review requirements; evaluation of Duplication of Benefits; Reporting and</p>	<p>+ Monitor program activities and contracts to validate compliance with all CDBG-MIT programs policies, including applicable federal, Commonwealth, and local regulations. As a minimum the following items must be monitored: Eligibility of activities and beneficiaries; National Objectives; Financial management or procurement; Cross-cutting Federal requirements (i.e. Section 3, Davis Bacon, URA, Environmental Review, Conflicts of Interest, 2 CFR 200 requirements); Prevention of Duplication of Benefits from other sources; Program policies and procedures; Reporting and recordkeeping; or, any additional requirements established by PRDOH in Subrecipient Agreements.</p> <p>+ Develop work plan containing specific tasks to monitor subrecipients compliance with CDBG-MIT programs policies, standards, and procedures.</p> <p>+ Provide all necessary guidance, technical assistance, and training to internal staff, PRDOH, and subrecipients that will help them to enforce compliance with the most current version of policies, regulations and standards for CDBG-MIT programs.</p> <p>+ Prepare all necessary program wide documentation and reports to PRDOH to</p>

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Staff Member	Requirements	Roles & Responsibilities
	<ul style="list-style-type: none"> <li>recordkeeping requirements; or similar.)</li> <li>+ Experience with compliance aspects related to healthcare facilities and/or systems developments in Puerto Rico, is preferred.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> <li>+ Must be working locally from Puerto Rico</li> </ul>	<ul style="list-style-type: none"> <li>communicate subrecipient's CDBG-MIT program compliance performance and the status of any compliance issues.</li> <li>+ Maintain awareness and knowledge of most recent federal and local compliance requirements that may apply to PRDOH's CDBG-MIT programs.</li> <li>+ Provide guidance and recommend actions to PRDOH to handle changes and risks associated to changes in policies and regulations</li> </ul>
<b>Outreach and Public Relations Coordinator</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education.</li> <li>+ Must have at least five (5) years of experience working in public relations field.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> <li>+ Must have excellent writing and presentation skills.</li> <li>+ Must be working locally from Puerto Rico</li> </ul>	<ul style="list-style-type: none"> <li>+ Establish and implement strategic plan for outreach CDBG-MIT programs opportunities in coordination with Program Manager and PRDOH POC.</li> <li>+ Coordinate all outreach communication materials and public facing communications with PRDOH POC before implementing.</li> <li>+ Coordinate logistics of locations, scheduling and audiovisual equipment required to conduct meetings and presentations with subrecipients or public.</li> <li>+ Develop strategic plan to, effectively and efficiently, resolve local subrecipients and public relations issues in coordination with Program Manager and PRDOH POC.</li> <li>+ Implement system to report, manage and track frequent questions, comments, and issues, including evaluation of Program Team's effectiveness addressing complaints and answers. PRDOH must be able to access this system to have daily updates of status and results.</li> </ul>

Staff Member	Requirements	Roles & Responsibilities
<b>Program Coordinator</b>  <b>[Key Staff]</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education.</li> <li>+ Must have at least three (3) of project management experience.</li> <li>+ Must have extensive knowledge in Microsoft Office software.</li> <li>+ Must be familiarized with data management systems in the user-end.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> <li>+ Must have excellent writing and presentation skills.</li> <li>+ Must be working locally from Puerto Rico</li> </ul>	<ul style="list-style-type: none"> <li>+ Act as a point of contact between the Key Staff and the Project Team.</li> <li>+ Receive or make calls, take or send messages, and manage correspondence to or from the Key Staff and Project Team.</li> <li>+ Maintain daily, weekly and monthly schedules for the Key Staff and Project Team.</li> <li>+ Maintain a proper physical file system, as required.</li> <li>+ Produce reports, presentations and briefs for the Key Staff and Project Team.</li> <li>+ Assist the Key Staff and Project Team in record-keeping all data and documentation generated for the Program implementation.</li> <li>+ Assist in any other administrative task, as assigned by the Key Staff or Project Team.</li> </ul>
<b>Project Assistant</b>  <b>[Project Staff]</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education in Engineering or Architecture.</li> <li>+ Licensed Engineer or Architect in Puerto Rico, preferred.</li> <li>+ Must be Architect in Training (AIT) or Engineer in Training (EIT).</li> <li>+ Must have at least five (5) years of experience construction project management.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> <li>+ Must be working locally from Puerto Rico</li> </ul>	<ul style="list-style-type: none"> <li>+ Support the Project Manager in daily operations and identified responsibilities.</li> <li>+ Perform initial review and comment of Applications, Draw Requests, Change Orders, Subrecipient Agreement Amendments, Budget Revisions, and Closeout Documentation package.</li> <li>+ Perform risk assessment evaluations of application projects eligible for CDBG-MIT and prepare and provide reports to the Project Manager to present results and recommendations to PRDOH.</li> <li>+ Recommend projects for full development and review subrecipient's work plans for development of projects.</li> <li>+ Prepare and implement work plan for environmental review performance in coordination with Environmental Professional as soon as subrecipient's projects reach enough level of development to identify project elements and activities to start the assessment as established in 24 CFR Part 58.</li> <li>+ Coordinate and perform review of subrecipient's construction documentation at</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
		<p>30% and 90% of development. The review must include CDBG-MIT Special Conditions, scope agreement with Subrecipient Agreement, and cost estimates prepared by subrecipients.</p> <ul style="list-style-type: none"> <li>+ Prepare and communicate results report of projects review to PRDOH in coordination with Project Manager and Deputy Program Manager.</li> <li>+ Maintain awareness, knowledge, and applicability of the most recent federal, Commonwealth and local construction codes that may apply to PRDOH's CDBG-MIT programs.</li> <li>+ Provide guidance and recommend actions to PRDOH and subrecipients to handle changes and risks associated to changes in policies, regulations, and construction codes applicable to PRDOH's CDBG-MIT programs.</li> <li>+ Organize and store all documentation of subrecipients related to CDBG-MIT programs using all available tools and access to the System of Record implemented by the PRDOH.</li> <li>+ Implement and conduct all required activities established by Project Manager logistics and plans for CDBG-MIT programs.</li> <li>+ Support and perform the distribution of communications</li> <li>+ Prepare and deliver presentations to Program Management team, subrecipients, PRDOH and other stakeholders as required by PRDOH.</li> <li>+ Provide all necessary support in the development, preparation and submission of required deliverables to PRDOH.</li> </ul>
<b>Construction Oversight Manager</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education.</li> <li>+ Must have obtained OSHA 30 hours training certification in the construction industry.</li> <li>+ Must have at least five (5) years of experience in construction management.</li> <li>+ Experience in federally funded infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>+ Manage a team of construction oversight staff to perform at least one monthly visit to monitor construction progress, consistency with Subrecipient Agreement and environmental clearance document, and health and safety plan implementation during subrecipient's construction projects under PRDOH's CDBG-MIT programs.</li> <li>+ Responsible for review and recommend certifications for payment and construction change orders.</li> <li>+ Prepare reports to the Project Manager, based on monitoring visits of subrecipient's</li> </ul>
<b>[Project Staff]</b>		

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Staff Member	Requirements	Roles & Responsibilities
	<ul style="list-style-type: none"> <li>projects, preferred.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> <li>+ Must be working locally from Puerto Rico</li> </ul>	<ul style="list-style-type: none"> <li>construction projects under PRDOH's CDBG-MIT programs.</li> <li>+ Provide feedback to subrecipient's health and safety officer or representative based on the observations obtained after conducting monitoring visits.</li> <li>+ Assist to develop revision checklist for 30% and 90% construction document reviews.</li> <li>+ Validate the Subrecipient includes provisions in the construction contract documents that stipulates that the contractor must develop and implement a health and safety plan in compliance with Puerto Rico OSHA- approved State Plan and the policies of the Puerto Rico Occupational Safety and Health Administration.</li> </ul>
<b>Environmental Professional</b>  <b>[Project Staff]</b>	<ul style="list-style-type: none"> <li>+ Must have a bachelor's degree or higher education in Environmental Science, Biology, Archaeology, or Geology <del>or similar field.</del></li> <li>+ Must have at least five (5) years of experience with the environmental clearance of federally funded programs involving construction work.</li> <li>+ Must have completed Categorical Exclusions (CE) not Subject to 58.5, CEs Subject to 58.5, and Environmental Assessments for HUD funded infrastructure projects.</li> <li>+ Must have been involved in the completion of an Environmental Impact Statement for federally funded construction project(s).</li> <li>+ Must have excellent writing and presentation</li> </ul>	<ul style="list-style-type: none"> <li>+ Maintain awareness, knowledge and applicability of most recent federal and local environmental laws, regulations and policies that may apply to PRDOH's CDBG-MIT programs.</li> <li>+ Participate in the development of tools to perform preliminary environmental evaluations to determine eligibility of project pre-application under CDBG-MIT programs.</li> <li>+ Develop work plan to perform environmental related studies, analysis of impacts and recommendations for projects under CDBG-MIT programs. Including cost effective solutions required to be considered in construction documentation.</li> <li>+ Prepare all required documentation to comply with NEPA, 24 CFR Part 58 all applicable environmental related laws and regulations in Puerto Rico.</li> <li>+ Coordinate and implement the most current and applicable best practices for environmental reviews under CDBG-MIT Infrastructure Programs.</li> <li>+ Develop all documentation required to accomplish environmental reviews under CDBG-MIT programs (for example: project description, maps, photographs, studies, consultation and other correspondence, public notices, programmatic agreements, etc.)</li> </ul>

Staff Member	Requirements	Roles & Responsibilities
	<ul style="list-style-type: none"> <li>skills to present technical reports to non-technical people.</li> <li>+ Must have fluent verbal and written communication skills.</li> </ul>	<ul style="list-style-type: none"> <li>+ Evaluate, identify, and implement all necessary activities to perform environmental review considering project aggregations (whenever is necessary) in CDBG-MIT programs.</li> <li>+ Provide all necessary support to the PRDOH to develop and process activities regarding requests for release of funds for CDBG-MIT programs.</li> <li>+ Coordinate and support monitoring activities for environmental compliance for construction projects under CDBG-MIT programs.</li> </ul>
<b>Legal Compliance Officer</b> <b>[Special Services]</b>	<ul style="list-style-type: none"> <li>+ Must have five (5) years of experience practicing law in local and/or federal.</li> <li>+ Experience in federal funded program regulations, is preferred.</li> <li>+ Vast experience in applying written law.</li> <li>+ Exceptional legal drafting skills.</li> <li>+ Must be an Attorney at Law in good standing with the Supreme Court of Puerto Rico and/or the United States District Court for the District of Puerto Rico.</li> <li>+ Must have fluent verbal and written communication skills in English and Spanish.</li> </ul>	<ul style="list-style-type: none"> <li>+ Prepares and drafts documents, briefs, and memoranda of law related to federal funded program regulations.</li> <li>+ Interprets and applies legislation, case law, and decisions.</li> <li>+ Direct information for legal research.</li> <li>+ Review and analysis of contracts, agreements, and similar documents to ensure full compliance with Program Guidelines, and applicable Federal Laws, Rules, and Regulations.</li> <li>+ Answers requests for legal opinions, in writing and verbally. Prepares written legal opinions at the request of the PRDOH.</li> <li>+ Any other legal advice, as required by PRDOH.</li> </ul>

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Staff Member	Requirements	Roles & Responsibilities
<b>Subject-Matter Expert</b>  <b>[Special Services]</b>	+ Must have a bachelor's degree. Master's Degree preferred.	+ Subject-Matter Experts throughout the provision of services will vary according to the services for which the PRDOH requires guidance.
	+ Must have at least ten (10) years of experience in their technical field of expertise	+ The Proposer shall submit to the PRDOH the subject-matter experts to be used for specific tasks as required.
	+ Must have experience in federal funded programs similar to those covered by this RFP.	+ Subject-Matter Experts may include technical fields such as design, law, software development, environmental, finance, economic development, housing, specialized medical or infrastructure development regulation, costs, and any other guidance as required by PRDOH.
	+ Must have fluent verbal and written communication skills.	+ SME's shall provide services with prior approval by the PRDOH of the specialized task needed.

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NOTE: FALSE OR MISLEADING STATEMENTS REGARDING STAFF QUALIFICATIONS OR PRIOR PROJECTS WILL RESULT IN THE DISQUALIFICATION OF THE PROPOSER.

**3. Oversight Management Tasks and Services**

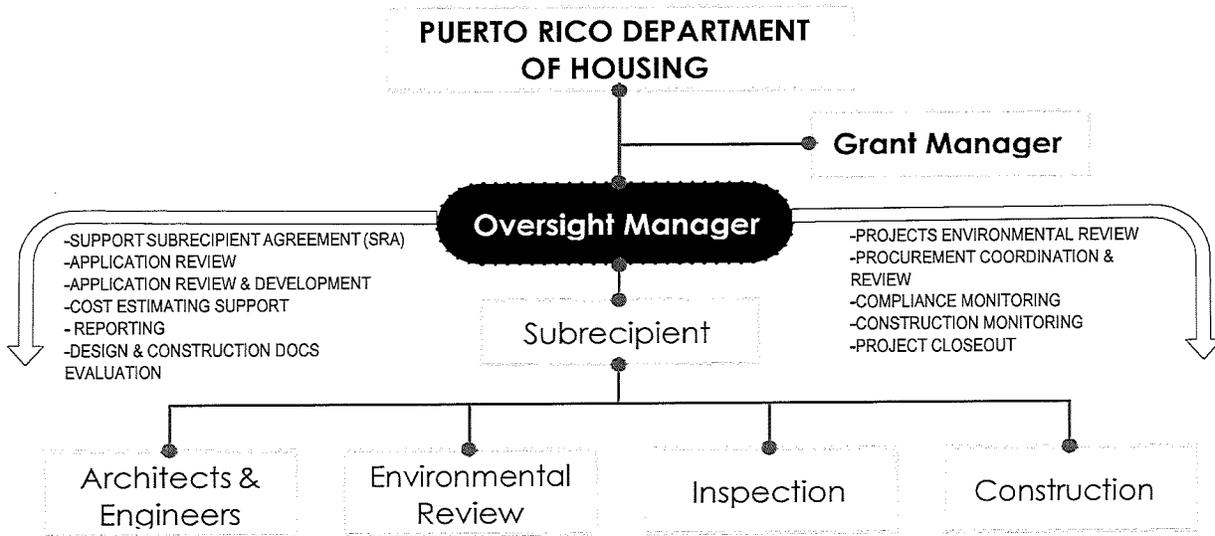
PRDOH has established a stepped approach for the implementation of CDBG-MIT Infrastructure Mitigation Program identified in the introductory section of this document. The Proposer must review all documentation available in PRDOH's CDBG-MIT website (<https://www.cdbg-dr.pr.gov/en/>) and take awareness of subrecipients eligibility requirements.

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

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

**Figure 2** represents the Oversight Management structure to be implemented for CDBG-MIT Infrastructure Mitigation Program. This figure illustrates what shall be the typical organizational structure established by each Subrecipient that has executed a formal subrecipient agreement with the PRDOH to implement an infrastructure project. The Proposer shall consider this structure to prepare a work plan and determine reasonable costs for required oversight management services.

**Figure 2 Oversight Management Structure for CDBG-MIT Infrastructure Mitigation Program**



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**Table 2** presents required services grouped by Tasks and Subtasks. **Task 1:** Support services to PRDOH for project application review until the execution of a formal agreement between PRDOH and the Subrecipients; **Task 2:** Provide services to PRDOH to manage Subrecipients with executed formal agreements from the project plan development until full development of bid construction documents; **Task 3:** Provide services to PRDOH during construction of subrecipient's projects; and **Task 4:** Provide services to PRDOH to manage individual projects and SRA Close-out.

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

**Table 2 List of Tasks, Subtasks and Services Required**

Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
Task 1	Sub-Task 1.1 Outreach and Program Presentations /Technical Assistant	PRDOH will make the announcement and notifications whenever the program is launched. This may include notifications and instructions to potential subrecipients on how to apply. Additionally, PRDOH will conduct a series of presentations and trainings for potential subrecipients to describe program requirements and the procedures required to be followed by potential subrecipients to apply and obtain participation in the program.	<ul style="list-style-type: none"> <li>a) Coordinate initial program presentations open to all potential subrecipients to explain program requirements and procedures and set-forth the next steps in program implementation. Prepare and provide all didactic materials in relation to technical trainings.</li> <li>b) Provide any other assistance required by the PRDOH in order to ensure all subrecipients received necessary trainings required to successfully develop program activities.</li> <li>c) Any other services as required by PRDOH.</li> </ul>
Task 1	Sub-Task 1.2 Project Application Support	The subrecipients will submit a project application to be considered by PRDOH for development. Initial meetings may be required to discuss and coordinate details of project application.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) must provide technical assistance to the subrecipient regarding basic eligibility requirements, including but not limited to: <ul style="list-style-type: none"> <li>i. Eligible Activity</li> <li>ii. Supported Lifelines</li> <li>iii. Meets a National Objective</li> <li>iv. Supplanting of funds</li> <li>v. Duplication of Benefits.</li> </ul> </li> <li>b) Selected Proposer(s) must provide technical assistance in determining the project beneficiaries.</li> <li>c) Selected Proposer(s) must provide technical assistance to the subrecipient in the drafting of the project schedule to ensure a project is completed in a timely manner to avoid cost overruns.</li> <li>d) Any other services as required by PRDOH.</li> </ul>

**Milestone is considered accomplished Subrecipient submits project application to PRDOH.**

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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
Task 1	Sub-Task 1.3 Project Application Review	The subrecipients will submit a project application to be considered by PRDOH for development. All required submittals must be performed using the System of Record provided by PRDOH.	<ul style="list-style-type: none"> <li>a) For each project, the Selected Proposer(s) will prepare and submit to PRDOH an evaluation report containing the analysis of each project and ranking in order to recommend projects for PRDOH consideration.</li> <li>b) Selected Proposer(s) must review Subrecipient application submissions and provide comments, if any. If all previous comments have been addressed, recommend approval by PRDOH.</li> <li>c) Selected Proposer(s) must issue a notice of application denial and include guidance on actions to the Subrecipient in order to take for application reconsideration if the application is to be amended later.</li> <li>d) Selected Proposer(s) must complete the risk assessment evaluation in consultation with PRDOH for the proposed project.</li> <li>e) Selected Proposer(s) must complete the recommendation Report for projects evaluated and document a recommendation for project development in consultation with PRDOH.</li> <li>f) Any other services as required by PRDOH.</li> </ul>

**Milestone is considered accomplished when PRDOH approves Proposer's recommendation for project plan development. Proposer shall evaluate each project submitted by Subrecipient and present a recommendation of project Approval or Not Approval as required by PRDOH.**

Task 1	Sub-Task 1.4 Subrecipient Capacity Assessment Support	After receiving project application approval, PRDOH Monitoring Division will coordinate to obtain the required documentation and paperwork to complete the Capacity Assessment evaluation of the Subrecipient, as required by HUD.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) must provide all necessary support to PRDOH in performing Subrecipient(s) assessments to determine areas for improvement in terms of administrative structure, procedures, policies and personnel capacity to implement the project in compliance with CDBG-MIT requirements.</li> <li>b) Selected Proposer(s) may be required to provide technical assistance to the subrecipient to gather the required documentation for the Capacity Assessment evaluation.</li> <li>c) Any other services as required by PRDOH.</li> </ul>
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**Milestone is considered accomplished when the Subrecipient completes and submits the Capacity Assessment documentation required to start Capacity Assessment evaluation process.**

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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
Task 1	Sub-Task 1.5 Benefit Cost Analysis <sup>2</sup> (BCA) Support	After receiving project application approval, if the project is a covered project <sup>3</sup> , Subrecipient or PRDOH must perform a BCA.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) must provide all necessary support to PRDOH to perform the validation of the Subrecipient BCA in compliance with CDBG-MIT requirements.</li> <li>b) Selected Proposer(s) may be required to provide technical assistance to the subrecipient to gather the required documentation for the BCA validation.</li> <li>c) If required by PRDOH, Selected Proposer(s) may need to assist PRDOH in gathering the required documentation from the Subrecipient to perform the BCA.</li> <li>d) Any other services as required by PRDOH.</li> </ul>

**Milestone is considered accomplished when Subrecipient completes and submits the documentation require to validate or perform BCA.**

Task 1	Sub-Task 1.6 Subrecipient Agreement (SRA) and SRA Amendments	PRDOH will coordinate with Subrecipients to obtain required documentation and paperwork to complete and sign an SRA or SRA Amendment based on program determination.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) must provide all necessary support to PRDOH in the execution of the SRA or SRA Amendment to implement the project in compliance with CDBG-MIT requirements.</li> <li>b) Any other services as required by PRDOH.</li> </ul>
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**After receiving required Subrecipient acceptance of SRA terms and conditions, including all documentation and paperwork from Subrecipients to complete and sign an SRA based on program determination, Proposers shall submit to PRDOH final SRA with recommendation to proceed to signatures as required by PRDOH.**

Task 2	Sub-task 2.1 Project Plan Development Support	After SRA execution Subrecipient may need to finalize and submit a project plan to PRDOH for review and approval.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) may be required to provide technical assistance to the Subrecipient for the development and submission of the project plan.</li> <li>b) Selected Proposer(s) must perform initial reviews of the project and supporting documentation included in the project plan to ensure they meet all CDBG-MIT, PRDOH, and program specific</li> </ul>
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<sup>2</sup> **Benefit-Cost Analysis (BCA)** is a method that determines the future risk reduction benefits of a hazard mitigation project and compares those benefits to its costs. A project is considered cost-effective when the Benefit-Cost Ratio (BCR) is 1.0 or greater. FEMA *Benefit-Cost Analysis*, access at: [https://www.fema.gov/grants/guidance-tools/benefit-cost-analysis#:~:text=Benefit%2DCost%20Analysis%20\(BCA\),%2DCost%20Ratio%20\(BCR\),](https://www.fema.gov/grants/guidance-tools/benefit-cost-analysis#:~:text=Benefit%2DCost%20Analysis%20(BCA),%2DCost%20Ratio%20(BCR),)

<sup>3</sup> **Covered Project:** Federal Register Vol. 84 No. 169, August 30, 2019, 84 FR 45838 defines a Covered Project as an infrastructure project having a total project cost of \$100 million or more, with at least \$50 million of CDBG funds.

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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
			<p>requirements, including but not limited to: Eligibility, Lifelines Support, Feasibility, National Objectives, and avoidance of Duplication of Benefits. Proposer(s) shall coordinate and assist PRDOH in the review and comment of all iterations of the subrecipient application documents and provide recommendation of application approval to PRDOH.</p> <p>c) Selected Proposer(s) must coordinate and establish timeframes for the submission of the project plan of the proposed project in consultation with PRDOH and subrecipient.</p> <p>d) Provide technical assistance to the subrecipient in the development of the project plan (scope, budget, schedule, eligibility, feasibility, and beneficiaries).</p> <p>e) Any other services as required by PRDOH.</p>
<b>Milestone is considered accomplished when subrecipient submits project plan to PRDOH for review.</b>			
Task 2	Sub-task 2.2 Project Plan Review	After submitting project plan, PRDOH reviews and, as appropriate, authorizes full development of eligible projects based on the eligibility requirements (using applicable procedures, templates, forms, and checklists) of the CDBG-MIT Infrastructure Mitigation Program. After eligibility determination of project, the subrecipient will receive a notification of project eligible for full development.	<p>a) For each project, the Selected Proposer(s) will prepare and submit to PRDOH an evaluation report containing the analysis of each project plan and recommendations to authorize proposed project for full development. Each report must include a justification to allow or disallow full development for each proposed project.</p> <p>b) Selected Proposer(s) must review subrecipient project plan submission and provide comments, if any. If all previous comments have been addressed, recommend approval by PRDOH.</p> <p>c) Selected Proposer(s) must issue a notice of project plan denial and include guidance on actions to the subrecipient in order to take for project development plan reconsideration if the project development plan is to be amended later.</p> <p>d) Any other services as required by PRDOH.</p>
<b>Milestone is considered accomplished when subrecipient receives project plan approval by PRDOH for full project development.</b>			
Task 2	Subtask 2.3 Third Party Cost Estimator Support	After receiving project plan approval, if the project is a covered project or if established	<p>a) Selected Proposer(s) must provide all necessary support to PRDOH to perform the validation of the project cost estimate in compliance with CDBG-MIT requirements.</p>

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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
		by Program requirements, PRDOH must perform a cost estimate validation by Third Party.	<ul style="list-style-type: none"> <li>b) Selected Proposer(s) may be required to provide technical assistance to the Subrecipient to gather the required documentation for the cost estimate validation.</li> <li>c) Any other services as required by PRDOH.</li> </ul>

**Milestone is considered accomplished when cost estimate validation is completed by Third Party Cost Estimator.**

Task 2	Subtask 2.4 Project Report	After project application approval, PRDOH may initiate the coordination of the Project Report.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) must provide all necessary support to PRDOH to prepare the Project Report in compliance with CDBG-MIT requirements.</li> <li>b) Selected Proposer(s) may be required to provide technical assistance to the Subrecipient to gather the required documentation for the Project Report preparation.</li> <li>c) Any other services as required by PRDOH.</li> </ul>
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**Milestone is considered accomplished when Project Justification Report is completed for each project.**

Task 2	Sub-Task 2.5 Subrecipient's Procurement Process Support	After receiving the authorization for full project development, the Subrecipient will be conducting procurement processes to acquire professional services for full development of project(s). The subrecipient will be responsible to acquire all necessary services not limited to: Grant Administration and Project Management, Design Services (Architecture and Engineering), Inspection Services for construction, Permitting, Construction and Project Cost Estimation, in compliance with CDBG-MIT requirements.	<ul style="list-style-type: none"> <li>a) For each project, Proposer(s) may oversee and provide technical assistance to the subrecipient for the development and submission of all procurement documents to PRDOH's Procurement Division, if required.</li> <li>b) Selected Proposer(s) may review all procurement documents and PRDOH's standard operating procedures prior to the submission to the Procurement Division to ensure the compliance with PRDOH's CDBG-MIT requirements, and procedures.</li> <li>c) Provide technical assistance throughout the procurement process to ensure that the process is compliant with PRDOH's CDBG-MIT requirements, and procedures. Coordination with PRDOH may be required until the procurement process is published by the Subrecipient.</li> <li>d) If required, review the subrecipient's selection to ensure the compliance with PRDOH's CDBG-MIT requirements, and procedures.</li> <li>e) Any other services as required by PRDOH.</li> </ul>
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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
<b>Milestone is accomplished when Subrecipient publishes procurement processes.</b>			
Task 2	Sub-Task 2.6 Project Design Development Support	Subrecipient will work with contracted service(s) provider(s) to develop project(s) Design Documents. PRDOH will review each deliverable and provide comments to subrecipient for consideration and revision of documents.	<ul style="list-style-type: none"> <li>a) For project, Selected Proposer(s) must coordinate with subrecipient and require a schedule of deliverables and must follow-up on subrecipient to accomplish deliverable dates.</li> <li>b) Selected Proposer(s) must review delivered documents and prepare a report of the review to determine completeness of documentation, fatal flaws, and consistency with the project scope in the approved application and Environmental Review/Clearance documents.</li> <li>c) For each review, Selected Proposer(s) must provide review comments and the subrecipient shall address the comments through revisions and subsequent submittals.</li> <li>d) Selected Proposer(s) must provide the subrecipient with feedback of results and provide guidance and recommendations to be implemented in the project.</li> <li>e) Selected Proposer(s) must review the cost estimate and coordinate with the subrecipient any revision or clarification to assure the cost estimate complies with CDBG-MIT requirements.</li> <li>f) Provide subrecipients and their design professionals technical assistance and program guidance regarding CDBG-MIT requirements.</li> <li>g) Review the subrecipient's Architect/Engineer's (A/E) design documentation, and provide comments and technical assistance, as necessary, regarding: <ul style="list-style-type: none"> <li>i. Quality of Architectural and/or Engineering drawings, Contract documents and technical specifications to ensure generally accepted design practices are utilized.</li> <li>ii. Fatal flaws in the project design, permitting, schedule, or procurement methods.</li> <li>iii. Consistency with the project performance statement in the SRA to determine whether an amendment to either document is required.</li> <li>iv. Whether the project development documents contain all</li> </ul> </li> </ul>

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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
			<p>relevant federal and local requirements that the contractor must abide by, and the plans and specifications include the appropriate prescriptive and performance specifications to describe the desired results for project construction.</p> <ul style="list-style-type: none"> <li>v. Conformity with the relevant CDBG-MIT grant award, PRDOH Procurement documents.</li> <li>h) Provide technical assistance to the Subrecipient regarding compliance with PRDOH's CDBG-MIT requirements and policies.</li> <li>i) Any other services as required by PRDOH.</li> </ul>
<b>Milestone is accomplished when the subrecipient completes and submits design package for review and documentation.</b>			
Task 2	Sub-Task 2.7 Environmental Process Support	To comply with 24 CFR Part 58 regulation, the PRDOH will coordinate all necessary information with subrecipient to complete the environmental review for each project and provide comments to the subrecipient required to be addressed through revisions of each project design documents.	<ul style="list-style-type: none"> <li>a) The Subrecipient is responsible for performing an Environmental Review in compliance with 24 CFR Part 58 regulation. The Selected Proposer(s) will be responsible for revising the Subrecipient's Environmental Review documentation to confirm compliance.</li> <li>b) Selected Proposer(s) must coordinate all communications and meetings with the subrecipient to obtain all necessary information and documentation to support the environmental process.</li> <li>c) Selected Proposer(s) will review and submit to PRDOH, all required forms for environmental reviews and provide all required documentation to support the environmental findings for exempt activities, activities requiring a Categorical Exclusion (CE) not Subject to 58.5, a CE Subject to 58.5, and Environmental Assessments.</li> <li>d) If required, the Selected Proposer(s) must review environmental review prepared by subrecipients, considering the following: <ul style="list-style-type: none"> <li>i. Determine the appropriate level of environmental review in accordance with the requirements of the National Environmental Policy Act of 1969 (NEPA), as well as to the HUD environmental review regulations at 24 C.F.R. Part 58, PRDOH's CDBG-MIT policies and regulations and all other local, Commonwealth, or federal environmental requirements.</li> <li>ii. Prepare, complete and submit HUD, or review, required</li> </ul> </li> </ul>

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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
			forms for environmental review and provide all documentation to support environmental findings.
			iii. Prepare, complete and submit to PRDOH, or review, all required forms for environmental reviews and provide all required documentation to support the environmental findings for: <ul style="list-style-type: none"> <li>- Exempt Activities</li> <li>- Categorically Excluded Subject to 58.5 (CEST)</li> <li>- Categorically Excluded Not Subject to 58.5 (CENST)</li> </ul>
			e) Environmental Assessments (see Section 3.1 Special Environmental Services).
			f) Any other services as required by PRDOH.

**Milestone is obtained when an Authorization to Utilize Grant Funds (AUGF) is issued.**

Task 3	Sub-Task 3.1 Project Implementation and Construction	Subrecipient will coordinate all construction activities and necessary services to develop the project. PRDOH will monitor and report activities that require compliance with CDBG-MIT program guidelines, policies, and regulations.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) must get familiarized with subrecipient's construction contract and schedule to establish a plan for monitoring activities. Once the subrecipient issues a Notice to Proceed for construction project, the Selected Proposer(s) must be prepared to implement the monitoring plan, develop all necessary monitoring reports, and submit reports to PRDOH.</li> <li>b) Selected Proposer(s) must be aware of subrecipient's intentions to amend construction related contracts and must revise subrecipient backup documentation before the execution of any amendment.</li> <li>c) Selected Proposer(s) must revise for completeness, validate information, CDBG-MIT compliance and recommend for payment all of the invoices submitted by subrecipient that related to project development.</li> <li>d) Selected Proposer(s) must conduct monitoring site visits to validate compliance with required CDBG-MIT programs policies and regulations including: <ul style="list-style-type: none"> <li>i. Reviewing construction progress meeting minutes.</li> <li>ii. Attending periodic construction progress meeting, if necessary.</li> <li>iii. Conducting periodic site monitoring visits, if necessary.</li> </ul> </li> </ul>
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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
			<ul style="list-style-type: none"> <li>iv. Reviewing minutes of substantial completion inspection and punch list.</li> <li>v. Reviewing results of final completion inspection. Attending final completion inspection, if necessary.</li> </ul> <p>e) Selected Proposer(s) must present to PRDOH subrecipient's change orders backup documentation for PRDOH acceptance before implementation. The Selected Proposer(s) must identify and coordinate appropriate actions regarding:</p> <ul style="list-style-type: none"> <li>i. Eligibility and compliance with CDBG-MIT funding</li> <li>ii. Consistency with the Environmental Clearance documents/ERR</li> <li>iii. Whether change order requires subrecipient performance statement and/or ERR amendments</li> <li>iv. Budgetary shortfalls</li> <li>v. Cost reasonableness</li> <li>vi. Schedule overruns</li> <li>vii. Sign-off recommending approval.</li> </ul> <p>f) Conduct/attend Pre-construction Meeting to review CDBG-MIT requirements with successful bidders and local project managers regarding Section 3, Davis-Bacon wage rates and Labor Standards, Change Orders, and MBE/WBE goals.</p> <p>g) Monitoring of construction activities to ensure compliance with applicable CDBG-MIT regulations and policies, particularly:</p> <ul style="list-style-type: none"> <li>i. Labor standards</li> <li>ii. Section 3</li> <li>iii. Equal Employment Opportunity</li> <li>iv. Financial management</li> <li>v. Timely project completion</li> <li>vi. Compliance with building codes and regulations</li> <li>vii. Adherence to project scope</li> </ul> <p>h) Any other services as required by PRDOH.</p>
<p><b>Milestone is obtained with PRDOH's acceptance to perform invoice payment per period. (This assumes that Subrecipient's monthly invoice includes all Subrecipient's contracted services invoiced in the same period.)</b></p>			

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Task ID	Sub-Task ID (Service Name)	Sub-Task Description	Service Required
Task 4	Sub-Task 4.1 Project Closeouts	Subrecipient will complete all required documentation (forms, templates, checklists, etc.) and backup, in compliance with PRDOH's guides, policies and regulations for the administrative Closeout of the SRA. PRDOH will evaluate all documentation submitted by the subrecipient and will validate the Completeness of the submission before issuing the Closeout.	<ul style="list-style-type: none"> <li>a) Selected Proposer(s) must coordinate with subrecipient for receiving the required documentation for Closeout evaluation and will provide all necessary feedback to the subrecipient to assure the Closeout package is complete. Proposer(s) will lead and support: <ul style="list-style-type: none"> <li>i. Perform a review of information in PRDOH's system of record to determine what documents are needed to successfully complete Closeout of the project.</li> <li>ii. Communicate to the subrecipient any outstanding documents required.</li> <li>iii. Proceed to project Closeout, if the subrecipient is in good standing with all documentation.</li> <li>iv. Discuss with PRDOH Legal Division the requests for Closeout procedure of SRA.</li> <li>v. Issue the project Closeout letter to the subrecipient, copying applicable administrative staff.</li> </ul> </li> <li>b) Once the package is complete, the Selected Proposer(s) will coordinate with the PRDOH for processing the Closeout of the SRA and submitting all necessary documentation in PRDOH's System of Record.</li> <li>c) Any other services as required by PRDOH.</li> </ul>

**Milestone per Subrecipient is accomplished when PRDOH authorizes and finishes the Closeout procedure of the SRA.**

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The following sections 3.1 through 3.10 are supplementary to Tasks 1, 2, 3 and 4 presented above, therefore, these services are required and shall be considered intrinsic of the above tasks.

### 3.1. Property Acquisition Support and Oversight Services

For the purposes of this proposal, the term "Property" shall include property owned by the subrecipient before a specific CDBG-MIT project was considered, property obtained in anticipation of a CDBG-MIT project, and property obtained as part of a CDBG-MIT project. As part of services in Task 2 in Table 2, key services for Property Acquisition Support and Oversight include, but are not limited to, the following activities:

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- 3.1.1 Provide technical assistance to subrecipient's regarding requirements for acquisition activities, including developing and disseminating guidance documents regarding Uniform Relocation Assistance and Real Property Acquisition Act (**URA**), Commonwealth of Puerto Rico, PRDOH, and local rules for property acquisition.
  - 3.1.2 Coordinate with and support PRDOH Monitoring Team efforts in monitoring subrecipient property acquisition activities, including providing project specific and subrecipient specific information.
  - 3.1.3 Ensure that property acquisition is in connection with the CDBG-MIT projects. Program Subrecipients to ensure ownership with the proper documentation for every property involving a CDBG-MIT project.
  - 3.1.4 Ensure property acquired for a CDBG-MIT project is legally recorded and properly filed with the Puerto Rico Property Registry.
  - 3.1.5 Ensure that all property acquisition activities comply with all requirements of 49 CFR Part 24 - Uniform Relocation Assistance and Real Property Acquisition, HUD rules at 2 CFR 200.311, and HUD Tenant Assistance, Relocation and Real Property Acquisition Handbook (1378.0). At the appropriate checkpoints, provide oversight and review of acquisition documentation and activities, including but not limited to:
    - Voluntary Real Property Acquisitions
    - Involuntary Real Property Acquisitions
    - Relocation and Tenant Assistance
    - Record Keeping and Reporting
  - 3.1.6 In cases that the subrecipient decides to lease rather than purchase a property:
    - Obtain from the subrecipient the terms of the proposed lease and an estimate of the Property value prior to the execution of the lease agreement.
    - Evaluate in consultation with PRDOH Legal Division, the lease agreement based on the following three (3) factors:

- i. Duration – The lease should be for a duration that is, at a minimum, as long as the anticipated life of the project improvements.
- ii. Cost – The cost of the lease must be reasonable and will be compared to the cost of an outright purchase.
- iii. Compliance with the Uniform Relocation Assistance and Real Property Acquisition Act (URA) – If the duration of the lease is less than fifteen (15) years, PRDOH will determine that the duration was not established for the intentional purpose of avoiding the requirements of the Uniform Act.

**3.1.7** When the subrecipient sends the property owner a Written Offer to Purchase, along with the written Statement of the Basis of the Determination of Just Compensation and the property is tenant-or owner-occupied:

- Ensure subrecipient issues a written Notice of Displacement within thirty (30) days of the date specified for the initiation of negotiation
- Confer with the subrecipient to determine the appropriate relocation procedures to be followed.

**3.1.8** At the time of the Conclusion of Final Negotiations prior to execution of the property acquisition agreement:

- Review the agreement to ensure any amount that exceeds fair market value can be reimbursed under the CDBG-MIT project.
- Issue written documentation of Authorization or Denial to the subrecipient which includes date and initials of the Program Director or his authorized representative.

### **3.2. Program Oversight Monitoring Performance Services**

As part of Tasks 2, 3 and 4 in Table 2, the Selected Proposer(s) must consider preparing and implementing a monitoring plan to review and validate subrecipient's compliance with PRDOH's CDBG- MIT programs monitoring policies, procedures and regulations.

**3.2.1** Proposer must submit the monitoring plan to PRDOH for revision and acceptance.

**3.2.2** Coordinate all necessary monitoring processes for subrecipients and consultants with PRDOH.

**3.2.3** Coordinate and schedule spot monitoring visits to subrecipients/projects to overview utilization of staff dedicated to Program activities.

**3.2.4** Include monitoring activities and concerns within the required monthly reports, including information regarding all subrecipients/subrecipient projects and consultants performing Program activities.

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- 3.2.5 Utilize PRDOH's system of record to follow-up progress on monitoring results and feedback.
  - 3.2.6 Ensure that approved activities are carried out in a timely manner.
  - 3.2.7 Ensure that activities are conducted in accordance with the requirements and the primary objectives of the approved application, subrecipient agreement, Program requirements, and all applicable Puerto Rico's laws, CDBG-MIT regulations, and PRDOH policies.
  - 3.2.8 Ensure that administrative systems, policies, and procedures provide adequate protection for the prevention and mitigation of fraud, waste and abuse.
  - 3.2.9 Conduct reviews to identify deficiencies in subrecipients' implementation of a project or projects. Technical assistance is provided when deemed appropriate to ensure that subrecipients have continued capacity to carry out approved activities.

### 3.3. Invoice Management and Review Services

As part of Tasks 2, 3 and 4 in Table 2, the Selected Proposer(s) must manage and review all subrecipient invoices before these are submitted for PRDOH processing and payment. The Proposer must:

- 3.3.1 Collect all appropriate information and record documents to meet policies and standards set forth by the PRDOH's CDBG-MIT programs.
- 3.3.2 Provide assurance that all appropriate bonding and insurance requirements are in place.
- 3.3.3 Monitor and collect documentation to support Davis-Bacon Act requirements, when applicable.
- 3.3.4 Ensure that applications are conforming to all applicable Uniform Relocation Act (URA) guidelines. If tenants are identified throughout any point in the process, a due diligence must be performed to relocate the tenant, if required, and log appropriate actions into the system of record.
- 3.3.5 Submit necessary reports for required compliance and completeness of invoicing processing, documentation and PRDOH's System of Record.
- 3.3.6 Review and provide recommendation for approval of Subrecipient's payment request.
- 3.3.7 Provide necessary support in the review and submittal of properly completed and compliance CDBG-MIT funding requests to the PRDOH finance division.
- 3.3.8 Track Subrecipient's expenditures of CDBG-MIT funds.
- 3.3.9 Perform any other task necessary to ensure Subrecipient's invoicing management and monitoring compliance.

Milestone for Invoice Management Service is accomplished when completed

monitoring Reports and submitted to the PRDOH within a 3-day period of the actual on-site inspection being performed. Contractor Invoices shall be reviewed, and comments (if any) issued to the Contractor, within a 5-day period of the Program Manager receiving the draft invoice documents.

### **3.4. Operational Services**

As part of Tasks 1, 2, 3 and 4 in Table 2, the Proposer must provide operational supporting services to PRDOH during contract term and must consider the following:

**3.4.1** Offer alternatives to utilize IT solutions that support the management and implementation of all assigned disaster recovery programs/projects. The proposal for these IT solution alternatives shall consider the costs of synchronizing data with IT solutions provided by PRDOH.

**3.4.2** The Selected Proposer(s) lead staff shall be required to attend training sessions given by PRDOH regarding program implementation. After training has been provided to the Selected Proposer(s) lead staff, such lead staff will be responsible for the knowledge transfer to other Selected Proposer(s) staff as well as program subrecipients, as required.

**3.4.3** Any other task necessary to support the programs' operations.

### **3.5. Program Management Task:**

As part of Tasks 1, 2, 3 and 4 in Table 2, the Selected Proposer(s) must consider at least the following responsibilities:

**3.5.1** Provide management services to implement efficiently and cost-effectively the monitoring and compliance of the Program.

**3.5.2** Assist PRDOH in the preparation of training materials to be given to all subrecipients. Trainings may include: Program-specific requirements, Procurement and Contracting, Financial Management, Compliance with CDBG-MIT requirements such as Davis Bacon & Section 3, Environmental Compliance, among other trainings as deemed necessary by PRDOH.

**3.5.3** Provide support to planning, design, development, and implementation of information technology, record keeping, and data tools and solutions to manage, track, and report on the progress and delivery of Program deliverables.

**3.5.4** Establish preliminary Program budgets and projections.

**3.5.5** Aid in the development and management of Program Policy and Procedure guidelines.

**3.5.6** Provide support and coordinate necessary technical training to subrecipient staff.

**3.5.7** Coordinate meetings, conference calls or any other activity required by PRDOH's

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staff or representative to manage the Program.

- 3.5.8** Participate in required training sessions provided by PRDOH's staff or representative or provided by a regulatory agency.
- 3.5.9** Provide support to all subrecipients participating in the Program to identify which project(s) shall be considered for participation in PRDOH's CDBG-MIT Programs.
- 3.5.10** Collaborate, coordinate and provide support to PRDOH's staff or representative with other recovery initiatives or efforts as needed. For example, this may include coordination with other CDBG-MIT Programs or with the Federal Emergency Management Agency (FEMA) Programs such as: Hazard Mitigation Grant Program, Public Assistance, and others as identified.
- 3.5.11** Implement a communications plan to support the individual project efforts
- 3.5.12** Provide the PRDOH's staff or representatives all necessary reports to inform the progress of projects.
- 3.5.13** Utilize PRDOH's system of record platform to maintain daily informative updates, as required. PRDOH will provide access to the system.
- 3.5.14** Provide immediate notification to PRDOH staff or representatives about any situation that may affect the accomplishment of Program tasks.
- 3.5.15** Construction, Project, Program Management Tracking and Reporting and other agreed upon reports to the agency, including:  
a) Labor Compliance Reports and  
b) Risk Management Reports.
- 3.5.16** Develop and manage the necessary systems to sustain construction and/or project management related data.
- 3.5.17** Provide copies of all correspondence with external stakeholders, subrecipients and other parties. Establish efficient library storage frameworks for all program documentation.
- 3.5.18** Perform periodic reviews of construction contractor inspection reports, evaluations of invoices, etc. and inform PRDOH of their findings.
- 3.5.19** Ensure compliance with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act (when applicable), Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act, Fair Housing and Equal Opportunity Standards, and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the execution of the assigned Programs. Take special notes of minimum wage increases planned for Puerto Rico's construction workforce. The Proposer will be required to ensure compliance with minimum wages.

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- 3.5.20** Perform periodic reviews of construction contractor files to ensure compliance with the statutory and regulatory compliance of Section 3 Housing and Urban Development Act of 1968.
  - 3.5.21** Coordinate efforts of compliance with environmental, construction, financial, and HUD regulations.
  - 3.5.22** Establish project performance benchmarks and updated budget comparisons to measure progress and compliance with critical objectives in mind. Critical stages shall be identified, and a monitoring checkpoint established to ensure follow-up.
  - 3.5.23** Adopt portfolio management processes and tools for organizing and managing programs, funds, and project files.
  - 3.5.24** Track and control project schedules.
  - 3.5.25** Establish program timelines, goals, metrics, and deliverables of services in accordance with project funding allocations and production goals specified by PRDOH.
  - 3.5.26** Manage all designated construction, rehabilitation, and repair activities to include, but not limited to, cost analysis, inspections, construction progress, contractors' invoices review, and payment approvals, among others.
  - 3.5.27** Manage all acquisition, demolition, and clearance activities in accordance with Uniform Relocation Act (URA), FEMA requirements, and procedures established by the PRDOH.
  - 3.5.28** Manage program compliance requirements to include programmatic and financial reporting including, but not limited to, coordinating and preparing project and financial management reports with PRDOH designee for federal, state, and local government audits.
  - 3.5.29** Prepare documentation requested by the PRDOH appeals board as applicable. Comply with any requests from the PRDOH appeals board.
  - 3.5.30** Any other supporting functions or task necessary for proper Program management.
  - 3.5.31** Manage effectively any situation that may delay any required delivery and, if deemed necessary, establish a timeline recovery plan to mitigate delays and ensure that final delivery dates are unchanged.

**3.6. Subrecipient Management:**

As part of Tasks 1, 2 and 3 in Table 2, the Proposer must consider to perform the following activities:

- 3.6.1** Create and maintain an updated database or contact list for each of the Subrecipients participating resources, containing at least:
  - i. Full Name
  - ii. Position

- iii. Email Address
- iv. Phone number

This information must be available to PRDOH at all times.

- 3.6.2 Manage, potentially sensitive and nuanced, interaction with Subrecipients including in-person, phone, and email correspondence.
- 3.6.3 Provide a level of quality control for the Closeout of a CDBG-MIT compliant program file.
- 3.6.4 Coordinate with Subrecipients to facilitate the resolution of issues.
- 3.6.5 Manage any disagreements within the subrecipient's team. When necessary, involve PRDOH staff or representatives to address a final resolution.

**3.7. Policy and Regulatory Consulting:**

As part of Tasks 1 and 2 in Table 2, the Proposer must consider the following activities:

- 3.7.1 Prepare a monthly monitoring report providing all required information regarding all subrecipients/subrecipient projects and consultants performing Program activities.
- 3.7.2 Utilize PRDOH's system of record to follow-up progress on monitoring results and feedback.
- 3.7.3 Provide as-needed expert advisory services and analysis regarding the applicability of federal regulations for funded activities.
- 3.7.4 Identify and advise PRDOH on any potential program and project compliance risks and issues and develop mitigation strategies.
- 3.7.5 Work with PRDOH to prepare written reports and analysis and contribute to the preparation of a broad range of policy documents, Action Plan, and other materials regarding the assessment and implementation of programs and projects.
- 3.7.6 Provide strategy support to help PRDOH achieve National Objectives and meet eligibility requirements.
- 3.7.7 Provide support to help PRDOH comply with CDBG-MIT grant closeout requirements including the development of auditable files.
- 3.7.8 Support PRDOH staff in developing and implementing program and PRDOH developed close out processes.
- 3.7.9 Serve as a subject matter expert (SME) on federal policy and regulatory issues.
- 3.7.10 Provide workload and production projections and other agreed upon reports to the agency.
- 3.7.11 Make provisions for the delivery of complete and auditable systems of record upon which PRDOH can rely to retain, update and extract data.
- 3.7.12 Make provisions for the delivery of all requisite reports.

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**3.7.13** Make provisions for various white papers, explanations and professional opinions on an as-needed basis.

**3.8. Document Control and Management:**

As part of Tasks 1, 2 and 3 in Table 2, the Selected Proposer(s) must consider the following activities:

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- 3.8.1** Store, archive, and retrieve physical documents and electronic images of all paper documents, correspondence, training material, and policies and procedures in a secured data warehouse in accordance with HUD regulations and requirements in coordination with System of Record requirements.
- 3.8.2** Establish and maintain protocols for physical file management to include, among other things, document standards and workflows, file naming conventions, access to a file, tracking of location and possession of a file, and return of a file. This assumes that the Proposer will provide the necessary secure space and storage equipment to perform such function. It also assumes that will maintain soft copy backups of originals in their custody.
- 3.8.3** Ensure all project information and documentation is available at all times in the PRDOH system of record.
- 3.8.4** Provide sufficient, appropriate document control and management to meet the financial and documentation requirements for CDBG-MIT grants. At a minimum, the following records are required:
- Records providing full description of each activity.
  - Records verifying that activity meets national and grant objectives.
  - Records related to demonstrating eligibility of activities.
  - Records required to document activity related to real property.
  - Records documenting compliance with Davis-Bacon Act, Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act, Minority Business Enterprise, Women Business Enterprise, Section 3 of the Housing and Urban Development Act of 1968, fair housing and equal opportunity requirement. Financial records and reports required by the Program.
  - Records supporting any specific requirements of the Programs or the CDBG-MIT allocations.
- 3.8.5** Note that the PRDOH will not pay for any work not documented in the PRDOH system of record.
- 3.8.6** Any other task necessary for the proper document control management.

**3.9. Documentation Review & Delivery:**

As part of Tasks 1, 2 and 3 in Table 2, the Selected Proposer(s) must consider the following activities:

- 3.9.1 Coordinate the timely delivery of project documentation with the subrecipient team.
- 3.9.2 Perform a peer review of each delivery.
- 3.9.3 Prepare a report of findings for submission to the subrecipient's team for their revision, correction and resubmission. Provide the PRDOH a recommendation for approval when the subrecipient has successfully accomplish delivery.
- 3.9.4 Follow-up and manage deliveries and timelines

**3.10. Accounting and Reporting:**

As part of Tasks 1, 2 and 3 in Table 2, the Selected Proposer(s) must consider the following activities:

- 3.10.1 Provide reports on a regular basis to keep the PRDOH informed of progress:
  - a. Monthly Report: Prepare monthly reports to inform on progress and status of deliveries and milestones, monitoring and compliance results for each phase/task performed in the development of the Program. The outline template of monthly reports will be established by the PRDOH after this RFP is awarded.
  - b. Final Report: Develop and submit a public-facing final report for all work performed per subrecipient. The final report will discuss the specific work performed under the Program by each subrecipient. Final Report should be submitted in both Spanish and English language versions. The outline template and formatting of the final report will be established by the PRDOH after RFP is awarded.
- 3.10.2 As requested, meet with the PRDOH to discuss the status of the project, subrecipient concerns and any other issues that may have arisen during the administration of the assigned Programs.
- 3.10.3 Provide the PRDOH with project progress reports on demand, as well as access to the project management system for PRDOH to monitor the project.
- 3.10.4 Report on information that includes project activity deemed critical by the PRDOH.
- 3.10.5 Compile and review information necessary to prepare reports required under HUD regulations.
- 3.10.6 **Invoice Processing:** Review all invoicing to PRDOH related to the Program to ensure that delivery was completed in accordance with

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contracting requirements. If the review is acceptable, provide written recommendation to PRDOH in order to generate the corresponding payment. This will include, at minimum, those from Subrecipients and Environmental Services Consultant.

- 3.10.7 Contract Management:** For tasks with an allowance budget, manage work requisitions that require prior PRDOH authorization. Verify task order requests to ensure that resources, hours, scope and cost are necessary, allowable, reasonable and able to be allocated. If deemed acceptable, provide written recommendation to PRDOH to generate the required authorization for the work.
- 3.10.8** Account for and reconcile, (a) all federal funds requested and drawn from HUD and awarded to grant recipients, (b) all funds returned by applicants, including program income, (c) re-allocation of funds returned by subrecipients.
- 3.10.9** Review and submit recommendations for approval of CDBG-MIT funding requests if needed.
- 3.10.10** Review requests for payment from grantees and subrecipients for CDBG-MIT awards. This will include review of all reimbursement of eligible costs as well as cost reasonableness.
- 3.10.11** Any other task necessary to ensure proper accounting and reporting as related to the programs to ensure compliance with established milestones and deadlines.

### 3.11. Special Services

#### 3.11.1 Environmental Services

As part of Task 2 in Table 2, and if PRDOH requires, the Selected Proposer(s) will perform environmental review of projects in compliance with 24 CFR Part 58. The Selected Proposer(s) will be required to perform the environmental tasks for subrecipient's project(s). Tasks regarding environmental services may require additional specialized services to accomplish the environmental review of subrecipient's projects. Therefore, the PRDOH has identified a budget allowance to be included for specialized environmental services in the Selected Proposer(s) contract. When requested, the selected Proposer(s) will be responsible for performing the additional services, specialized studies, additional assessments, or permitting to secure environmental clearance. In that event, the Selected Proposer(s) must notify the PRDOH which specialized environmental service(s) is(are) needed. The Selected Proposer(s) will be responsible for presenting information about the environmental specialized services needed, cost and timeframe.

Specialized Environmental Services may include, but are not limited to:

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- Biological assessments
- Wetland delineations
- Jurisdictional Determinations
- Section 7 Consultation
- Asbestos surveys
- Lead-based paint assessments
- Archeological surveys and studies
- Historical surveys and reports
- Phase I and Phase II ESA
- USACE permitting and other related activities

In addition, to the services described above, Specialized Environmental Services shall include, but not limited to the following:

- i. If necessary, consult and coordinate with necessary local, Commonwealth, or federal agencies to facilitate environmental clearance.
- ii. If necessary, prepare all responses to comments received from public or private entities during comment phases of the environmental review
- iii. Coordinate with subrecipients, subrecipient contractors, the PRDOH or representative to ensure the appropriate level of environmental review is performed and no un-authorized work is conducted prior to issuance of the Authorization to Utilize Grant Funds (AUGF).
- iv. Coordinate the submission of a copy of the environmental review in the system of record.
- v. Perform all necessary site visits to the subrecipient's project location during the development of the environmental review and include findings from the site visit as part of the environmental review.
- vi. Prepare and submit publications for all public notices including, but not limited to, Finding of No Significant Impact (FONSI), Request for Release of Funds (RROF), and early and final notices for compliance with E.O. 11990 and E.O. 11998.
- vii. Develop and complete the appropriate level of environmental review for all subrecipient projects.
- viii. Provide documentation of clearance for parties known to be interested as required by 24 CFR 58.43
- ix. Complete environmental re-evaluations per 24 CFR 58.47, as required.
- x. Be able to perform or contract special studies, additional assessments, or permitting to secure environmental clearance.

### **3.11.2 Legal Services**

The Infrastructure Mitigation Program comprises a wide variety of potential project types, tied to different subrecipient profiles. Applicable laws and regulations under federally funded programs may require the review of project- or subrecipient-specific regulations and defining the corresponding actions to develop the CDBG-MIT activities.

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The different project and subrecipient conditions will imply complex, case-by-case scenarios that shall require expert analysis and implementation guidance to subrecipients in means of developing projects in compliance with CDBG-MIT regulations. Feasibility of projects may be affected by regulatory burdens that, without the clarification and assistance from subject-matter experts, may be incorrectly withdrawn. Consultation with and guidance from a subject-matter expert may be necessary and required by the PRDOH to facilitate problem-solving courses of action for different compliance roadblocks during the Program's development.

#### 3.11.4 Planning Services

As part of the Infrastructure Mitigation Program proposer(s) guidance and support maybe be required for the planning and development of potential project(s) implementation plan. PRDOH deliverable for these services may include the following: executive summary identifying infrastructure risks and needs, baseline project description, recommended project locations (analyze at a regional and local level), and prioritized list of potential projects according to the readiness of the project and the status of the potential facility. Services provided by the Proposer(s) may be required by the PRDOH in means of supporting, defining, or clarifying planning efforts performed by the Applicants or Subrecipients of the INFRA-MIT program.

As part of the Infrastructure Mitigation Program, the proposer(s) guidance and support maybe be required in the specialized services describe above or any other service as required by PRDOH.

When specialized services are required, if the cost is more than \$10,000 (the micro purchase procurement threshold) then the Selected Proposer(s) must develop the scope of services needed and request at least three (3) economic proposals to qualified Subcontractors, with experience performing the required specialized service(s), to perform the required scope of the services. After evaluation of the economic proposals, the Selected Proposer(s) must present to the PRDOH a recommendation for their approval. PRDOH must provide written approval to the Selected Proposer(s) recommended selection including the scope, budget and timeframe for the specialized service. For each specialized services approved, the related allowance amount will be adjusted.

#### 4. PRDOH Reservation of Rights

The PRDOH reserves the right, without limitations, to:

- i. Reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by to be in its best interests.
- ii. Reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services.
- iii. Cancel this solicitation and reissue the RFP or another version of it, if it deems that doing so is in the best interest of the Public Interest.
- iv. PRDOH shall have no obligation to compensate any Selected Proposer(s) for any costs incurred in responding to this RFP.

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- v. To reduce or increase estimated or actual quantities in whatever amount necessary without prejudice or liability to, if:
  - a. Funding is not available.
  - b. Legal restrictions are placed upon the expenditure of monies for this category
  - c. PRDOHs requirements in good faith change after the award of the contract.
- vi. To require additional information from Selected Proposer(s) to determine the level of responsibility.
- vii. To contact any individuals, entities, or organizations that have had a business relationship with the Selected Proposer(s), regardless of their inclusion in the reference section of the proposal submittal.
- viii. To contract with one or more Qualified Proposers as a result of the selection of the RFP or the cancellation of this RFP.

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**END OF SCOPE OF SERVICES**



**ATTACHMENT C**  
**COMPENSATION SCHEDULE**  
**Innovative Emergency Management, Inc.**  
**Oversight Management Services Infrastructure Mitigation Program**

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The following sections contains cost information that considers the quantity of resources, maximum hours and the rate per hour provided by the Innovative Emergency Management, Inc. (IEM) for Oversight Management Services through their Price Form in compliance with the Request for Proposals (RFP) CDBG-MIT-RFP-2022-02.

**Table 1- Innovative Emergency Management Inc.**

<b>Position</b>	<b>Qty. of Resources</b>	<b>Max. Hours Per Month</b>	<b>Rate Per Hour</b>	<b>Estimated Monthly Cost</b>
Program Manager	1	195	\$209.00	\$40,755.00
Deputy Program Manager	1	195	\$168.00	\$32,760.00
Project Manager	2	195	\$150.00	\$58,500.00
Regulatory Compliance Officer	2	195	\$123.00	\$47,970.00
Outreach and Public Relations Coordinator	1	195	\$105.00	\$20,475.00
Program Coordinator	1	195	\$85.00	\$16,575.00
<b>Project Staff</b>				
Project Assistant	3	195	\$77.00	\$45,045.00
Construction Oversight Manager	2	195	\$140.00	\$54,600.00
Environmental Professional	1	195	\$153.00	\$29,835.00
Total Cost Per Month				\$346,515.00
Total Cost for 3 Years (36 months)				\$12,474,540.00
Services Allowance				\$1,000,000.00
<b>Total Cost &amp; Services Allowance</b>				<b>\$13,474,540.00</b>

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

1. **Estimated Qty. of Resources** represents the estimated quantity of personnel to be employed by each key position. Should not be interpreted as a cap on the allowed quantity of staff. Monthly cost caps are established in Note 5 below.
2. **Max. Hours Per Month** Per Resource represents the estimated quantity of monthly

hours to be employed by each key position. Should not be interpreted as a cap on the allowed level of effort per position. Monthly cost caps are established in Note 5 below.

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3. **Rate Per Hour** includes overhead, profit, royalties, reimbursements, travel, fringe benefits, taxes, as well as any other additional fees and administrative costs applicable to the services.
  4. **Estimated Monthly Cost Per Position** represents the estimated cost of positions based on the Estimated Quantity of Resources and the Estimated Hours Per Month Per Resource in the cost form. Should not be interpreted as a cap on the allowed billing per position. See Note 5 for monthly cost caps for the Program Management and Administration Task.
  5. **Monthly Sub-Total** represents the maximum amount that the Program Manager is allowed to invoice for the positions of included in this Cost Form for any given month. An individual position may invoice for an amount greater than that established in the Estimated Monthly Cost Per Position column at any given month; but the total amount to be invoiced for the group of positions may not exceed the Monthly Sub-Total.
  6. PRDOH reserves the right to award to one or more Proposers.

In case of discrepancy between the Price Form and this document (Compensation Schedule) rate per hour and/max hours per month, the Price Form will prevail.

### **Specialized Services (Services Allowance)**

The PRDOH determined the allowance amount to be **\$1,000,000.00** for Oversight Management Services. The amount of the allowance will cover the performance of any and all tasks identified as Specialized Services or under Allowance in the Scope of Services. As part of the Infrastructure Mitigation Program, the Contractor's guidance and support maybe be required in the specialized services describe above or any other service as required by PRDOH.

When specialized services are required, the Contractor must develop the scope of services needed and request at least three (3) economic proposals to qualified Subcontractors, with experience performing the required specialized service(s), to perform the required scope of the services. After evaluation of the economic proposals, the Contractor must present to the PRDOH a recommendation for their approval. PRDOH must provide written approval to the Contractor recommended selection including the scope, budget and timeframe for the specialized service. For each specialized service approved, the related allowance amount will be adjusted.

**END OF COMPENSATION SCHEDULE**

# ATTACHMENT D

## PERFORMANCE REQUIREMENTS

### INFRASTRUCTURE MITIGATION PROGRAM

#### INNOVATIVE EMERGENCY MANAGEMENT, INC.

The Oversight Manager (OM) shall provide services in accordance with the Scope of Services (Attachment B) of this contract.

SUB-TASKS	DESCRIPTION	TIMEFRAME DATES	DELIVERABLES
<p><b>1.3 Project Application Review Competitive Selected Projects</b></p>	<p>After the Applicant completes and submits the required project information and documentation requested through the established system, the OM will first perform a completeness review prior to the eligibility review, scoring and ranking. The results of the scoring and ranking will be presented to PRDOH for review and approval.</p>	<p>Applicable to any Competitive Application Process: The entire project application review process shall take no longer than 100 calendar days, including PRDOH approval timeframes.</p> <p>PRDOH may establish specific timeframes for completeness review, eligibility review, scoring and any other processes covered under the Project Application Review.</p>	<p>For each project submitted, prepare, and submit to PRDOH an evaluation report containing the completeness review checklist, eligibility checklist, eligibility report, scoring, and ranking in order to recommend projects for PRDOH's consideration.</p>
<p><b>Strategic Selected Projects</b></p>	<p>After the Prospective Subrecipient completes and submits the required Project Initial Survey and documentation requested through Preliminary Strategic Project Identification Letter, the OM will first perform a completeness review, prepare an Additional Information Request (as needed) and coordinate Initial Meetings with Prospective Subrecipient prior to the eligibility review. The eligibility review will be presented to PRDOH for review and approval.</p>	<p>Applicable to any Strategic project Selection Process: The entire project application review process shall take no longer than 90 calendar days, including PRDOH approval timeframes.</p> <p>PRDOH may establish specific timeframes for completeness review, eligibility review, scoring and any other processes covered under the Project Application Review.</p>	<p>For each project submitted, prepare, and submit to PRDOH an evaluation report containing the completeness review checklist, eligibility checklist, and eligibility report in order to recommend projects for PRDOH's consideration.</p>

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		other processes covered under the Strategic Project Selection Process.	
<b>1.4 Capacity Assessment Support</b>	After receiving project application approval, PRDOH Monitoring Division will coordinate to obtain the required documentation and paperwork to complete the Capacity Assessment evaluation of the Applicant, as required by HUD.	No later than <b>five (5) calendar days</b> after technical assistance is requested by PRDOH or the Applicant.	For each approved project, provide technical assistance services to the Applicant to complete the Capacity Assessment
<b>1.5 Benefit Cost Analysis</b>	After receiving project application approval, if the project is a covered project, the Applicant or Subrecipient must prepare a BCA. PRDOH may choose to support in this effort, as needed, including assistance to complete any necessary documents to support the BCA or the Covered Project approval by HUD.	Provide feedback resulting from the review of the BCA documents to be provided in writing no later than <b>ten (10) calendar days</b> after a complete set of documents have been delivered by the Applicant or Subrecipient.  PRDOH may establish specific timeframes for additional deliverables associated with the BCA or Covered Project approval support.	For each approved project, if the project is a covered project, provide technical assistance services to the Applicant or Subrecipient, as needed, to gather and complete all BCA related documentation.  For each covered project submitted, provide technical assistance and support to the PRDOH to gather information to complete the Covered Project supporting documentation, necessary for HUD's approval through a Substantial Action Plan Amendment, including but not limited to the Covered Project Narrative.
<b>1.6 Subrecipient Agreement (SRA) and SRA Amendments</b>	After receiving project application approval, PRDOH will coordinate with the Applicant to obtain all required documentation and paperwork to complete and sign an SRA or SRA Amendment based on the Program's	No later than <b>five (5) calendar days</b> after technical assistance is requested by PRDOH, the Applicant or Subrecipient.	For each approved project, provide technical assistance services to the Applicant or Subrecipient to obtain required documentation and paperwork to complete and sign

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<p><b>2.1 Project Plan Development Support</b></p>	<p>After SRA execution, the Subrecipient shall finalize and submit a project plan to PRDOH for review and approval</p>	<p>No later than <b>five (5) calendar days</b> after technical assistance is requested by PRDOH or the Subrecipient.</p>	<p>For each approved project, provide technical assistance services to the Subrecipient to complete the Project Plan Development.</p>
<p><b>2.2 Project Plan Review</b></p>	<p>After submitting project plan, PRDOH reviews and, as appropriate, authorizes full development of eligible projects based on the eligibility requirements (using applicable procedures, templates, forms, and checklists) of the CDBG-MIT Infrastructure Mitigation Program. After eligibility determination of project, the subrecipient will receive a notification of project eligible for full development.</p>	<p>Provide feedback resulting from the revision of the project plan to be provided in writing no later than <b>five (5) calendar days</b> after a complete set of documents have been delivered by the Subrecipient.</p>	<p>For each project submitted by the Subrecipient, prepare, and submit to PRDOH an evaluation report containing the analysis of each project plan and recommendations to authorize proposed project for full development. Each report must include a justification to allow or disallow full development for each proposed project.</p>
<p><b>2.3 Third Party Cost Estimator Support</b></p>	<p>After receiving project application approval, if the project is a covered project or if established by Program requirements, PRDOH must perform a cost estimate validation by Third Party.</p>	<p>No later than <b>five (5) calendar days</b> after support or coordination assistance is requested by PRDOH or the Subrecipient.</p>	<p>For each approved project, provide support and coordination services to the Subrecipient and/or supporting services to PRDOH to validate the project cost estimate.</p>
<p><b>2.4 Project Report</b></p>	<p>After receiving project application approval, PRDOH may initiate the coordination of the Project Report.</p>	<p>No later than <b>five (5) calendar days</b> after technical assistance is requested by PRDOH or the Subrecipient.</p>	<p>For each approved project, provide supporting services to PRDOH to prepare the Project Report in compliance with CDBG-MIT requirements. This may require providing technical assistance to the Subrecipient to gather the required documentation for the Project Report preparation.</p>
<p><b>2.5</b></p>	<p>After receiving the</p>	<p>No later than <b>five (5) calendar days</b> after</p>	<p>For each approved project, provide</p>

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	<p>processes to acquire professional services for full development of project(s). The subrecipient will be responsible to acquire all necessary services not limited to: Grant Administration and Project Management, Design Services (Architecture and Engineering), Inspection Services for construction, Permitting, Construction and Project Cost Estimation, in compliance with CDBG-MIT requirements.</p>	<p>PRDOH or the Subrecipient.</p>	<p>required procurement documentation, as needed. This support may include meetings, documents revisions, cost estimate revision and guidance to comply with applicable procurement regulations. Review and feedback resulting from revision of Procurement Package shall be provided in writing after a complete set of documents have been delivered by the Subrecipient.</p>
<p><b>2.6 Project Design Development Support</b></p>	<p>For each approved project, the Subrecipient shall contract design services. With the services of the A&amp;E provider, the Subrecipient will develop the project's design documentation and will prepare an Environmental Review in compliance with 24 CFR Part 58 - <i>Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities</i>. The Subrecipient shall coordinate with PRDOH to begin the environmental review of project. Before commencing the development of Environmental Review, the Applicant or Subrecipient shall present and coordinate their plan to receive feedback from PRDOH and authorization to perform it.</p>	<p>Review and feedback resulting from the revision of Design Documents Deliveries shall be provided in writing no later than ten <b>(10) calendar days</b> after a complete set of documents have been delivered by the Subrecipient.</p>	<p>For each approved project, provide technical assistance services to the Subrecipient's technical team by reviewing all project development documents related to design, specifications, permits, schedule, cost estimate and environmental review, as needed. For each document package revision, submit one report. The Subrecipient is responsible for the compliance with all applicable state and federal building codes and regulations applicable to each project.</p>
<p><b>2.7 Environmental Process Support</b></p>	<p>Each approved project shall comply with 24 CFR Part 58 regulation, the PRDOH shall review all</p>	<p>Review and feedback resulting from revision of Environmental Review</p>	<p>For each approved project, provide technical assistance services to</p>

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	the Subrecipient. The Subrecipient is responsible to perform an Environmental Review in compliance with regulation and PRDOH will certify it to receive the Authorization to Utilize Grant Funds (AUGF).	<b>ten (10) calendar days</b> after a complete set of documents have been delivered by the Subrecipient.	complete the preparation of the Environmental Review. For each environmental document package revision, submit one report.
<b>3.1 Project Implementation and Construction</b>	For each approved project, the Subrecipient will coordinate all construction activities and necessary services to develop the project. PRDOH will monitor and report activities that require compliance with CDBG-MIT program guidelines, policies, and regulations.	As agreed between the PRDOH and the Subrecipient for each specific project.	For each construction project, implement the oversight plan, develop all necessary <b>monthly</b> monitoring reports, and submit reports to PRDOH. If required, revise all the invoices submitted by Subrecipient during the construction term. Conduct <b>monthly</b> oversight site visits to validate compliance with required CDBG-MIT programs policies and regulations and evaluate project progress.
<b>4.1 Project Closeout</b>	For each approved project completed, the Subrecipient shall provide all required documentation (forms, templates, checklists, etc.) and backup, in compliance with PRDOH's guides, policies and regulations for the administrative close-out of the SRA. The Oversight Manager will aid PRDOH in the evaluation of all documentation submitted by the Subrecipient and will validate the completeness of the submission before issuing the close-out.	Review and feedback resulting from revision of Project Closeout Documentation shall be provided in writing no later than <b>ten (10) calendar days</b> after a complete set of documents have been delivered by the Subrecipient.	Coordinate with the Subrecipient for receiving the required documentation for close-out evaluation and provide all necessary feedback to the Subrecipient to ensure the close-out package is complete. Coordinate with the PRDOH for processing the close-out of the SRA and submitting all necessary documentation in PRDOH's System of Record.
<b>Reporting - Expenditures (Scope of Services</b>	The Oversight Manager must provide periodic or on-demand reports to PRDOH covering	No later than <b>five (5) calendar days</b> after requested by the PRDOH, a staffing	For each period or instance, as required by the PRDOH, a report describing the

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	progress, among other topics.	submitted to the PRDOH for review. The period covered by the forecast report shall be determined by the PRDOH. Subsequent reports are expected to be submitted on a quarterly basis, at minimum.  Other reports, periods, and timelines may be determined by the PRDOH.	the PRDOH to authorize an expenditure estimate for subsequent periods. A template for each report may be provided by the PRDOH or by the Oversight Manager, as determined by the PRDOH.
<b>Invoice Management and Review (Scope of Services, including section 3.3)</b>	The Oversight Manager must review all subrecipient invoices before these are submitted for PRDOH processing and payment.	No later than <b>five (5) calendar days</b> after invoice documents have been delivered by the Subrecipient.	For each invoice, submit to PRDOH a written recommendation of payment including any necessary relevant information and findings.

The Oversight Manager shall develop workplans, schedules, reports and/or any other document as may be requested by PRDOH or its Representative in connection to the above timelines and performance goals. PRDOH reserves the right to add, remove or modify timeframes based on project or subrecipient quantities, or any other conditions that may affect timeframes and deliverables under this Contract. The Oversight Manager shall submit any of such documents for review and approval as requested by the PRDOH within the specified time frame provided for such request. PRDOH reserves the right to request any information to the Applicant or Subrecipient as part of the Grantee's responsibilities.

**END OF DOCUMENT**



**INSURANCE REQUIREMENTS**  
**Oversight Management Services**  
**Community Development Block Grant-Mitigation**  
**Puerto Rico Department of Housing**

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

**Request for Proposals CDBG-MIT-RFP-2022-02**

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

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

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

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

COVERAGE	LIMIT
<b>I. Commercial General Liability:</b>	
• Each Occurrence	\$5,000,000
• General Aggregate	\$5,000,000
• Products & Complete Operations	\$5,000,000
• Personal Injury & Advertising	\$5,000,000
• Fire Damage	\$500,000 (Any one Fire)
• Medical Expense	\$20,000 (Any one person)
<b>II. Employer's Liability Stop Gap:</b>	
• Bodily Injury by Accident	\$2,000,000
• Each Employee	\$2,000,000
• Each Accident	\$2,000,000
• Bodily Injury by Disease	\$2,000,000
• Each Employee	\$2,000,000
• Each Accident	\$2,000,000

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

**INSURANCE REQUIREMENTS**  
**Oversight Management Services**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

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LIMIT
<ul style="list-style-type: none"> <li>• Auto Liability - \$3,000,000</li> <li>• Physical Damages - \$3,000,000</li> <li>• Medical Payments - \$ 20,000</li> </ul>
<b>The Commercial Auto cover must be applied to the following symbols:</b>
<ul style="list-style-type: none"> <li>• Liability Coverage -1</li> <li>• Physical Damages – 2 and 8</li> <li>• Hired – Borrowed Auto – 8</li> <li>• Non-Owned Auto Liability – 9</li> </ul>

**4. (X) Professional Liability for Engineer, Architect and Contractors with Pollution Liability, Environmental Manager Scientist, Architectural, Junior Environmental Scienti**

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

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

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

- (X) each occurrence \$5,000,000
- (X) Aggregate \$5,000,000
- (X) Deductible \$ 20,000

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

**5. (X) Directors and Officers**

Limit - \$10,000,000

**6. (X) Umbrella**

Limit - \$10,000,000

**7. (X)** The policies to be obtained must contain the following endorsements including as additional insured the ***Puerto Rico Department of Housing***

**INSURANCE REQUIREMENTS**  
**Oversight Management Services**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

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**(\*PRDOH), U.S. Department of Housing and Urban Development (HUD), and the Government of Puerto Rico.**

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

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

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

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

1. Be authorized to do business within the Commonwealth of Puerto Rico and have the corresponding license issued by the Commissioner of Insurance.
2. To be enjoying a good economic situation and to be classified under the Category of B+ Rating according by the "Best Rating Guide".
3. Submit to the **\*PRDOH** a written certification as evidence of full payment of premiums by the Contractor. Mention each risk coverage premium separately.
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.

**INSURANCE REQUIREMENTS**  
**Oversight Management Services**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

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7. Indicate in the appropriate place of all insurance policies and/or bonds, the full description of the project, work or service to be rendered.
  8. Not to make any amendments to insurance policies and bonds issued under the special conditions mentioned above, unless approved by the Insurance Section of the **\*PRDOH**.
  9. To ensure that all insurance policies or bonds are issued to comply with all of our special insurance conditions with respect to the period of coverage, type of risk coverage, as well as all limits, as specified, and also to eliminate those exclusions in accordance with our request.
  10. Clarify any questions regarding insurance requirements by any means of communication with the Insurance Section of the **\*PRDOH** under the Secretary for Legal Affairs.

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

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

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

All insurance policies shall remain in effect for the entire contractual period, in case of any order of change and/or amendment resulting in alteration of the original project completion date or total original cost; the **successful proposer** shall take the necessary steps to request the insurer to include such changes in all related insurance policies and/or bond and to submit evidence by appropriate endorsements with effective dates. Cancellations without consent are not accepted.

**INSURANCE REQUIREMENTS**  
**Oversight Management Services**  
**Community Development Block Grant – Mitigation**  
**Puerto Rico Department of Housing**

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

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

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

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

**E. CERTIFICATE OF CONTRACT DIVISION**

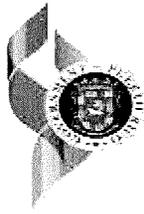
We hereby certify, to our best knowledge and understanding, that we have prepared the aforementioned "**Insurance and Bonds Special Conditions**" after a proper evaluation of the related risks, based on the information of the nature of the project and description submitted to us, as requested by the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

**DESCRIPTION OF THE SERVICES:**

**Professional Services**  
**Architectural, Engineering, and Management Services**

**May 24, 2022**  
Date

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



## ATTACHMENT F

### HUD GENERAL PROVISIONS

Given that the Contract involves funds for which the U.S. Department of Housing and Urban Development (**HUD**) is the oversight agency, the following terms and conditions may apply to this Contract. In addition, Contractor shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at <https://www.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

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**

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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**

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

**5. ACCESS TO RECORDS**

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

**6. MAINTENANCE/RETENTION OF RECORDS**

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

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

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

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

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- (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**

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

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

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

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

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

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

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

**12. AGE DISCRIMINATION ACT OF 1975**

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

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

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

**14. CONFLICTS OF INTEREST**

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

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## 15. SUBCONTRACTING

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

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

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

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

## 16. ASSIGNABILITY

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

## 17. INDEMNIFICATION

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

## 18. COPELAND "ANTI-KICKBACK" ACT

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

Salaries of personnel performing work under this Contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by

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the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. § 874; and Title 40 U.S.C. § 276c). The CONTRACTOR shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

**19. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**  
**(Applicable to construction contracts exceeding \$2,000 and contracts exceeding \$2,500 that involve the employment of mechanics or laborers)**

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

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

**20. DAVIS-BACON ACT**  
**(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation)**

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

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

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

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**21. TERMINATION FOR CAUSE**

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

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

**22. TERMINATION FOR CONVENIENCE**

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

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

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

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

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

Equal Opportunity for Workers with Disabilities:

- 1) The CONTRACTOR will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The CONTRACTOR agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:

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- (i) Recruitment, advertising, and job application procedures;
  - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
  - (iii) Rates of pay or any other form of compensation and changes in compensation;
  - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
  - (v) Leaves of absence, sick leave, or any other leave;
  - (vi) Fringe benefits available by virtue of employment, whether or not administered by the CONTRACTOR;
  - (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
  - (viii) Activities sponsored by the CONTRACTOR including social or recreational programs; and
  - (ix) Any other term, condition, or privilege of employment.

- 2) The CONTRACTOR agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- 3) In the event of the CONTRACTOR's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- 4) The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the CONTRACTOR'S obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The CONTRACTOR must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the CONTRACTOR may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).
- 5) The CONTRACTOR will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the CONTRACTOR is bound by the terms of Section 503 of the Rehabilitation Act

of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.

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- 6) The CONTRACTOR will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

#### **24. EQUAL EMPLOYMENT OPPORTUNITY**

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

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

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

- 1) The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The CONTRACTOR shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 2) The CONTRACTOR shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The CONTRACTOR shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

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- 4) The CONTRACTOR will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers representative of the CONTRACTOR's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  - 5) The CONTRACTOR will comply with all provisions of Exec. Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
  - 6) The CONTRACTOR will furnish all information and reports required by Exec. Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
  - 7) In the event of the CONTRACTOR's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Exec. Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
  - 8) CONTRACTOR shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

**25. CERTIFICATION OF NONSEGREGATED FACILITIES**  
**(Applicable to construction contracts exceeding \$10,000)**

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

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

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

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

**CLEAN AIR ACT**

- 1)--The CONTRACTOR agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- 2)--The CONTRACTOR agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.

- 3)--The CONTRACTOR agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

#### **WATER POLLUTION CONTROL ACT**

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

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

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

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

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

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

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

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

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

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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.

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**28. BONDING REQUIREMENTS**

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

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

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

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

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

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

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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).

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- 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.

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### 30. FAIR HOUSING ACT

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

### 31. ENERGY POLICY AND CONSERVATION ACT

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

### 32. HATCH ACT

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

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

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

### 33. HEALTH AND SAFETY STANDARDS

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

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**34. PERSONNEL**

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

**35. WITHHOLDING OF WAGES**

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

**36. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES**

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

**37. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS**

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

**38. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS**

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

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

**39. INTEREST OF CERTAIN FEDERAL OFFICERS**

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

**40. INTEREST OF CONTRACTOR**

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

**41. POLITICAL ACTIVITY**

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

**42. RELIGIOUS ACTIVITY**

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

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

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

**44. LEAD BASED PAINT**

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

**45. VALUE ENGINEERING**

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

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

**END OF DOCUMENT**

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APPENDIX C

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

**INNOVATIVE EMERGENCY MANAGEMENT, INC.**

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

1. The expected contractor's subcontractors in connection with the contract<sup>1</sup> are the following:

Firm	Principal	Ownership	Proposed Contract Amount*	Role
AG Environmental, PSC	Angel García, PE	100%	\$100,000	Environmental Subject Matter Expertise / Consulting Services
Consolidated Legal Services, PSC	Efrén A. Rotger Sánchez, President	50%	\$290,000	Key Staffing: Regulatory / Legal Compliance & Subject Matter Expertise
	Christian Cintrón Pérez, Vice President	50%		
GRPR, LLC	Javier González Montañéz	100%	\$100,000	Key Staffing: Legal/Insurance Subject Matter Expertise
Ledesma & Vargas, LLC	José L. Ledesma Vargas Rodríguez	40%	\$100,000	Economic Development & Project Finance Consulting
	Rebeca Vargas Ruiz	40%		
	José Rivera Longchamps	20%		
Unipro Architects and Engineers	Carlos A. Pérez, P.E.	33%	\$100,000	Environmental Subject Matter Expertise / Consulting Services
	José C. Mangual, P.E.	33%		
	José L. Figueroa, P.E.	33%		
	<i>Unipro Architects and Engineers – 1% not assianed</i>			
Arcadis Caribe, PSC	Raúl Torres	100%	\$100,000	Environmental Subject Matter Expertise / Consulting Services
Northstar Management, LLC	5S LLC	100%	\$250,000	Key Staffing: Outreach / Public Relations Coordinator & Program Coordinator

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	Principals: Antonio Luis Ferrer Rangel, Maria Luisa Ferrer Rangel, Carlos G. Martinez, Xavier Torres, Craig Lemasters, Carey Bongard, Jossi Fresco,			
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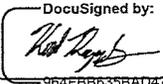
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\*Preliminary estimates subject to change based on project needs.

2. Neither the contractor nor any of its owners<sup>2</sup>, partners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution, or performance of the contract.
3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation, or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.
4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges, or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).
5. Neither the contractor, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation, or execution of the contract, in contravention of applicable law.
6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract and the contractor must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed contract.

I hereby certify under penalty of perjury that the foregoing is complete, true, and correct all the above on this 9 day of December 2022.

DocuSigned by:  
  
 Signature

December 9, 2022  
 Date

Keith Reynolds  
 Printed Name

Manager of Contract Administration  
 Position

<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.



GOVERNMENT OF PUERTO RICO  
DEPARTMENT OF HOUSING

# ATTACHMENT H

## NON-CONFLICT OF INTEREST CERTIFICATION

### INNOVATIVE EMERGENCY MANAGEMENT, INC.

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The CONTRACTOR certifies that:

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

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

DocuSigned by:  
  
964FBB635BAD47E...  
Signature

11/1/2022

Date

Keith Reynolds  
Printed Name

Manager of Contract Administration  
Position

William O. Rodríguez Rodríguez  
William O. Rodríguez Rodríguez (Feb 22, 2023 11:18 AST)



# IEM OVERSIGHT MANAGEMENT SERVICES AGREEMENT Part 1 of 2

Final Audit Report

2023-02-22

Created:	2023-02-21
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAizU4V52YKvth9Vouxe8jHP-qlVuohS2q

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2023-02-21 - 5:54:09 PM GMT
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# IEM OVERSIGHT MANAGEMENT SERVICES AGREEMENT Part 2 of 2

Final Audit Report

2023-02-22

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